

SMALL STATES IN LONG DISTANCE RELATIONSHIPS

*HUNGARY'S EXTRA-REGIONAL PARTNERSHIP-BUILDING
FROM THE COLD WAR TO THE PRESENT*

By

Péter Visnovitz

Submitted to

Central European University
Department of International Relations
and European Studies

In partial fulfilment of the requirements for the degree of Master of Arts
in International Relations and European Studies

Supervisor: Erin K. Jenne

Budapest, Hungary
2014

Word Count: 17 192

ABSTRACT

This thesis analyses the extra-regional partnership-building behavior of small states through the case study of Hungarian foreign policy in two distinct time periods. It attempts to explain why small states build extra-regional partnerships in the Third World, when the existing scientific literature suggests that the constraints of small states generally force them to limit their behavior to their immediate geographic arena. To explain the puzzle, the thesis applies longitudinal process-tracing, and analyses Hungary's partnerships in the Third World between 1956-1986 and 2004-2014. In the first time period the research is based on the analysis of the archived meeting records, proposals and resolutions of the Hungarian Socialist Workers' Party leadership. In the second time period political statements and interviews of Hungarian leaders, and strategic foreign policy documents published by the Hungarian government are analyzed. The main finding of the thesis is that although Hungary's extra-regional activity is constrained by its small state status, special, well identifiable small state needs can explain most of these partnership-building attempts. As a small state Hungary is more dependent on external sources of security, economic prosperity and legitimacy, and the country's extra-regional partnerships appear to be serving these special small state needs.

ACKNOWLEDGEMENT

I am grateful for the encouragement and help of my supervisor, Erin K. Jenne, whose support was crucial in my decision to choose this challenging topic. I am also grateful for my beloved partner, Laura, who stood by me and supported me during the long nights of research and writing. Finally, I am thankful for all my friends at the Central European University who turned my studies at this university into a fantastic and joyful experience, and who shared the experience of learning and researching with me.

NOTE ABOUT THE SOURCES USED FOR THIS THESIS

1. This research uses references to archived documents from the National Archives of Hungary extensively. When referencing these documents, I use the date and registration code of the archives as they are listed in the digital archives of the National Archives of Hungary. Each reference includes the indication of the political body to which the document belonged (CC for Central Committee, PC for Political Committee of the Hungarian Socialist Workers' Party), the date of the meeting (Year, Month, Day), the storage code used in the National Archives of Hungary, and if available, also the page number as indicated in the digital archives. For example, CC 1957. 02. 26.+(288. f. 4/5. ő. e.) p20 stands for page 20 of the meeting records of the HSWP Central Committee on 26 February 1957, stored in the National Archives of Hungary under registration number .+(288. f. 4/5. ő. e.).

2. This research uses substantial number of academic and other sources which were written originally in Hungarian language. When quoting these sources, the footnotes include the original Hungarian title of the sources, with the English translations indicated in brackets. All Hungarian sources are quoted in English, and are translated by the author of this thesis.

Table of Contents

Abstract.....	ii
Acknowledgement	iii
Introduction	1
Chapter I. Argument, Theory and Methodology	6
1.1 Research question: Why to build extra-regional partnerships?	6
1.3 Argument: Distant partnerships and the special constrains of small states	8
1.4 Literature review: Small states' security, economy and legitimacy	9
1.5 Research design and methodology: Two eras of partnerships	13
1.6 Conclusion and thesis outline	19
Chapter II. Hungarian foreign policy and its constraints.....	20
2.1 Did Hungary have a foreign policy at all?	20
Chapter III. Partnership-building in the Cold War era	25
3.1 The appearance of developing countries.....	25
3.2 Security: development aid and military partnerships in the name of socialism.....	26
3.3 Legitimacy: International and domestic support for the communist regime	32
3.4 Economy: emerging needs for markets and resource-suppliers	35
3.5. Summary	39
Chapter IV. Partnership-building in the Post-Cold War era.....	41
4.1 New political settings: transition the NATO and the EU.....	41
4.2 Security: fighting global threats and serving the alliance	43
4.3 Legitimacy - the road to a global foreign policy.....	46
4.4 Economy: Eastern opening and the economic treasure-hunt	50
4.5 Summary	53
Chapter V. Conclusions	55
5.1 Small state needs: similarities and differences in the two time periods.....	55
5.2 Scientific contribution.....	58
Appendix #1: Small state diplomatic toolbox	I
I. Small state diplomatic toolbox in the Cold War period	I
II. Small state diplomatic toolbox in the post-Cold War period	IV
Bibliography	VII

INTRODUCTION

Meeting the Hungarian ambassador in Nairobi, the capital of Kenya 5600 kilometers away from Hungary in the spring of 2013 was a thought-provoking experience. I was deployed to Kenya as an expert for the European Union, he was stationed there as a diplomat of Hungary. As we were both interested in understanding the just concluded elections, he invited me for a dinner. He seemed to be very professional and up to date about the political developments in Kenya, and during the small-talk, he shared fascinating stories about life in Africa. However, the most memorable part of the evening was not listening to his stories or discussing African elections and party politics, but the moment when he showed me around in the building of the Hungarian embassy. The small but elegant, two-story mansion in the outskirts of Nairobi seemed helplessly empty. After seeing the large and busy representations and embassies of the European Union, the United States or the United Kingdom, the Hungarian embassy resembled an abandoned cottage or a haunted house. Only three people worked there, a consul, the ambassador, and his wife, who was employed as a secretary, helping out with visa applications and administrative work. These people, together with a few colleagues 3000 kilometers away in Pretoria, South Africa, were the sole representatives, eyes and arms of the Hungarian state in Sub-Saharan Africa.¹

And it seemed to be all right. Hungary is a small state of less than 10 million people, with limited resources to be spent on diplomacy. If we assume that it uses its resources in a rational way, it seems plausible to have a very limited Hungarian presence in Sub-Saharan Africa. In the past two decades Hungary had hardly any economic or diplomatic interest on

¹ Since then a third Hungarian embassy was opened in the Nigerian capital, Abuja, in late 2013, and government officials indicated the possibility of opening a fourth embassy in Addis Abeba, Ethiopia as well, although no concrete steps were taken so far.

this distant part of the world, and this fact corresponds rather well with the existing scientific literature on small state behavior. Small state theories suggest that small states tend to limit their foreign policy actions to their immediate geographic arena². Accordingly, since the early 1990-s Hungary's stated foreign policy goals were nowhere near Africa or any other part of the developing world: they focused on Hungary's integration to the European Union and NATO, on the protection of Hungarian minorities in the neighboring countries, and on maintaining good relations with Hungary's neighbors in Central and Eastern Europe.³

However, things seem to have changed in the past few years, and what the Hungarian government portrays as a new, ambitious policy of "Global opening" and "Eastern opening", became a process that goes against the expected behavior of small states. Since Hungary held the rotating seat of the EU presidency in 2011, it began to consciously target new partners outside the country's traditional, regional sphere of interest, and decided to build relationships with the distant states of Africa, Asia and the Arab world. Hungarian government officials and ministers started to tour countries like Azerbaijan, the United Arab Emirates, Ghana, Togo, Nigeria, Angola, Namibia, Egypt, Libya, India, Vietnam, China and Russia in an attempt to "diversify Hungary's economic connections"⁴, and to go global, to find partners outside the European Union. What is more, the emergence of these partnership-building policies does not seem to be a unique Hungarian phenomenon, other small states in the

² Hey, Jeanne A. K., *Small States in World Politics : Explaining Foreign Policy Behavior* / Jeanne A. K. Hey, Editor (Boulder, Co. : Lynne Rienner Publishers, 2003, n.d.), 5.

³ István Tarrósy, "Global Opening for Hungary - New Beginning for Hungarian Africa Policy?," *African Studies Quarterly*, no. Volume 14, Issues 1–2 (November 2013): 77.

⁴ "A Globális Nyitás a Magyar Gazdaság Több Lábon Állását Szolgálja (Global Opening Helps the Hungarian Economy to Stand on Many Feet)," *Kormányzat*, February 4, 2014, <http://www.kormany.hu/hu/kulugyminiszterium/globalis-ugyekert-felelos-helyettes-allamtitkarsag/hirek/a-globalis-nyitas-a-magyar-gazdasag-tobb-labon-allasat-szolgalja>.

Eastern part of the European Union begun to test their extra-regional diplomatic potentials as well. Poland, for example, announced a new interest in the economic potentials of Africa and Asia in several foreign policy documents in the past few years.⁵ In his address to the Polish parliament on the goals of Polish foreign policy in 2013, minister of foreign affairs Radosław Sikorski said that “we see the vast and as yet untapped potential of Africa. (...) Together with other government ministries we are reinvigorating intergovernmental ties with the most important actors in Sub-Saharan Africa – the Republic of South Africa and Nigeria. We note Asia’s growing significance(...). Aware of this potential, we are expanding our diplomatic presence in Asia.” Slovakia also pursues partnerships in Asia and Sub-Saharan Africa, in Kenya, Ethiopia, South Africa and Nigeria, “emphasizing economic cooperation”⁶. The same discourse appeared in the Czech Republic, where the Ministry of Foreign Affairs talks about a “strategic shift in strengthening ties with Africa since 2008.”⁷

While the real intentions behind these declarations are not fully measurable, this alleged turn towards the developing world is not a historically unique development in the Eastern European small states, under communist rule they had a similar boom in extra-regional diplomatic attempts. In the decades after World War II, when the peoples of the Third World gradually won their independence from their Western European colonial rulers,

⁵ Address by the minister of foreign affairs on the goals of Polish foreign policy in 2013, p 21, <http://www.ms.gov.pl/resource/b67d71b2-1537-4637-91d4-531b0e71c023:JCR>, Accessed 12 March 2014.

⁶ Direction of Slovak Foreign and European Policy in 2014, MFA of Slovakia, [http://www.mzv.sk/App/wcm/media.nsf/vw_ByID/ID_1E870F04753534FCC1257C7F0048B9F7_EN/\\$File/Direction%20of%20Slovak%20Foreign%20and%20European%20Policy%202014.pdf](http://www.mzv.sk/App/wcm/media.nsf/vw_ByID/ID_1E870F04753534FCC1257C7F0048B9F7_EN/$File/Direction%20of%20Slovak%20Foreign%20and%20European%20Policy%202014.pdf), Accessed 12 March 2014

⁷ The emerging Africa and the Czech Republic: How shall we enhance our partnership?, Report on panel discussion 03.06. 2013, MFA of the Czech Republic, http://www.mzv.cz/file/1013422/The_emerging_Africa_and_the_Czech_Republic_Report.pdf, Accessed 12 March 2014

the small socialist states of Eastern Europe started a previously unseen diplomatic rush to build up their connections with the developing countries. Small states with almost no knowledge about Africa or Asia established embassies in Ghana, Congo, Mozambique, Vietnam, North-Korea or Pakistan, and in accordance with the diplomatic preferences of the “brotherly” Soviet Union, they began to construct new relationships with distant nations. Even though the partnership-building during the Cold War period and in the 21th century differs in many important ways, these attempts of extra-regional cooperation with the developing world are both puzzling for several reasons. For one, we could assume that the constraints of small states limit their ability to reach out to distant partners: how is it possible then that they beat the odds and overcome these constraints? For two, even if these small states are able to overcome their limitations, it is puzzling to see why they attempt to do so, what is the reason for these Eastern European countries to suddenly seek new friends in Asia and Africa?

This thesis attempts to describe and explain small Eastern European states’ extra-regional partnership-building through the example of Hungary in the Cold War era and in the post-Cold War period. I will argue that these extra-regional partnerships serve well identifiable small state needs that concern small states’ security, economic prosperity and legitimacy. Although some theorists of small state behavior expect small states to limit their foreign policy activities to their region, I will show that the special needs of security, economic prosperity and legitimacy can explain the cases where they reach out farther than expected. To show this, I will apply longitudinal process tracing on one single case. I will analyze Hungary’s foreign policy behavior towards extra-regional partners through the help of historic documents, contemporary policy papers and political statements.

The first, introductory chapter will consist of four parts. First I will present my research question in a more detailed way, outline the puzzle that needs to be explained, and present arguments about why the topic is interesting and worth to be researched. Secondly, I will state my argument and hypothesis. Thirdly, I will present a small review of the scientific literature on small states, in order to support my argument and hypothesis. Fourth, I will present my research design, describe my case selection and the source data to be used. The following chapters will then include the actual analyses of the two periods, and the conclusions.

CHAPTER I. ARGUMENT, THEORY AND METHODOLOGY

1.1 Research question: *Why to build extra-regional partnerships?*

The puzzle of this thesis originates in the generally held scientific assumption that small states' foreign policy actions are much more constrained than that of great powers, so they face difficulties in reaching out to distant partners outside their own geographic region. Above all, theorists of small state behavior tend to emphasize the limited capacities and limited diplomatic resources of small states as a defining feature of their foreign policy. In her study, Diana Panke lists several obstacles that small states face in international negotiations.⁸ These obstacles include the lack of administrative and financial resources, the lack of well-equipped delegations, the difficulty in developing positions and negotiating strategies, and the difficulty of influencing negotiation outcomes at all, because small states generally lack the ability to make credible threats or attractive promises.⁹ Based on similar assumptions, Jeanne Hey provides a suggestive list of commonly cited small states behaviors, based on the works of Vayrynen, Espindola, Sutton, Sanders, McGraw, Elman, Baillie, Goetschel and Pace¹⁰. According to this list, small states are expected to (1) exhibit a low level of participation in world affairs, (2) address only a narrow scope of foreign policy issues, (3) limit their behavior to their immediate geographic arena, (4) employ diplomatic and economic foreign policy instruments, as opposed to military instruments, (5) emphasize internationalist principles, international law, and other "morally minded" ideals, (6) secure multinational agreements and join multinational institutions whenever possible, (7) choose neutral positions, (8) rely on

⁸ Panke, Diane "Dwarfs in International Negotiations: How Small States Make Their Voices Heard," *CAMBRIDGE REVIEW OF INTERNATIONAL AFFAIRS* 25, no. 3 (2012): 313–28.

⁹ *Ibid.*, 315.

¹⁰ Hey, Jeanne A. K., *Small States in World Politics*, 5.

superpowers for protection, partnerships, and resources, (9) aim to cooperate and to avoid conflict with others.

This thesis attempts to describe and explain cases where small states seem to defy some of the above listed expectations of the scientific literature. It will focus especially on Jeanne Hey's first and third assumptions by looking at cases where an Eastern European small state, Hungary presented a high level participation in world affairs, and extended its foreign policy behavior to distant geographic regions. My main goal is to theorize why and how did a small Eastern European state, Hungary build extra-regional partnerships in the Cold War era and in the early 21th century. What rational or irrational motives pushed it into diplomatic adventures where it had to face the lack of historic or cultural connections, great cultural and geographic distance, and the almost complete lack of well-functioning networks with the potential partners?

The answers for these questions are far from obvious and far from irrelevant. While theorists of international relations generally focus on the behavior of "big players"¹¹, more than half of the world's population lives in small and medium states, and their security and welfare depend on the foreign policy behavior of their governments. Understanding the mindset of these governments is not a marginal issue, even if their decisions and foreign policy actions can be heavily constrained by great powers. It is important to understand what motivates the small states, and whether their partnerships are truly effective, or they are make-believe projects that are determined to remain meaningless on the long run. Whatever the answer is, Eastern European small nations' attempts to reach extra-regional partners offer

¹¹ Ibid.

useful lessons in small state behavior in general, in a world where multilateralism and global level cooperation becomes more and more common and necessary.

1.3 Argument: Distant partnerships and the special constraints of small states

To explain why Hungary built extra-regional partnerships in the Third World against all the limitations of its small state status, I will employ an argument that is based on small state constraints as well. I will argue that small state status does not only limit a country's diplomatic resources and potentials, but also endows it with special external needs and vulnerabilities that further constrain and influence its possible courses of action. These special small state needs can be derived from the general assumption that in a more and more interdependent world small states have a higher dependence on partners than great powers do. First, small states are more vulnerable in terms of physical security, as they lack the capacity to build an independent and sufficient military defense. Second, small states are more vulnerable economically, as their limited domestic resources often cannot supply a diversified economy, and their potentially developed industries cannot prosper without reaching out to stable export markets. And third, the stability and survival of small states are more dependent on their international and domestic legitimacy, because their security and economic vulnerabilities make them less resistant to international or domestic hostilities, and because they always need international political support in order to influence the international system. These three needs can appear as external dependencies: if a small state cannot satisfy these needs by itself, it has to rely on external partnerships for help. This thesis will employ the concept of these three special small state needs, and will argue that Hungary's partnerships with extra-regional, Third World countries served these needs in both time periods. To put it differently, I will attempt to show that the special small state constraints, needs for security,

economic prosperity and legitimacy pushed Hungary to overcome other small state constraints, namely the limitations of its diplomatic power.

1.4 Literature review: Small states' security, economy and legitimacy

1.4.1 Security

The first special small state need that I will use for explaining Hungary's extra-regional partnerships is security. The existing scientific literature on small states is dominated by the focus on the constraints of size or power on a state's foreign policy action, and within this, scholars tend to emphasize the issue of security. It is a generally held assumption that small states necessarily have to rely on more powerful countries in order to ensure their own security. Neorealists point out that small states have limited defense and security capabilities, so they need to ensure their survival through the help of international institutions or powerful allies: in his book, *Alliances and Small Powers*, Robert Rothstein argues that small powers (1) require outside help, (2) have a narrow margin of safety, and (3) their leaders see their weakness as essentially unalterable.¹² The dependence on outside help, then, at least partially defines the needs and goals of small states, and constrains their freedom of choice, as well as their possible courses of actions. This, we will see, can be an important factor in influencing the process of extra-regional partnership-building.

Some scholars argue that as a result of their natural vulnerability, small states spend a disproportionate amount of foreign policy resources on ensuring physical and political

¹² Robert L. Rothstein, *Alliances and Small Powers* / [by] Robert L. Rothstein (New York : Columbia University Press, 1968, n.d.), 29.

security and survival¹³. However, this does not necessarily mean spending on tanks and huge armies. Béla Kádár argues that even though small states spend a high percentage of their national income on developing external relations (diplomacy, propaganda, cultural-scientific relations, etc.), they spend much less on physical security, because they do not often rely on military means in their external relations.¹⁴ For small states, foreign policy spending on security can also mean that they use their diplomatic potentials to ensure their security in other ways. One such way can be to support a militarily powerful ally's diplomatic interest in international organizations or towards third partners, and get military protection from this powerful ally in exchange for the supportive diplomacy. We will see such a tradeoff in the case of Hungary both with the Soviet Union and with the United States in the two time periods under investigation.

1.4.2 Economy and welfare

The second special small state need that I will use for explaining Hungary's extra-regional partnerships is economic prosperity. When assessing the constraints of small state action, economic interests can be considered just as important as security constraints. Jeanne Hey warns us that a large portion of the small state literature has an outdated focus on security, while "the turn of the [21th] century is possibly the safest moment in history for small states in terms of physical security."¹⁵ To have a better understanding of small states' strategic choices, we need to reassess the realist concept of security: it is not only strong

¹³ Hey, Jeanne A. K., *Small States in World Politics*, 5.

¹⁴ Kádár, Béla, *Kis Országok a Világgazdaságban (Small States in the World Economy)* (Budapest: Közgazdasági és Jogi Könyvkiadó, 1971), 48–49.

¹⁵ Hey, Jeanne A. K., *Small States in World Politics*, 8.

armies (or military alliances) that are necessary for a small state's survival, but also a sustainable domestic economy, with stable international trade that supports the economy with resources and markets. Quoting Perroux and Marcy, Béla Kádár argues that one of the defining features of small states is the dependence on international trade and external markets.¹⁶ While his 1971 book builds clearly on Marxist theories and socialist assumptions, it authentically reflects the economic thinking of small socialist states at the time. According to his argument, resource-poor small states can be especially vulnerable to economic instability, and consequently to domestic instability, because they are dependent on international trade to get the resources they need for their economy. Also, in order to maximize their efficiency, Kádár insists that small states depend on export markets, because developed industrial production with high investment-requirements cannot be profitable if its output is limited to only a small domestic market.¹⁷ According to a study by László Kiss J., the issue of economic security was apparent in the Hungarian thinking about security policy especially from the 1980-s, when “the traditional one-dimensional understanding of security policy was replaced by a complex understanding of security” that put the emphasis on the dangers of an economic Cold War, economic marginalization and isolation, instead of military issues.¹⁸

1.4.3 Legitimacy

The third special small state need that I will use for explaining Hungary's extra-regional partnerships is legitimacy. Domestic legitimacy and international legitimacy are both

¹⁶ Kádár, Béla, *Kis Országok a Világgazdaságban (Small States in the World Economy)*, 38.

¹⁷ *Ibid.*, 41.

¹⁸ Kiss J., László, “A Kádárizmustól Az EU-Tagságig: A Magyar Külpolitika Metamorfózisa (From Kadarism to the EU-Membership: The Metamorphosis of the Hungarian Foreign Policy),” in *Magyar Külpolitika a 20. Században (Hungarian Foreign Policy in the 20th Century)* (Budapest: Zrínyi, 2004), 46.

necessary to consolidate a political regime. We can argue that for small states such legitimacy, domestic or international political support is especially important, because due to their physical and economic vulnerabilities, they have less power to deal with domestic and international political pressures. Furthermore, if a small state wants to achieve its goals in the international system, it needs the support of other states: in this sense, international legitimacy measures whether the country can get this support or not.

When analyzing the political and economic policies of small capitalist Western-European states, Peter Katzenstein showed the importance of domestic legitimacy as a defining factor in small state success.¹⁹ In his analysis, Katzenstein argued that the economic success of small states can be traced back to the balance in their economic flexibility and political stability, the inclusion of all interest groups, the continuous coordination of conflicting interests, and the continuous process of political bargaining.²⁰ This focus on political stability and legitimacy in small states is also supported by the experiences of the post-Cold War period. In the past three decades many failed small states have descended into chaos; states have lost their fight for survival not because they did not have enough arms in the country, but because they failed to achieve a solid institutional legitimacy, domestic and international support, and a stable economy, including an acceptable level of welfare for their citizens.

To sum it up, the existing literature supports our theoretical framework that small states' foreign policy behavior is heavily constrained by three important needs: (1) the need

¹⁹ Peter J. Katzenstein, *Small States in World Markets : Industrial Policy in Europe* / Peter J. Katzenstein, Cornell Studies in Political Economy (Ithaca, N.Y. : Cornell University Press, 1985, n.d.), 29.

²⁰ Ibid., 32.

for physical security, (2) the need for economic prosperity and welfare, and (3) the need for political legitimacy. These constraints are never completely isolated from each other, they interact and support each other's effects. We can assume for example that if a state enjoys a convincing physical security, or it achieves a stable economy with a consequent rise in the population's welfare, these factors contribute to the domestic legitimacy of the reigning regime. Also, we can assume that if a regime gets strong domestic or international legitimacy (for example through the help of friendly propaganda from allied states), it can use the legitimacy to mobilize the population in order to strengthen security or the economy. Identifying these three factors in Hungary's extra-regional partnership-building will help us to understand why a small Eastern European state tries to overcome its diplomatic limitations to make new friends in distant lands.

1.5 Research design and methodology: Two eras of partnerships

1.5.1 Case selection

To analyze the extra-regional partnership-building of small states, I will conduct a case study of longitudinal process tracing, using the cases of socialist and post-socialist Hungary, in the time periods between 1956-1986, and 2004-2014. The analysis of the two time periods will make it possible to reflect the findings of each period to the other. The time periods were defined with the help of political turning points in the country's history: the communist regime of János Kádár came into power at the end of 1956, after the Soviet forces crushed the Hungarian uprising against communist rule, making way to a new, softer dictatorship and its new foreign policy. The end date of the first period is 1986, because – as

James M. Lutz argues – by that time Soviet control over Eastern Europe had begun to decline.²¹ The second time period starts with the year when Hungary's integration to the Euro-Atlantic organizations became complete, when it became a member of both NATO (1999) and the European Union (2004). As the partnership-building process of the second period is still ongoing, this period ends in the present. While we have to acknowledge that a single case study of one Eastern European country severely limits the generalizability of the findings, the limits of this paper and the need of a detailed analytical explanation does not leave space for more cases. However, by selecting a case that can be considered as typical within the scope of the study, we can expect a certain level of generalizability from the results.

Even though the foreign policies of the small states in Eastern Europe had a certain level of variation throughout the 20th century, Hungary can be considered as an ideal-typical case. It is a post-communist country with around 10 million inhabitants, a number that is considered to be within the small state category even by theorists who define the category based on population number²², unlike for example 40 million strong Poland, where we could expect that small state constraints appear less vividly. Hungary has been an independent, sovereign state during both the Cold War era and after the collapse of the Soviet Union, while Czechoslovakia and Yugoslavia disintegrated after the fall of communism, and Belarus and the Baltic states only gained independence afterwards. Hungary, just like most of its neighbors, lacked any colonial ties before World War 2, but built extra-regional partnerships

²¹ James M. Lutz, "East European Trade with the Developing World: Soviet Diplomatic Partner or Economic Self-Interest," *International Trade Journal* 9, no. 3 (Fall 1995): 341.

²² Vital, David, "3. The Inequality of States: A Study of the Small Power in International Relations," in *Small States in International Relations*, New Directions in Scandinavian Studies (Seattle: University of Washington Press, 2006), 7., quoted in Keohane, p 294.

both during the communist era and during its EU-membership. It clearly formulated extra-regional partnership-building policies during the latter time period, which serves as the basis of our puzzle. In addition to it being a typical case for our study, the selection of Hungary is also justified by the fact that the author of this thesis is a native speaker of the Hungarian language, and thus has a comparative advantage in identifying, accessing and analyzing the archived, previously classified documents about Hungarian foreign policy decisions in the top-level decision making bodies of the Hungarian Socialist Workers' Party.

1.5.2. Data and sources

The primary data sources used for the first time period (1956-1986) consist of the archived meeting records, transcripts, proposals and resolutions of the highest level decision-making bodies of the Hungarian Socialist Workers' Party (Magyar Szocialista Munkáspárt, HSWP). Although the Hungarian Ministry of Foreign Affairs (MFA) also produced a large amount of documents about the country's diplomatic activities, the decision to limit the scope of the research to the party documents is justified by the fact that during the communist era all important foreign policy decisions were made by the HSWP leadership in the Political Committee of the HSWP.²³ The Political Committee (PC) comprised 7-15 members, and was the top level operative decision making body of the party. It had weekly or bi-weekly meetings, and made the ultimate decisions about all types of governance issues, including the economy, education, domestic security, media, and foreign policy. In addition to the Political Committee, a much broader and less powerful body of the HSWP also discussed the state of

²³ Szabó, Róbert, *A Magyar Külpolitika Története 1848-tól Napjainkig (The History of Hungarian Foreign Policy from 1848 until the Present)* (Budapest: Helikon, 2011), 276.

international relations regularly: the Central Committee (CC) of the HSWP had 53-127 members²⁴ and met approximately 4-8 times a year²⁵. Although it did not make operative decisions about foreign policy issues, its agenda often included an item where a member of the Political Committee informed the Central Committee about recent international developments. While the archives of the Political Committee are a valuable source of information about concrete decisions, the transcripts of the Central Committee meetings are useful for understanding how the party leadership assessed international developments. In addition to these two sources, a third party body, the Secretariat of the HSWP also provides some information about the foreign policy behavior of Hungary, as its meeting records contain information on inter-party relations among the communist parties of the world.

The meeting records, proposals and resolutions of the listed party bodies were all classified, top secret documents at the time, but they became declassified over the past two decades. All of these documents were transferred to the National Archives of Hungary from the Archives of the HSWP in 1992²⁶, and most of them were digitalized over the following years.²⁷ Research using these documents was made possible by booklets compiled in the

²⁴ The smallest Central Committee was elected in 1957 with 53 members. The committee had the most members in the late 1970-s.

²⁵ This was a general trend, although in some years the Central Committee met only 3 times, while there were also years (like in 1957) when it had 11 meetings overall.

²⁶ Németh, Jánosné, *Az MSZMP Központi Vezető Szervei Üléseinek Napirendi Jegyzékei (The Agenda Items of the Meetings of the Central Managing Bodies of the HSWP)*, vol. 1. book (1956–1962) (National Archives of Hungary, 1995), 1, http://mnl.gov.hu/letoltes.php?d_id=2499.

²⁷ When referencing these archived documents, I will use the date and registration code of the archives as they are listed in the digital archives of the National Archives of Hungary. Each reference will include the indication of the political body (CC for Central Committee, PC for Political Committee, S for Secretariat), the date of the meeting (Year, Month, Day), the storage code, and if available, also the page number as indicated in the digital archives. For example, CC 1957. 02. 26.+(288. f. 4/5. ő. e.) p20 stands for page 20 of the meeting records of the HSWP Central Committee on 26 February 1957, stored in the National Archives of Hungary under registration

National Archives of Hungary, which published the agenda items of the meetings in an organized, digitalized form, making it possible to search for country names or mentions of regions and topics in the agendas.

For the second time period (2004-2014) similar data is not available, as the meeting records of contemporary Hungarian government are still classified. Without such documents, I have based my analysis on the public comments and interviews made by Hungarian political leaders and diplomats. In addition to this, I also used foreign policy documents published by the Ministry of Foreign Affairs, and personal interviews with MFA officials in recent years (archived on the news portal Origo.hu), many of them conducted by the author.

1.5.3 Concepts, definitions and generalizability

Although the analysis of the two Hungarian cases allows a relatively limited generalizability for small states, being a typical case means that they still have important implications for the small state literature. Thus, in order to be able to relate my findings to the literature, I have to define what I mean by the category of small states. Scholars of international relations define small states in many different ways, but despite decades of attempts, no satisfactory definition has been found.²⁸ Some definitions include geographical size, population size, or a country's degree of influence in international affairs.²⁹ David Vital, for example, assigned countries into categories of great, middle and small states based on

number .+(288. f. 4/5. ő. e.). The digital archives are accessible on the following website:

<http://www.digitarchiv.hu/>

²⁸ Pace, Roderick, *Small States and the Internal Balance of the European Union: The Perspective of Small States*, in *Enlarging the European Union: The Way Forward*, Eds. Jackie Gower and John Redmond, Burlington, Ashgate, p 107, quoted in Hey (2003), p 2.

²⁹ Hey, Jeanne A. K., *Small States in World Politics*, 2.

arbitrary measurement criteria focusing on population size and development level.³⁰ However, he himself also acknowledged that this categorization is subjective. The meaning of these absolute numbers also depends on the international context: a country of 10 million people might be seen as a small state in the 21st century, but would have been a great power in the middle ages.³¹

A more useful definition of small states is provided by Robert O. Keohane, who focuses on the level of constraints that small states face due to the lack of their influence in the global international system. Keohane distinguishes between small and big states from an institutionalist point of view.³² He defines four categories: (1) “system-determining states”, which they play a critical role in shaping the international system alone, (2) “system-influencing states”, which cannot individually dominate the system, but may significantly influence it through unilateral or multilateral action, (3) “system-affecting states” that “cannot hope to affect the system alone, but can nevertheless exert significant impact by working through small groups or alliances or [...] international organization”, and (4) “system-ineffectual states” that can do little to influence the international system at all.³³ When talking about small states, I refer to states that belong to Keohane’s third and fourth category, to system-affecting and system-ineffectual states. This definition is useful for my purposes, for it links state size with global influence, and I am specifically interested in small states’ extra-regional foreign policy, because such policies are unexpected for states that find it difficult to

³⁰ Vital, David, “3. The Inequality of States,” 7., quoted in Keohane, p 294.

³¹ see Kádár, Béla, *Kis Országok a Világgazdaságban (Small States in the World Economy)*, 37.

³² Robert O. Keohane, “Lilliputians’ Dilemmas: Small States in International Politics,” *International Organization* 23, no. 2 (Spring 1969): 295.

³³ Ibid.

affect the international system. Using this definition of small states, we can consider all Eastern European EU member states as small states.

1.6 Conclusion and thesis outline

This thesis analyzes the different partnerships that were established between Hungary and developing countries of the Third World, in order to understand why and how these partnerships were conducted. The Hungarian extra-regional partnerships are puzzling, because small state literature generally suggests that small states' limited diplomatic resources prevent them from meaningful foreign policy activities outside their regions. Process tracing will be used in two distinct time periods, for the time of the Kádár regime between 1956 and 1986 when Hungary was a member of the Warsaw Pact and the Council for Mutual Economic Assistance (Comecon), and for the time period between 2004 and 2014, after Hungary's accession to the European Union and NATO. In the second chapter, I discuss general theoretical questions about Hungarian foreign policy in these two periods in order to provide contextual information for the analyzed. In the third chapter, I present a detailed analysis of the Hungarian foreign policy behavior towards the Third World with the help of the declassified meeting records, proposals and resolutions of the HSWP. The fourth chapter will present a similar analysis of Hungary's extra-regional partnership-building in the second time period under the policies of *Eastern opening* and *global opening*. The fifth chapter contrasts the findings of the two time periods, presents the similarities and differences and draws the lessons. I will argue that Hungary's small state status has a dual effect on its extra-regional partnership-building. In one way Hungary is constrained by the limited diplomatic resources it can spend on extra-regional partnership-building, but meanwhile the special small state needs for security, economic prosperity and legitimacy justify and explain these partnerships. The

conclusions from the Hungarian case can provide some contribution to understanding small state behavior in general, which affects the majority of the states and more than half of the world's population.

CHAPTER II. HUNGARIAN FOREIGN POLICY AND ITS CONSTRAINTS

2.1 Did Hungary have a foreign policy at all?

Before dealing with the questions of Hungarian foreign policy in detail, we have to clarify one more basic issue that necessarily affects our whole understanding of topic: whether or not we can treat Hungary's international activities as a real, sovereign foreign policy. This question is especially important in the Cold War period, where even the top level Hungarian policymakers admitted that their decisions closely follow Soviet expectations. Seeing the great unity and harmony between the Hungarian and Soviet foreign policy activities, scholars like János Johancsik drew the conclusion that "in practice it was a compulsory task for the Hungarian foreign policy to follow the Soviet policies,"³⁴ while Mihály Fülöp and Péter Sipos argued that "until the beginning of the 1980-s the Soviet Union thwarted every independent initiative by the Hungarian diplomacy."³⁵ The question of independent Hungarian foreign policy remained relevant in the post-Cold War period as well, when Hungary's foreign policy became constrained by other powerful actors, including the USA, NATO and the EU.

If small, heavily influenced small states had no individual foreign policies, then it would make the analysis of their partnership-building strategies meaningless, as their

³⁴ Johancsik, János, *Magyarország Külpolitikája 1918-1999 (The Foreign Policy of Hungary, 1918-1999)* (Budapest: L'Harmattan, 2010), 242.

³⁵ Fülöp, Mihály and Sipos, Péter, *Magyarország Külpolitikája a XX. Században (Hungary's Foreign Policy in the 20th Century)* (Budapest: Aula, 1998), 446.

activities could all be traced back to great power strategies. However, I argue that it would be wrong to conclude that the almost complete harmony between the Soviet and Hungarian actions, or the Hungarian foreign policy decisions that followed EU or US expectations meant that Hungarian foreign policy does not exist at all. Instead, I argue that the alliances and special relationships altered the utility calculations of the Hungarian leadership (although to different levels in the two time periods), and created a situation where Hungarian leaders perceived the backing of the Soviet, American or European positions to be the best possible strategy for them. I treat foreign policy as a decision made by unitary actors, in this case by states. Consequently, I treat the Hungarian state as a rational, unitary actor, making decisions concerning its relations with other states in the international system. According to this theoretical lens, different political choices were possible for Hungary in both time periods, even under the strong control of the Soviet Union, or under the influence of its Western allies.

To prove this, we can look at the group of small socialist states in the Cold War period that each had their own foreign policy paths, even though they were heavily constrained by their weakness and the interests of the Soviet Union. Yugoslavia, for example, was willing to enter an open conflict with the Soviet Union, and became a leading actor in the non-aligned movement, while Romania remained loyal to Moscow, but conducted a very independent foreign policy and sided with China in the Sino-Soviet split. In this setting, the Hungarian decision not to confront Soviet positions on the global stage of international relations is also a calculated decision with its benefits and constraints for the Hungarian communist regime. According to Hungarian analysts, the loyalty to Moscow in foreign policy issues served as a

bargaining tool to get the Soviet support for projects that were in Hungary's core interest.³⁶ One such interest was the 1968 economic reform, the "New Economic Mechanism" that relied heavily on economic connections with the Western countries, and was clearly disliked by the Soviets. However, according to Johancsik, Moscow accepted the Hungarian initiatives in exchange for the loyalty in international disputes.³⁷ Based on this, we might risk the metaphor to see the Soviet Union as a feudal king who likes to keep his vassals in line, but mostly because it needs them to fight his wars with other kings on the international level. In this metaphor Hungary would be the vassal lord, who would never turn against his king in his international wars, but who is allowed to manage his lower level business by himself, and might make his own deals with other lords in other countries, as far as they are not sworn enemies of the king. "We demur, but you know that in the end we will always be on your side" –János Kádár, the General Secretary of the HSWP told to Leonid Brezhnev in 1968.³⁸ Demurring means that Hungarians always strived to get their own interests through, whenever it was possible.

This utility-seeking attitude can be detected in the most obvious way in the argumentation of János Kádár, when he discussed Hungary's possible reaction to the 1979 Soviet invasion of Afghanistan with the HSWP's top leadership behind closed doors. After Western countries introduced diplomatic sanctions against the Soviet Union in response to its aggression in Afghanistan, Moscow directly asked Hungary to support the Soviet Union diplomatically, and freeze its relationships with the West. Such an action would have hurt

³⁶ Johancsik, János, *Magyarország Külpolitikája 1918-1999 (The Foreign Policy of Hungary, 1918-1999)*, 439.

³⁷ Ibid., 242.

³⁸ Szabó, Róbert, *A Magyar Külpolitika Története 1848-Tól Napjainkig (The History of Hungarian Foreign Policy from 1848 until the Present)*, 284.

Hungarian economic interests badly, so at the closed meeting many members of the HSWP Political Committee argued that they should reject the Soviet request. Kádár, however, made it clear that he does not see this option as beneficial for Hungary:

“Today Hungary has a certain [good] reputation in the international politics. But we have never left any doubt even for a moment about that we are the allies of the Soviet Union. We organized it this way, and on the long term this is the interest of the nation. With other kind of prestige we could only gain short-term, meaningless advantages, and in the end our people would lose on it. This is again a situation where we can pick only from two bad alternatives. But what do you think, how long will they [the Soviets] – please excuse me for the expression – remain thoughtful about our lousy life and our country?”³⁹

The fact that Hungarian leaders focused on their national interest even under great pressure from the Soviet Union confirms that they can be considered as a state with its own foreign policy, even if that policy is heavily constrained by the preferences and the guidance of an external actor, a great power. This model is perfectly compatible with what we have learned so far about the generally constrained nature of small states: in the case of the Eastern Bloc countries, the constraints connected to their need for security, economic prosperity and legitimacy were mostly all tied to their good relationship with the Soviet Union, and this heavily influenced their behavior. However, it did not mean that they forgot to care about their interests, only that their strategic choices were strongly affected by the context and the interests of the Soviet Union.

This is not a unique phenomenon for the Eastern Bloc during the Cold War, but can be rather seen as a general characteristic for small states. In the 21th century the same small states are constrained by other powerful states and institutions, and although the level of

³⁹ Quoted in Békés, Csaba, *Európából Európába (From Europe to Europe)* (Budapest: Gondolat, 2004), 269.

constraints may differ, bending to these constraints usually serves the same small state needs, the need for security, economic prosperity and legitimacy. This is why the small Eastern European states ratified the EU acquis in order to join the European Union, and this is why small NATO members spend vast amounts of their resources on war, peacekeeping and reconstruction in Afghanistan even though most of them had practically no connection to Afghanistan before NATO got involved in the country with the leadership of a great power, the USA. We can argue that constraints in the post-Cold War period are also strong, but they do not make an independent foreign policy impossible either: the Hungarian decision to sign a treaty about strategically crucial Russian South Stream gas pipeline in 2008 against the advice of both the EU and the US is a perfect example for this.⁴⁰ To conclude, we can then accept that analyzing Hungary's partnership-building activity in the two time periods can indeed lead to meaningful findings about small state foreign policy behavior.

⁴⁰ According to a US diplomatic cable released by WikiLeaks, Hungarian Prime Minister Ferenc Gyurcsány entered into the Russian gas pipeline deal even though US President George Bush sent him a letter and advised him against it. See: US Embassy Budapest, *Southern Comfort: Economic Vulnerability, Political Pressure And South Stream* (secret diplomatic cable), Oct 28 2008., <http://wikileaks.org/cable/2008/10/08BUDAPEST1021.html>, accessed May 30, 2014.

CHAPTER III. PARTNERSHIP-BUILDING IN THE COLD WAR ERA

In this chapter I will analyze Hungary's partnerships with the developing world during the Cold War era, and explain the partnerships through the three special small state interests, that of security, legitimacy and economic prosperity. I will show that the unexpected extra-regional partnerships served Hungary's special small state needs. Certain partnerships with certain partner countries in certain years could serve one of the three identified small state interests dominantly, or more of these interests at the same time. As the time period under scope is relatively long, in some partnerships the served small state need could also change: we will see that in some of the relations where Hungary's security need was dominant, the need for economic prosperity could come into play at a later stage. However, one or more of these special needs are always clearly present in the partnerships. In the following part of the chapter, I will first introduce the time period and the importance of Third World countries in it. Then I will show in separate sub-chapters how extra-regional partnerships served Hungary's security, legitimacy and economic prosperity needs.

3.1 The appearance of developing countries

1956 is an ideal starting point for our analysis, because the pro-Soviet Kádár-regime, installed after the crushed Hungarian revolution, had to rebuild Hungary's diplomatic and economic relations from scratch. Before 1956, the Stalinist Rákosi-regime had hardly any external economic relations, because it had attempted to create a self-sufficient system, where extremely limited exports were used only to repay the cost of indispensable imports.⁴¹ The

⁴¹ Szabó, Róbert, *A Magyar Külpolitika Története 1848-tól Napjainkig (The History of Hungarian Foreign Policy from 1848 until the Present)*, 196.

possibility of diplomatic relations with the Third World was just emerging: under Joseph Stalin, the Soviet Union was unwilling to recognize the newly-declared independence of former colonies, and it was Nikita Khrushchev, Stalin's successor at the helm of the Soviet Union, who turned Soviet attention toward developing countries.⁴² The liberation of the colonies began in the 1950-s, and continued throughout the 1960-s and 1970-s, allowing more and more opportunities for European states with no colonial history to get engaged with the newly independent states of the developing world. The scale of change in international relations can be seen by the pure fact that within 4 years, between 1958 and 1961, 20 African states became independent.⁴³ It quickly became a political priority for the socialist bloc to extend its influence to the Third World, and support political changes in these countries in order to encourage socialist or at least "non-capitalist" economic and political development.

3.2 Security: development aid and military partnerships in the name of socialism

Hungary's political and security dependence on the Soviet Union influenced most of its international relations during the Cold War era, so this dependence has to be considered carefully when explaining Hungary's extra-regional partnerships. In this sub-chapter I will argue that several Hungarian partnerships in the Third World can be explained by the Hungarian state's special security needs, originating from Hungary's small state status and its special relationship with the Soviet Union. The argument is based on the fact that Hungary as a small state was not able to defend itself against external threats of the Cold War. And as its

⁴² Ibid., 207.

⁴³ Fülöp, Mihály and Sipos, Péter, *Magyarország Külpolitikája a XX. Században (Hungary's Foreign Policy in the 20th Century)*, 432.

regime trusted its security on the Soviet Union and the Warsaw Pact, it became interested in supporting the position of the pro-socialist forces globally.

Although on a different level of analysis it would be easy to see Hungary as a nation under Soviet oppression, with its security interest being the liberation from Soviet influence, this interpretation is not correct within my theoretical framework. As I treat Hungary as a rational, unitary actor, I identify Hungary's security interests with the interests of the country's leadership and top decision-makers. During the reign of the Kádár regime, the representatives of the Hungarian state were mostly loyal communists, raised to power by Moscow after the 1956 revolution. Many Hungarian scholars argue that János Kádár and his close aids truly believed in the communist cause and the superiority of the socialist ideology⁴⁴. This perception is also supported by the classified meeting records of the party's top decision making body, the Political Committee. The several hundred PC documents reviewed by the author of this thesis upheld the assumption that the Hungarian political leadership saw Hungary's security and prosperity dependent on the global success of the socialist cause. It is possible that this opinion was not shared privately by all individual members of the Political Commission, but none of them questioned it openly at the PC meetings. If we treat Hungary as a rational, unitary actor based on the formulated positions of its political leadership, then we cannot rely on hypothetical interests and positions, but have to accept that the unitary position of Hungary was a vested interest in the socialist cause and the security provided by it. Should the socialist countries have lost the Cold War, the Hungarian state and its political leaders would have surely lost their positions with it. This then forced them to connect their

⁴⁴ Szabó, Róbert, *A Magyar Külpolitika Története 1848-Tól Napjainkig (The History of Hungarian Foreign Policy from 1848 until the Present)*, 277.

own security needs with those of the Soviet Union, and support the Eastern Bloc's diplomatic efforts in developing countries.⁴⁵

This means that Hungary's small state security needs can be used to explain those partnership-building attempts in the early 1960-s which were supposed to support the spread of socialism. Hungary and other small Eastern European socialist countries reached out to many newly independent Third World states to support their fight for "political and economic independence", and supported several national liberation movements where independence was not won yet. In the Cold War rivalry over influence in the Third World, the most preferred outcome of these partnerships was a communist takeover in the newly independent states (as it happened in Guinea, Angola or Mozambique). However, the socialist countries also supported other types of independence-movements that were unwilling to enter into exclusive alliances with the socialist bloc, but which ensured at least their neutrality and non-aligned status in the Cold War. Mihály Simai, head of the Institute of World Economy at the Hungarian Academy of Sciences explained the official Hungarian position about these partnerships in his 1978 booklet, *The Role of Developing Countries in the Contemporary Class Struggle*: he argued that the forces of socialism help the national liberation movements to "weaken the colonial hinterlands of imperialism."⁴⁶ This meant that Hungary, despite being a small state, also fought its own small part in the Cold War, helping the socialist camp to ensure that its international influence did not lose too much ground to the enemy, the Western capitalist powers.

⁴⁵

⁴⁶ Simai, Mihály, *A Fejlődő Országok Szerepe Napjaink Nemzetközi Osztályharcában (The Role of Developing Countries in the Contemporary Class Struggle)* (Budapest: Kossuth, 1978), 30–31.

Cooperation of this nature was clearly supported by the HSWP policy documents. The policy statements of the HSWP party congresses repeatedly declared among their main goals that the Hungarian communists “support the fight of the national liberation movements against the old- and neo-colonialism, the imperialist oppression and aggression”, and that Hungary “improves the cooperation with the independent countries of Asia, Africa and Latin-America.”⁴⁷ The official ideology saw the former colonies as being pushed into trade and monetary dependence by their former colonial masters, as capitalist countries continued their exploitation through the low and unstable prices of resources and raw materials.⁴⁸ To free the developing countries from this hostile “neo-colonial exploitation” and to win them for the socialist cause, socialist countries offered economic help, subsidized loans, and they assisted with different forms of development aid, including the complete construction of manufacturing plants or the deployment of trained professionals to help the development of the Third World countries. In their partnerships, Hungary and other small socialist countries also offered beneficial trade agreements, and scholarships to students from the Third World countries (for details about these methods and tools, see ANNEX 1 at the end of this thesis).⁴⁹

Although financial interests and the idea of developing mutually beneficial economic ties appeared as important factors in these early partnerships, the analysis of the HSWP PC proposals and meeting records suggests that in the early 1960-s Hungary’s economic interests subordinated to the goal of supporting independence movements, socialist and progressive

⁴⁷ Declaration of the 9th congress of the HSWP, quoted by Puja, Frigyes, *Magyar Külpolitika (Hungarian Foreign Policy)* (Budapest: Kossuth, 1980), 62.

⁴⁸ Kende, István and Szentes, Tamás, *Fejlődő Országok Nem-Kapitalista Útja (The Non-Capitalist Road of Developing Countries)* (Budapest: Kossuth, 1966), 41–43.

⁴⁹ Puja, Frigyes, *Magyar Külpolitika (Hungarian Foreign Policy)*, 105.

regimes. In his 1976 economic analysis about the problems of Hungarian cooperation with developing countries, Tamás Szentes also concludes that “in the first period, the Hungarian policy of developing economic relations with the Third World countries hardly contained economic considerations over and above the indicated (...) needs of those to be supported, and the aid-giving capacity (...) of the country.”⁵⁰ Hungarian political leaders urged the improvement of economic relations with the politically preferred Third World regimes, such intentions are clear from a 1962 resolution about Hungary’s relations with Sub-Saharan African countries⁵¹, and a 1964 resolution about Hungary’s relations with the Arab states⁵² as well. However, both documents show that in the early 1960-s economic benefits were very limited, and economic and trade contacts were rather seen as development aid for the partner, especially because partnership-building was dominated by an anti-capitalist philosophy in which the developed socialist country was not allowed to invest capital or to make unfair profits. As Szentes noted, the ideologically motivated partnerships prescribed that there can be no exploitation or one-sided economic dependence in a partnership between Hungary and a developing country, and that the socialist state has to support its partner’s industrialization, rural transformation, education of the national intelligentsia, with fully respecting the partners’ sovereignty.⁵³

The dual but unequal presence of economic considerations and ideological motivations is reflected very clearly in those policy documents where the HSWP PC

⁵⁰ Szentes, Tamás, “A Few Thoughts on the Problem of Hungarian Cooperation with Developing Countries,” *Acta Oeconomica*, no. Vol. 17 / 2 (1976): 146.

⁵¹ PC 1962. 04. 19.+(288. f. 5/263. ő. e.)

⁵² PC 1964. 12. 01. (288. f. 5/353. ő. e.)

⁵³ Szentes, Tamás, “A Few Thoughts on the Problem of Hungarian Cooperation with Developing Countries,” 146.

discussed partnerships with African, Arab or other developing countries in the early 1960-s. The 1962 resolution about the *“Political, economic, cultural and informative tasks of the diplomatic representations of the People’s Republic of Hungary in Black-Africa”*⁵⁴⁵⁵, for example, identified two main tasks for Hungarian partnership-building: (1) “In accordance with our capabilities and potential, we have to gradually increase our participation in helping the countries of Black-Africa, in order to support them in achieving their political and economic independence, and to allow their societies to develop in a progressive direction”, (in the socialist jargon the expression “progressive direction” is used to refer to socialism) and (2) “[We have to] ensure the greater predominance of the principle of mutual benefits in the field of economic relations”⁵⁶. But in addition to these two main tasks, the proposal also included other points that showed the strong security and ideological focus of the partnerships: it urged intensive informative activity in Sub-Saharan Africa to “counterbalance the large machinery of the imperialist propaganda”, and proposed to “do something” against the Western influence in the former French colonies, where Hungary had no diplomatic contact at all.⁵⁷

Hungary was also not reluctant to support socialist allies in Third World with ammunition, arms and other military supplies when Cold War conflicts made it necessary. While it is generally acknowledged that the Soviet Union armed its allies in the countless conflicts of the Third World during the Cold War, the once top secret resolutions of the HSWP PC reveal that the small socialist states also had their part in it. Among others,

⁵⁴ Black-Africa (Fekete-Afrika) is a generally accepted term in the Hungarian language, used in reference to Sub-Saharan Africa, and considered to be politically correct even today.

⁵⁵ PC 1962. 04. 19.+(288. f. 5/263. ő. e.)

⁵⁶ Ibid., p61

⁵⁷ Ibid., p21.

Hungary provided arms and ammunition to the pro-Soviet forces in Guinea in 1965⁵⁸, to North-Vietnam throughout the decade of the Vietnam War⁵⁹, and also to the Arab states in the Middle East to support their wars against Israel.⁶⁰ The justification for the military aid was that it is necessary to protect the “progressive regimes”⁶¹. When discussing the military support for Syria and Egypt in 1967, János Kádár even added that “if they fight against the imperialists elsewhere, we will have to help them elsewhere as well.”⁶²

3.3 Legitimacy: International and domestic support for the communist regime

The special small state needs for legitimacy appeared in the Cold War period both on the domestic and the international level for the Hungarian state, and the Kádár regime tried to use its international relations extensively in order to consolidate its stance in both spheres. The political support from developing countries seemed to be extremely important in the regime’s first years after 1956, when the 1956 Hungarian revolution heavily damaged both the regime’s domestic legitimacy and its international recognition. After the crushed revolution, Hungary faced diplomatic isolation by the Western countries and in the United Nations, with the Hungarian delegation’s mandate left in abeyance, and with UN resolutions being accepted every year, condemning the Hungarian regime and the intervening Soviet government. At the 26 February 1957 meeting of the HSWP Central Committee, János Kádár explained that “our government is working under the thorough pressure of the imperialists”, adding that Western powers try to “boycott” the Hungarian government in every level, they

⁵⁸ PC 1965. 09. 14. (288. f. 5/374. ő. e.) p 127-131

⁵⁹ PC 1965.09. 14.+(288. f. 5/374. ő. e.) p125-126

⁶⁰ PC 1967 / 07. 18. (288. f. 5/430. ő. e.) p 10-25

⁶¹ PC 1967 / 07. 18. (288. f. 5/430. ő. e.) p 47

⁶² Ibid., p 24

do not recognize the regime, and even though they did not break diplomatic contacts with Hungary, Western diplomats avoid every possible contact with the representatives of the Hungarian government.⁶³

Many Hungarian scholars argue that newly established relations with developing countries played an important role in helping Hungary break out of its international isolation: the regime began a series of diplomatic visits in India, Burma, Nepal, Indonesia, Syria, Egypt and Sudan, meeting, among others, Nehru and Nasser, the respective leaders of India and Egypt, and hosting the presidents of Indonesia and Ghana in Budapest.⁶⁴ These visits were given an extraordinary publicity in the domestic media, portraying them as meetings of historical importance, thus strengthening the legitimacy of the regime at home.⁶⁵ The good, or at least neutral relationship towards the newly independent colonies delivered its results for legitimizing the Hungarian government internationally, at the United Nations. In 1958 61 states voted yes for keeping “the Hungarian question” on the agenda of the UN General Assembly, with 10 votes against and 10 abstaining. This majority melted step by step as newly independent states acquired UN membership; by 1962 the balance of forces changed to only 43 yes, 19 no and 34 abstention. Seeing the obvious trend, the US finally decided to make a deal with Hungary, and voluntarily remove the Hungarian question from the agenda of the UN GA in exchange for general amnesty in Hungary for the political prisoners.⁶⁶

⁶³ CC 1957. 02. 26.+(288. f. 4/5. ö. e.), p 20-21

⁶⁴ Szabó, Róbert, *A Magyar Külpolitika Története 1848-Tól Napjainkig (The History of Hungarian Foreign Policy from 1848 until the Present)*, 266.

⁶⁵ Ibid.

⁶⁶ Fülöp, Mihály and Sipos, Péter, *Magyarország Külpolitikája a XX. Században (Hungary's Foreign Policy in the 20th Century)*, 463.

The role of partnerships with developing countries in supporting Hungary's legitimacy was acknowledged by János Kádár at a CC meeting on November 1, 1957. Here he referred to the fact that these partnerships are widely reported in the domestic media, and talked about that the good relations with these countries serve Hungary's reputation internationally. "Our good relationship with the different countries of the Middle-East progressed further. The comrades [in the Central Committee] can know this from the newspapers"⁶⁷ – he stated, adding that Hungary invited Indonesian, Indian and Sudanese delegations to Budapest, and that the relations also improved with Egypt. Then he went into details about a Japanese delegation of social-democratic politicians who visited Hungary while touring the socialist bloc, and who "made generally loyal statements" that they "consider us to be their fighting comrades". "These political visits are good politically (...), because their positive evaluation of the People's Republic of Hungary will become known and will influence the workers there [in Japan] in a positive way. (...) These people are deeply impressed by the [Hungarian] consolidation and they go home generally with such experiences that will have a disrupting effect on the imperialist propaganda in their neighborhood."⁶⁸ Here the notion of "imperialist propaganda" clearly refers to the Western campaign against the Hungarian government's legitimacy, while "consolidation" refers to the regime's ability to rebuild Hungary after the destruction of the revolution. Thus such extra-regional partnerships were understood to be clearly serving the Hungarian regime's interest in regaining its positive international image, international legitimacy, and also in strengthening its domestic acceptance by referencing the support of distant friends in the domestic propaganda.

⁶⁷ CC 1957. 11. 1.+(288. f. 4/13. ő. e.) pp 2

⁶⁸ CC 1957. 11. 1.+(288. f. 4/13. ő. e.) p 3

The legitimating role of these partnerships with developing countries could remain important through the next decades as well, mostly because many of the partner countries shared the ideological principles of the Hungarian regime. The regime was not too shy to use this tool to strengthen its propaganda in the media or in political speeches. Party leaders and the declarations of the HSWP's congresses constantly took pride of the steadily growing number of Hungarian diplomatic contacts and established embassies in the developing world. They kept advertising the honor and reputation of Hungary in distant lands. A speech of János Kádár at an election rally in 1971 illustrates this perfectly:

*“Today the Hungarian people have honor! (...) Our nation's population is small in numbers, and our homeland is not big either, and maybe this makes it even more honorable that we are seen as one of the countries that lead progress [in the world]. During the various international meetings, when we meet people from almost all parts of the world, it is repeatedly confirmed that even in countries very far from us, we have honest friends, who support us by wishing further successes: Keep going this way, Comrades! Because they believe that they themselves are also interested in our successes.”*⁶⁹

However, we also have to recognize that after decades of consolidation, the role of extra-regional partnerships in domestic legitimacy became less and less relevant. By the 1980-s, when economic considerations became more important in the extra-regional partnerships, the legitimating factor was much less emphasized: in a 1982 Political Committee resolution on the tasks of agitation and propaganda about international affairs, the topic of Third World partnerships was not even mentioned anymore.⁷⁰

3.4 Economy: emerging needs for markets and resource-suppliers

⁶⁹ Quoted by Johancsik, János, *Magyarország Külpolitikája 1918-1999 (The Foreign Policy of Hungary, 1918-1999)*, 271.

⁷⁰ PC 1982. 04. 14.+(288. f. 5/851. ő. e.) pp 62-74.

According to my hypothesis, the third special small state need that can explain Hungary's extra-regional partnership-building is the need for economic prosperity, including the need to have export markets for Hungarian products, and the need to have access to resources that supply the small state's economy. This explanation becomes more and more relevant in the second half of the 1960-s, and especially in the 1970-s, when the nature of Hungary's partnerships with the Third World gradually started to change. The economic element that was rather limited in the beginning of the decade started to gain more importance due to two important factors. Firstly, Hungary introduced an economic reform, the New Economic Mechanism (NEM) in 1968, which forced the economy to rely much more on external economic connections and export. Secondly, by the early 1970-s, resource-dependent Hungary began to face worsening conditions in its supply of raw materials within Comecon. While in January 1961, a report for the HSWP Political Committee about a 20-year plan of Hungarian economic development discussed the importance of external trade and the issue of raw material supplies without mentioning the Third World at all⁷¹, a similar report in January 1972 about "the long-term questions of solving our resource issues" already stated that Hungary must be prepared for buying large amounts of raw materials from the developing countries.⁷² The reason was simple: price changes in the world markets started to rewrite the rules of international trade, and meanwhile the Soviet Union had also modified its resource-supply policy. The 1972 report recognized that due to the new Soviet conditions, Hungary has to expect growing prices, and "its beneficial position on resource import will worsen". While it argued that it would be best to keep the raw material trade within the Comecon, it forecast a

⁷¹ PC 1961. 01. 24.+(288. f. 5/219. ő. e.) p 76-81

⁷²PC 1972. 01 . 11.+(288. f. 5/572. ő. e.) p 31-41

20% drop in the import from socialist relations, and urged quick steps to secure new sources in the Third World, especially for oil, natural gas and electricity.

This shift in the economic situation did not mean the end of the politically motivated partnerships, but made Hungarian decision-makers more aware of the need to pursue mutually beneficial cooperation, and of the fact that Hungary can have serious economic interests in its Third World partnerships. While delegates to African and Middle-Eastern countries were still instructed by the Political Commission to promote the socialist camp's foreign policy goals, their delegations began to be filled up with economic experts, and were mandated to sign long-term economic agreements wherever they travelled.⁷³ During a debate about the trade policies towards the developing countries in 1968, experts proposed that Hungary should distinguish between politically and economically motivated partnerships, and set up a separate budget for those relations that were political in nature.⁷⁴

This report for the PC already showed how consciously Hungarian policy makers focused on these relations, arguing that trade with the developing countries is more beneficial than with the developed West, it provides income in hard currency, and allows Hungary to sell even those poor quality products that would not be competitive enough in the Western markets. However, they also recognized challenges and difficulties, most importantly the fact that developing countries are less and less willing to buy Hungarian exports without Hungary making commitments to spend the income on imports from the same country. The worsening

⁷³ For example: PC 1972. január 11.+(288. f. 5/572. ő. e.) about a delegation to Iraq, Syria, Egypt, Yemen, or PC 1973 10. 9. (288. f. 5/621. ő. e.) about a delegation to Sierra Leona, Nigeria, Ghana, Tunisia

⁷⁴ PC 1968. 02. 13. (288. f. 5/445. ő. e.) p46-51, 81-91

conditions also brought a change in the socialist development cooperation discourse. While debating the future trade policies towards developing countries in 1968, a member of the Political Committee argued that Hungary had to study “how to build our partnerships in a socialist way, but by considering capitalist methods as well.” Seeing strong competition from Western states and multinational companies, he went on to argue that development assistances should be used better to support Hungary’s economic interests. “It is impossible to calculate the utility of sending a doctor, an economist or a teacher for assistance [to a developing country]. However, we can see that the neocolonial powers can gain a huge influence in these countries with this method. But our potential in this sense are not utilized at all.”⁷⁵

In retrospect, the 1970-s and early 1980-s were seen as a new era for Hungarian external relations by economic scholars. Some of them, like József Bognár, one of the developers of the New Economic Mechanism, indicated already in 1976 that there was a great change in the world economy and Hungary was reacting to that.⁷⁶ Later, Béla Kádár described the period between 1973 and 1983 as a time when “developing countries defined the most dynamic sector of the Hungarian external economy.”⁷⁷ The great increase in Hungarian trade was due to the explosion of oil prices, which allowed several oil producing countries to afford Hungarian imports, especially machinery. According to László Láng, from 1974 to 1982 Hungarian exports to the Third World grew twice as fast as their overall exports, with the

⁷⁵ Ibid.

⁷⁶ Bognár, József, “A New Era in the World Economy and Hungarian Foreign Economic Strategy,” *Acta Oeconomica*, no. 17 / 3–4 (1976): 227.

⁷⁷ Kádár, Béla, “Magyar Külgazdasági Stratégia a Nyolcvanas Évek Második Felében (The Strategy of Hungarian External Economy in the Second Half of the 1980-s),” in *Magyar Külgazdasági Stratégia a Nyolcvanas Években (The Strategy of Hungarian External Economy in the 1980-s)* (Budapest: Közgazdasági és Jogi Könyvkiadó, 1987), 78.

Arab countries, Iraq, Iran and Nigeria being the main sources of this growth.⁷⁸ By 1980 the share of trade with developing countries reached 8-9% of Hungary's total trade⁷⁹. However, after 1982, with a sharp fall in oil prices, the “feverish age of shopping” ended in the Arab world, and the dynamic growth of export also stopped.

3.5. Summary

In this chapter I described and analyzed Hungary's partnership-building attempts in the Third World in the first time period, during the Cold War era between 1956 and 1986, with the help of archived meeting records, proposals and resolutions from the Political Committee and the Central Committee of the Hungarian Socialist Workers' Party. The analysis showed Hungary's extra-regional partnerships were very strongly influenced by the interests of the Soviet Union, but they also served Hungary's three identified special small state needs. During the early 1960-s the analyzed partnerships were dominated by Hungary's security needs that encouraged the Hungarian leadership to support the socialist positions in the Cold War, and back countries in the Third World in order to strengthen friendly regimes. In the second half of the decade, however, economic interests became dominant as well, with Hungary trying to focus more on economic benefits, in order to find new export markets for its products and new resources to supply its industry. During the first two decades the extra-regional partnerships also served Hungary's needs for domestic and international legitimacy: the latter was most apparent during Hungary's Western isolation at the UN, while the former

⁷⁸ Láng László, “Gazdasági Együttműködésünk a Fejlődő Országokkal: A Kapcsolatfejlesztés Stratégiája (Our Economic Cooperation with the Developing Countries: The Strategy of Partnership Development),” in *Magyar Külgazdasági Stratégia a Nyolcvanas Években (The Strategy of Hungarian External Economy in the 1980-s)* (Budapest: Közgazdasági és Jogi Könyvkiadó, 1987), 172–175.

⁷⁹ Puja, Frigyes, *Magyar Külpolitika (Hungarian Foreign Policy)*, 110.

was present in the regime's domestic propaganda that kept referring to Hungary's international supporters. In conclusion we can claim that the special small state needs of security, economic prosperity and legitimacy have a plausible explanatory power for the unexpected small state behavior of extra-regional partnership-building in this time period.

CHAPTER IV. PARTNERSHIP-BUILDING IN THE POST-COLD WAR ERA

After reviewing the motives of Hungarian extra-regional partnerships in the Cold War era, I will now turn my attention to the second time period under investigation, Hungary's post-EU-accession years. Similarly to the previous chapter, I will argue that the emerging extra-regional partnerships serve the three special small state needs, that of security, economic prosperity and legitimacy after 2004 as well. In this chapter I will first shortly describe the transition between the Cold War and post-Cold War period. Then I will again show in separate sub-chapters how extra-regional partnerships served Hungary's security-, legitimacy- and economic prosperity needs.

4.1 New political settings: transition the NATO and the EU

After the end of the Cold War the small states of Central- and Eastern Europe faced new realities both in terms of dealing with their small state needs, and in terms of maintaining their partnerships with the Third World. Concerning their small state needs, all of them (with the exception of some of the disintegrated and war-torn post-Yugoslav states) made identical choices to ensure their security, economic prosperity and legitimacy: within two decades they all joined new alliances and a new kind of economic cooperation, switched sides from the Warsaw Pac to NATO, and from Comecon to the European Union. The fate of their partnerships with the Third World is less clear, and it would require a separate study to analyze how all these connections disappeared almost completely. However, one important reason for breaking ties with the formerly important Third World partners is likely to be the same as the reason for the extreme drop in the economic cooperation between the former Comecon members. The existing, ineffective economic partnerships broke up as the opportunity of full-scale Western integration appeared, and trade was drastically realigned

towards the developed Western countries. During the transition to capitalism most of the large, export-oriented state-owned companies were privatized and / or went bankrupt; as a result most of the Eastern European small states' old economic partnerships ceased to be operational.⁸⁰

The lack of Hungarian attention towards the developing world can be attributed to at least two factors. Firstly, in the years of transition Hungary (just like other Eastern European small states) had many problems on its hands both politically and economically, with the transformational recession hitting its economy quite hard.⁸¹ In these years, the Eastern European small states, most of which aided developing countries for decades, could not afford such donations anymore, as they became aid recipients who struggled to transform their economy with the help of the developed Western donors.⁸² It was not until their accession to the EU that they could re-take the role of development aid donors, although among very different circumstances.⁸³ Secondly, during the transition years Hungary's foreign policy took up a limited, regional focus. As we already mentioned in the introduction, the three pillars of Hungary's foreign policy priorities included political, economic and military integration to the West, regional cooperation with the neighbors and the protection of Hungarian minorities

⁸⁰ for the realignment of socialist trade, see: Csaba, László, *The Capitalist Revolution in Eastern Europe* (Hants: Edward Elgar Publishing Ltd, 1995).

⁸¹ see: Kornai, János, "Transformational Recession: The Main Causes," *Journal of Comparative Economics*, no. 19/1 (August 1994): 39–63.

⁸² see Oprea, Mirela, "Development Discourse in Romania: From Socialism to EU Membership," in *Development Policies of Central and Eastern European States - From Aid Recipients to Aid Donors* (New York: Routledge, 2013), 66–82.

⁸³ O. Horky and S. Lightfoot, "From Aid Recipients to Aid Donors? Development Policies of Central and Eastern European States," *PERSPECTIVES ON EUROPEAN POLITICS AND SOCIETY* 13, no. 1 (2012): 1–16.

within the region.⁸⁴ This foreign policy aimed to stabilize the new order by acquiring security, economic and political support from Hungary's new allies, while limiting the foreign policy activities to the close neighborhood, to affairs that directly affect the population.

4.2 Security: fighting global threats and serving the alliance

After a short, transitory period of neutrality, Hungary's small state security needs started to be taken care of by another powerful military alliance, NATO. The global struggle between the socialist and capitalist world came to an end, but this did not mean that as a member of a military alliance, Hungary could be left out of security-based extra-regional cooperation for a long time. After joining NATO and the EU, new extra-regional partnerships emerged that can be explained by Hungary's special security needs: Hungary joined military mission and reconstruction efforts in the Third World, in Afghanistan and Iraq to take out its part from a new kind of global war, characterized by US president George W. Bush as the War Against Terror. In the following section I will argue that Hungary's involvement in Afghanistan and Iraq can be explained by Hungary's security interests and needs. I will argue that these security needs came partly from the perception that the global threat of terrorism was a threat for Hungary, but more importantly from the understanding that Hungary had to contribute to the efforts of its great power ally, otherwise it would not be able to rely on NATO protection when it is needed.

In NATO Hungary had to prove its loyalty already a few days after its accession, when it had to support the 1999 intervention in Kosovo. Hungary soon became involved in

⁸⁴ Kiss J., László, "A Kádárizmustól Az EU-Tagságig: A Magyar Külpolitika Metamorfózisa (From Kadarism to the EU-Membership: The Metamorphosis of the Hungarian Foreign Policy)," 52.

missions in developing countries outside Europe as well. From 2003 it began to participate in the peacekeeping activities of NATO's ISAF force in Afghanistan, and from 2006 it took over the leadership of a Provincial Reconstruction Team (PRT) in Afghanistan's Baghlan province.⁸⁵ The operation of the Hungarian PRT meant that Hungary started to stream a decisive portion of its re-introduced development assistance to the Central-Asian state, although previously Afghanistan has not been seen as a potential partner for Hungary at all.⁸⁶ At the same time, also through NATO, Hungary participated in the stabilization of Iraq from 2003. While during the Cold War era the Iraqi leader, Saddam Hussein was a friend and partner of the Hungarian regime, and even visited Hungary in 1975⁸⁷, in the changed political settings Hungarian forces were involved in training the military and police forces of the post-Saddam regime between 2003 and 2006, and also in 2007.⁸⁸

All these engagements can be considered as commitments that were made to indirectly fulfill Hungary's security needs. Both missions were legitimized by the discourse of the "War Against Terror", which was seen as being fought against a global security risk. American diplomatic cables published by WikiLeaks tell us that Hungary did not have to worry about terrorist attacks on Hungarian soil: the US Embassy's country reports on terrorism confirmed every year that Hungary is not a safe haven for terrorists, there are no terrorist groups

⁸⁵ Hungarian Ministry of Foreign Affairs, "Magyarország a NATO-Ban (Hungary in NATO)," 2010, http://www.kormany.hu/download/0/7b/20000/magyarorszag_a_NATO-ban.pdf.

⁸⁶ I 2010 Hungary has spent 21% of its bilateral development aid in Afghanistan. For more figures, see Szent-Iványi, Balázs, "Hungarian International Development Cooperation: Context, Stakeholders and Performance," in *Development Policies of Central and Eastern European States - From Aid Recipients to Aid Donors* (New York: Routledge, 2013), 58.

⁸⁷ PB 1975 04. 22. (288. f. 5/662. ő. e.)

⁸⁸ Hungarian Ministry of Foreign Affairs, "Magyarország a NATO-Ban (Hungary in NATO)."

operating openly in the country.⁸⁹ However, among the arguments that the Hungarian government used to justify its Afghanistan-policy, these global threats gained a strong emphasis. In a 2008 policy document, the MFA argued that (1) “Afghanistan’s security affects the security of Central-Asia and the whole Euro-Atlantic region”, (2) “Hungary’s participation in [the operations in] Afghanistan directly serves Hungarian foreign- and security policy interests”, and that (3) “the effects of the unlimited growth of terrorism and drug-trafficking concerns our citizens as well”.⁹⁰

However, we can see that an even more important explanation for the engagement in Afghanistan and Iraq was the attempt to ensure Hungary’s safety by having good credits within NATO. The quoted foreign policy document lists one more reason for Hungary’s Afghanistan-policy: “Hungary is a responsible, reliable member of NATO and the EU, who does not only profit from the benefits of these organizations, but actively contributes to them. This casts a role on our country as well.”⁹¹ The Hungarian Minister of Foreign Affairs, Kinga Gőncz explained this rather sharply in an interview in 2008: “We can only count on our allies, if we also help them (...). Hungary’s security is guaranteed by NATO, so we have to participate in the Afghanistan mission.”⁹² Ferenc Juhász, the Minister of Defense went even further: “This is all about NATO, not about Afghanistan. What business would we have there,

⁸⁹ US Embassy Budapest, *Country Report On Terrorism: Hungary 2006, 2007*,

<http://wikileaks.org/cable/2007/12/07BUDAPEST1981.html>,

<http://wikileaks.org/cable/2007/01/07BUDAPEST11.html>, accessed June 01, 2014,

⁹⁰ Hungarian Ministry of Foreign Affairs, “Magyarország Afganisztáni Szerepvállalása - Középtávú Stratégiai Kitekintés (Hungary’s Participation in Afghanistan - Mid-Range Strategic Outlook),” November 18, 2009, http://www.kum.hu/NR/rdonlyres/534F1052-1EAF-4B89-8F2D-3B4DC651CF25/0/AFG_strat_1118.pdf.

⁹¹ Ibid.

⁹² Szlankó, Bálint, “Magyarország Az Afganisztáni Háborúban - Nem a Méret a Lényeg (Hungary in the Afghanistan War: It Is Not Size That Matters),” *Magyar Narancs*, June 5, 2008, 2008/23 edition, http://magyarnarancs.hu/belpol/magyarorszag_az_afganisztani_haboruban_-_nem_a_meret_a_lenyeg-68871.

if not that we have a common responsibility with our allies?”⁹³ “[With the participation in these missions] Hungary expresses that it is not only a consumer, but also supporter of the common security both within NATO and within the EU” – another information sheet published by the Ministry of Foreign Affairs about Hungary’s participations in the different NATO missions states.⁹⁴

While these statements strongly supports the explanation that the Hungarian engagement in Afghanistan and Iraq can be explained by Hungary’s small state security needs, it is also important to see that just like in the Cold War period, the balance of different small state needs in relation to Third World partners can shift with time. A Hungarian policy document from 2012 suggests that as the situation in Afghanistan changes, Hungarian partnership changes with it: from 2015 Hungary will focus on only the financial support for the Afghan security forces, and will begin to gradually emphasize “mutually beneficial cooperation, including economic-trade partnership, educational and cultural connections” with Afghanistan.⁹⁵

4.3 Legitimacy - the road to a global foreign policy

While we could see that the Hungarian extra-regional partnerships with Afghanistan and Iraq can be explained by Hungary’s security needs, the previous section also showed that these security needs are closely associated with the second special small state need in our

⁹³ Ibid.

⁹⁴ Hungarian Ministry of Foreign Affairs, “Magyarország a NATO-Ban (Hungary in NATO).”

⁹⁵ Hungarian Ministry of Foreign Affairs, “Átalakuló Magyar Szerepvállalás Afganisztánban (Changing Hungarian Role in Afghanistan),” August 23, 2012, <http://www.kormany.hu/download/9/07/a0000/Magyarorsz%C3%A1g%20afganiszt%C3%A1ni%20szerepv%C3%A1llal%C3%A1sa%20HU.pdf>.

theoretical framework: legitimacy. In its attempts to ensure its security, Hungary recognized the need to maintain its international reputation as a reliable military ally within NATO, so it made every effort to enhance its international legitimacy. However, the NATO missions were not the only examples where Hungary's legitimacy-building came into play. In the following section I will show that the struggle to construct a positive, globally recognized image has important explanatory power in several extra-regional partnerships that Hungary created in the post-Cold War period.

Hungary's attempts to acquire the positive image of a developed, democratic nation can be identified in two foreign policy strategies published in 2008 and 2011. The 2008 strategy, "Hungary's Strategy of External Relations" reformulated the traditional, regionally focused three pillars of Hungarian foreign policy, and began to emphasize the image of a responsible, developed Western democracy.⁹⁶ The first two pillars in the 2008 policy did not change much: "Competitive Hungary in the European Union" and "Successful Hungarians in the Region" kept a regional focus of the 1990-s. The third pillar, however, introduced a new aspect, "Responsible Hungary in the World."⁹⁷ This pillar urged Hungarian contribution to global peace, the spread of democratic values and human rights, promoting global governance, combating climate change, reducing global poverty and increasing global security. The image of a globally focused, reliable small state was then fully worked out in the Hungarian policy of "global opening", which appeared in Hungary's 2011 policy document,

⁹⁶ Hungary's Strategy of External Relations, Government resolution 1012/2008, in Magyar Külpolitikai Évkönyv 2008 (Yearbook of Hungarian Foreign Policy 2008), p 211
http://www.kulugyminiszterium.hu/NR/ronlyres/057E8586-EFA9-428D-A858-9A38285A130D/0/magyar_kulugyi_evkonyv_2008.pdf

⁹⁷ Hungary's Strategy of External Relations, Government resolution 1012/2008, in Magyar Külpolitikai Évkönyv 2008 (Yearbook of Hungarian Foreign Policy 2008), p 223-229

*Hungarian Foreign Policy After the EU Presidency.*⁹⁸ This document once again redefined the three pillars of Hungarian foreign policy, naming “global opening” as the third pillar in addition to “regional policy” and “Euro-Atlantic integration.”⁹⁹ It stated that the Hungarian government aims to “strengthen the global orientation of our foreign policy.”¹⁰⁰ In geographic sense global orientation was used in reference to the fact that Hungary seeks mutually beneficial opportunities of cooperation in distant regions. However, in thematic sense of global orientation referred to “interests in issues that does not seem to concern our motherland directly, but are important globally, and thus are more and more important in the international life (like terrorism, food safety, world health issues, the ecological conditions of seas).”¹⁰¹

The image of the globally responsible Hungary emphasized in the two policy documents was a clear attempt to build international legitimacy. In the early years of the second Orbán-government, in 2010-2011, Hungary was in serious need of such legitimacy, as many of the government’s provisions (including a controversial media law, the curbing of the rights of the Constitutional Court, and the weakening of the system of checks and balances) drew strong international criticism, ruining Hungary’s international image.¹⁰² To restore Hungary’s image was especially important in 2011, as Hungary took the rotating presidency of the European Council, and had to represent the European Union at several international

⁹⁸ Hungarian Ministry of Foreign Affairs, “Magyar Külpolitika Az Unió Elnökség Után (Hungarian Foreign Policy after the EU Presidency),” 2011, http://www.kormany.hu/download/a/cb/60000/kulpolitikai_strategia_20111219.pdf

⁹⁹ Ibid., 9.

¹⁰⁰ Hungarian Ministry of Foreign Affairs, “Magyar Külpolitika Az Unió Elnökség Után (Hungarian Foreign Policy after the EU Presidency),” 36.

¹⁰¹ Ibid., 36–37.

¹⁰² for details see: Scheppelle, Kim Lane, “Hungary’s Constitutional Revolution,” *Paul Krugman Blog*, December 19, 2011, <http://krugman.blogs.nytimes.com/2011/12/19/hungarys-constitutional-revolution/>.

event. However, the drive to build global legitimacy also served – among others – a concrete, immediate goal: in 2011 Hungary entered a bid for the non-permanent membership in the United Nations Security Council (UN SC). To win the seat in the UN SC, Hungarian diplomats acknowledged that they had to create a “Security Council profile”, an image that makes them a legitimate choice even for those countries which know nothing about Hungary.¹⁰³ Hungary conducted an outreach campaign to get votes from every corner of the developing world, carrying Hungary’s campaign leaflet that used the slogan: “Hungary, a reliable candidate”¹⁰⁴. During the campaign the government decided to establish diplomatic contacts with all 173 member states of the United Nations, including the exotic island states of the Pacific and the Caribbean. Diplomats contacted distant small states with concrete partnership offers as well, mostly offering technological cooperation or the sharing of Hungarian expertise, showing that Hungary cares about their problems.¹⁰⁵ Unfortunately, the campaign was not successful enough, and Hungary did not win the non-permanent seat at the UN SC.

However, the diplomatic efforts to build up Hungary’s global legitimacy and its connections in the developing world were considered to have a lasting achievement. As Csaba Kőrösi, Hungary’s ambassador to the UN argued later in an interview: “the UN SC bid was

¹⁰³ Visnovitz, Péter, “‘Ez Nem Bolhapiac’ - Így Lobbizott Magyarország Az ENSZ BT-Tagságért (‘This Is Not a Flea Market’ - How Did Hungary Lobby for the UN SC Membership),” *Origo*, October 17, 2011, <http://www.origo.hu/itthon/20111014-ensz-biztonsagi-tanacs-hogyan-lobbizott-magyarorszag-a-bt-be-kerulesert.html>.

¹⁰⁴ Hungarian Ministry of Foreign Affairs: Hungary – Candidate to the United Nations Security Council 2012-2013 (leaflet), http://www.mfa.gov.hu/NR/rdonlyres/991B8CE5-D2C3-4A50-B211-1CF793FD6A24/0/ensz_bt_tagsag_2012_2013.pdf, accessed May 22, 2014.

¹⁰⁵ Fabók, Bálint, “Végigudvarolta Az ENSZ-T Schmitt Pál (President Pál Schmitt Courted His Way through the UN),” *Http://www.origo.hu/*, September 24, 2011, <http://www.origo.hu/itthon/20110924-schmitt-pal-koztarsasagi-elno-k-diplomaciai-tevekenysege-hogy-bekeruljon-magyarorszag-az.html>.

not the goal, but the means”, because the established partnerships and the identified mutual interests with distant partners could position Hungary [globally] on the long term.”¹⁰⁶ As we can see, some of the extra-regional partnerships in this time-period could be explained partly by Hungary’s need for international legitimacy. In some relations, where the partner state had no economic potential for Hungary (like Tonga or Tuvalu), legitimacy remains the only explanatory factor. However, we will see in the next section that in some relations economic interests became more dominant, as the policy of global opening turned into the policy of Eastern opening.

4.4 Economy: Eastern opening and the economic treasure-hunt

After 2011 the discourse about global opening slowly shifted and transformed into a dominantly economic policy. While during the UN SC campaign the rediscovery of the Third World seemed to have important political and legitimacy aspects, from 2012 the emphasis changed, and officials began to reference the Third World policy under a different name, labeling it as “Eastern opening”. The distinct economic character of this program was made apparent in July 2012, when the government split the tasks of traditional foreign policy and external economic policy, and appointed an undersecretary, Péter Sziijártó to be solely responsible for the latter. The position of the new undersecretary was taken out from the MFA structure, and became subordinated directly to the Office of the Prime Minister. At the same time the MFA maintained a deputy undersecretary position responsible for the general relations with the Third World, named “deputy-undersecretary for global affairs”. In a 2014

¹⁰⁶ Visnovitz, Péter, “‘Ez Nem Bolhapiac’ - Így Lobbizott Magyarország Az ENSZ BT-Tagságért (‘This Is Not a Flea Market’ - How Did Hungary Lobby for the UN SC Membership).”

interview, this deputy-undersecretary, Mr Zsolt Wintelmantel stated that the partnerships of the Eastern opening policy “are purely economic cooperation, they are not conditioned to any political factor [by our partners].”¹⁰⁷

Hungary’s economic turn towards the third world was already indicated in the 2011 foreign policy strategy, which stated that Hungary wants to “reinvigorate the partnerships that were marginalized in the past years”, because “in the past two decades the country gradually turned away from the geographically or geopolitically distant regions like Latin-America, Sub-Saharan Africa, Asia and certain parts of the Post-Soviet region.”¹⁰⁸ According to the policy paper, the main reason behind the turn was the apparent trend of decline in the leading economic and political role of the West and the United States,¹⁰⁹ and the dynamic appreciation of the regions that used to be marginalized in Hungary’s diplomatic network.¹¹⁰ The government argued that it turned to the East because it wanted to diversify its external economy, and wanted to find new markets for the Hungarian export, after turning Hungary “the manufacturing center of Europe.”¹¹¹ Péter Szijjártó explained the goals at a 2013 conference: according to him, only 11,9 % of the Hungarian exports are directed to countries outside Europe, but within 5 years they wanted to increase it to 33%.¹¹² The policy attempted

¹⁰⁷ “A Globális Nyitás a Magyar Gazdaság Több Lábon Állását Szolgálja (Global Opening Helps the Hungarian Economy to Stand on Many Feet).”

¹⁰⁸ Hungarian Ministry of Foreign Affairs, “Magyar Külpolitika Az Unió Elnökség Után (Hungarian Foreign Policy after the EU Presidency),” 36.

¹⁰⁹ Ibid., 5.

¹¹⁰ Ibid., 36.

¹¹¹ “Szijjártó: Európa Termelési Központja Akarunk Lenni (Szijjártó: We Want to Become the Manufacturing Center of Europe),” *Hvg.hu*, July 18, 2013, http://hvg.hu/gazdasag/20130718_Szijjarto_Europa_termeles_kozpontja_akaru.

¹¹² “Szijjártó: Beneveztünk a Szövetségekötési Versenybe (Szijjártó: We Signed up for the Alliancemaking Contest),” *Világgazdaság*, June 13, 2013, <http://www.vg.hu/kozelet/politika/szijjarto-beneveztunk-a-szovetsegekotesi-versenybe-405663>.

to find new export markets, but also wanted to diversify Hungary's economic partnerships "in order to get support from more places when needed"¹¹³ In addition to trade and export development, a strategic goal was to lure foreign investment to Hungary from the wealthy developing countries, like the Arab oil states or China.¹¹⁴ As János Martonyi, the Hungarian minister of foreign affairs summarized it in a 2013 interview, „we are looking for markets, we are looking for investors, and there are also traditional relations and areas where we are in a special, advantaged position professionally. However, the main goal of the eastern opening is to better connect the Hungarian small and medium enterprises to the Hungarian export that is directed towards distant countries.”¹¹⁵

After his appointment, Szijjártó's name quickly became associated with the policy of Eastern opening, as he started intensive partnership-building in the developing countries, both big and small. One and a half years after his appointment one tabloid newspaper calculated that he travelled 250 000 kilometers, which would be enough to fly around the world six times.¹¹⁶ By the end of 2013 the under-secretary made 35 trips to 28 different countries, including three trips to the USA, two trips to Azerbaijan, India and China, and further trips to Georgia, Uzbekistan, South-Korea, Vietnam, Nigeria, Kuwait, Qatar, Brazil, Uruguay,

¹¹³ "A Globális Nyitás a Magyar Gazdaság Több Lábon Állását Szolgálja (Global Opening Helps the Hungarian Economy to Stand on Many Feet)."

¹¹⁴ "Szijjártó: A Stratégiai Céloknak Megfelelően Alakul Át Az Intézményrendszer (Szijjártó: The Institutional Framework Is Adjusted to the Needs of the Strategic Goals)," *Hirado.hu*, May 22, 2014, <http://www.hirado.hu/2014/05/22/szijjarto-a-strategiai-celoknak-megfeleloen-alakul-at-az-intezmenyrendszer/>.

¹¹⁵ Visnovitz, Péter, "Az Én Álmomat Sodorják Veszélybe (They Endanger My Dream - Interview with János Martonyi, Hungarian Minister of Foreign Affairs)," *Origo.hu*, July 16, 2013, <http://www.origo.hu/itthon/20130712-magyarorszag-helye-a-vilagban-interju-martonyi-janos-kulugyminiszterrel.html>.

¹¹⁶ "33 Millióból, 28 Országban Járt Tavaly Óta Szijjártó (Szijjártó Has Been in 28 Countries since Last Year, Spent 33 Million Forints)," *Blikk*, December 28, 2013, http://www.blikk.hu/blikk_aktualis/33-milliobol-28-orszagban-jart-tavaly-ota-szijjarto-2228839.

Argentina and the United Arab Emirates.¹¹⁷ The Eastern opening targeted the Post-Soviet region, the Far-East, the Middle East, the Arab world and Africa at the same time.

The partner-selection in Hungary's new extra-regional policy, however, threatened with conflict between Hungary's economic and legitimacy needs. While the 2011 Hungarian foreign policy strategy argued that it follows a "value-based foreign policy" based on the values of peace, security, international law, democratic and human rights, most of the Third World countries Hungary targeted did not qualify as democracies or protectors of human rights. Consequently, it seems to be important that the 2011 Hungarian strategy deals very freely with the definition of value-based foreign policy. It states that "value-based foreign policy cannot be interpreted in a way that based on it we already have to constrain our relationships with countries where our values are not respected fully, or are interpreted differently."¹¹⁸ The potential conflict between Hungary's Western legitimacy and Eastern economic aspirations was indicated in Prime Minister Viktor Orbán's 2010 speech¹¹⁹, where he expressed the dual interest in a ship metaphor: "Hungary has to know that although as an EU member it sails under Western flags, in the world economy the wind blows from the East today."¹²⁰

4.5 Summary

¹¹⁷ Ibid.

¹¹⁸ Hungarian Ministry of Foreign Affairs, "Magyar Külpolitika Az Unió Elnökség Után (Hungarian Foreign Policy after the EU Presidency)," 1.

¹¹⁹ At the time of the speech, in February 2010 Mr Orbán was not yet a Prime Minister, but prepared for the national elections as an opposition leader. At the time of the speech, however, every opinion poll indicated that Mr Orbán's party will win a landslide victory in the elections that were scheduled for 2 months after the speech.

¹²⁰ "Viktor Orbán's Annual Speech about the State of Hungary," February 8, 2010, http://mno.hu/belfold/orban_viktor_felszitani_a_remenyt_a_magyar_szivekben-255908.

In this chapter I described and analyzed Hungary's partnership-building attempts in the Third World in the second time period, between 2004 and 2014, with the help of official foreign policy strategy documents, and statements and interviews made by Hungarian diplomats and political leaders. The analysis showed that the partnerships were very heterogeneous, but they all served one of the special small state needs listed in my hypothesis. The Hungarian engagement in Afghanistan and Iraq served Hungary's security and legitimacy needs, as it supported Hungary's image as a reliable ally within NATO, and thus ensured that Hungary can count on NATO's protection if it becomes needed. The intensive partnership-building in 2010-2011 served legitimacy needs, Hungary intended to use these partnerships to construct a positive image for itself at the global stage, and tried to position itself positively in relation to formerly unreached countries in order to gain their support for its diplomatic goals in the United Nations. The partnership-building after 2011, was dominated by Hungary's economic needs, as the policy of Eastern opening was identified as a dominantly economic enterprise that aimed at finding new markets for Hungarian exports. In conclusion we can claim that the special small state needs of security, economic prosperity and legitimacy have a plausible explanatory power for the unexpected small state behavior of extra-regional partnership-building in this time period as well.

CHAPTER V. CONCLUSIONS

5.1 Small state needs: similarities and differences in the two time periods

The analysis of Hungarian extra-regional partnership-building in the Cold-War and post-Cold War era allows us to reflect the findings of the two time periods, and identify the generalizable patterns of Hungarian behavior. This way we can draw general conclusions about the Hungarian behavior towards developing countries, while keeping in mind that the generalizability of our single case remains limited, and further research about other countries would be useful to confirm our results.

When comparing the Hungarian behavior in the two time periods, we need to note that the political and institutional context is very different in the two eras. The first period saw Hungary as one-party dictatorship, with a system of planned economy, with an ideology that loudly opposed the capitalist exploitation of the developing world, and with a public opinion heavily dominated by a state-controlled media. In the second period Hungary became multi-party democracy with a considerably free media, with a system of market-economy and an ideology that supports international capitalist development and the free movement of capital. While we could expect that these factors are important variables in determining Hungary's extra-regional partnership-building patterns, the similar strategies and interests in the two time periods suggest otherwise. Based on the similarities of the partnership-building patterns in the two time periods, we can conclude that the inherent features of Hungary's small state status and Hungary's special small state needs have a strong explanatory power in explaining its extra-regional partnerships.

Similarities in the Hungarian extra-regional partnership-building in the two time periods include the following observations:

1. **Hungary's security reliance on a friendly great power.** Hungary's alliances led to the perception that dealing with threats on the global level (Cold War, War Against Terror) serves Hungary's own security needs in two ways: by reducing the global threat, and by satisfying the friendly great power, thus ensuring continued protection against any other external threat. The engagement with the global level threat encouraged extra-regional partnership-building efforts.

2. **Hungary's dependence on external markets and resources.** Both time periods began with a strong Hungarian focus on economic cooperation with the traditional, regional partner group (Comecon, EU), but after an economic crisis or change of economic conditions, Hungary reevaluated the economic importance of the extra-regional partnerships. Intensified small state dependence on external economic connections encouraged extra-regional partnership-building efforts

3. **Security needs precede economic needs in time.** Both time periods were first dominated by partnerships that served Hungary's security and legitimacy needs. Extra-regional partnerships that dominantly serve economic needs appeared only years after the first security-inspired extra-regional partnerships. This suggests that security-related needs are more likely to start extra-regional foreign policy actions, and a small state is likely to reach out to extra-regional partners for dominantly economic considerations only after it gained experience in extra-regional cooperation for security reasons.

4. **Legitimacy needs are quickly satisfied.** Both time periods show that partnerships which can be explained dominantly by the need for legitimacy are less expensive in terms of diplomatic resources: even a few friendly visits or meetings were enough to gain friendly support from nations for propaganda reasons. However, legitimacy needs appeared to

be rather temporary, causing some of these partnerships to be rather short-lived, after the Hungarian regime re-consolidated its position. This happened for example with the small Pacific island states, where Hungary seemed to lost interest immediately after it lost its bid for the UN SC membership.

5. **Small state diplomatic tools remain the same.** The diplomatic tools and methods used in the two time period suggest that Hungary's extra-regional partnership-building followed certain general patterns. Hungary's limited diplomatic resources were compensated by certain small state techniques to reach and influence distant partners. These tools included the emphasis of intellectual export, technological transfer, scholarships provided to the students of the partner country, or the extensive reliance on common ideology or heritage. Due to the space limitations of this thesis, the detailed analysis of such diplomatic tools was not included in this study, but an indicative list of identified tools and methods is included in the Appendix.

In addition to the listed similarities, we have to also mention some differences in the two time periods. These differences might affect the Hungarian extra-regional partnerships in the future, so future research would be useful to examine their relevance and consequences.

1. **The bipolar world is over.** While in the Cold War period Hungary's allegiance to the Soviet Union strongly limited its possible partners, in the 21th century partnership-building is open in every country around the world. However, the end of the Cold War also means that international conflicts are not organized along the familiar ideological lines, so small states need to be very careful not to be dragged into local conflicts that they hardly understand.

2. **The correspondence among small state interests is over.** While partnerships served security, economic and legitimacy needs in both time periods, the correspondence among these interests was different during and after the Cold War. In the first period extra-regional partnerships had the potential to satisfy all three small state needs at the same time: partnerships with friendly or non-aligned states could often provide security, economic benefits and legitimacy as well, because Hungary's ideology matched the ideology of those Third World partners. Such correspondence is not present in the post-Cold War era, where Hungary's security needs are satisfied by partnerships alongside the US-lead NATO's expectations, legitimacy needs are served through promoting the EU acquis and the Western principles of democracy and human rights, but economic interests are often served by partnerships with autocrats and countries that tend to question these Western values.

5.2 Scientific contribution

This thesis provided an explanation for the puzzle of small Eastern-European states' extra-regional partnership-building in the Third World. I attempted to explain why small states with generally limited diplomatic resources build partnerships outside their regions. The case studies of Hungarian foreign policy during the Cold War (1956-1986) and after the country's EU-accession (2004-2014) were used to analyze Hungary's extra-regional partnerships with developing countries, and to construct a theoretical framework that explains this unexpected small state behavior.

The analysis did not question the general assumptions of the existing small state literature about small states' naturally limited diplomatic resources and constraints, described

by Panke¹²¹ and Hey.¹²² During the research I acknowledged that the extra-regional small state activities under investigation are special, because they go against certain limitations that are immanent in small state status. While I presented a list of identified diplomatic tools in the Appendix about the means that Hungary utilized to overcome its limits, further research would be necessary to meticulously describe and categorize these tools of extra-regional partnership-building. However, the goal of this thesis was not to give a detailed description of how such small state limitations are defeated by special small state diplomatic tools like scholarships, ideology or technological transfer. Rather, its goal was to theorize why such extra-regional partnerships with developing countries are created in the first place.

To provide an explanation for this behavior, I constructed a theoretical framework about the special needs of small states, with the help of the existing scientific literature on small state behavior. I argued that due to their limited resources and great international dependence, small states have above than average needs for security, economic prosperity, domestic and international legitimacy. In the thesis I argued that although it is difficult for small states to establish extra-regional partnerships, those partnerships serve their special needs, and this is why small states are willing to risk the high costs and potential risks of such partnerships.

The argument was supported by the case studies, where I could identify how different extra-regional partnerships in the Third World served the special small state needs of security, economic prosperity and legitimacy. The research concluded that different small state needs

¹²¹ Panke, "Dwarfs in International Negotiations."

¹²² Hey, Jeanne A. K., *Small States in World Politics*.

get different emphasis in the certain time periods. This is not surprising, however, if we recognize that the intensity of the special small state needs can vary depending on the small state's position and circumstances. In times of domestic political turmoil legitimacy is more important, in times of international armed conflicts security gains more emphasis, while in times of economic crises the role of economic partnerships comes to the forefront. With this kept in mind, our research confirmed that depending on the global context, extra-regional partnerships can mostly be explained by the three identified small state interests.

The analysis showed that although these extra-regional partnerships seemed to be unlikely, they are often real, meaningful examples of cooperation between small states on different continents. However, in order to measure the value of these partnerships, we had to better understand small states' needs. There is a stark difference between what is valuable for a small state and what is valuable for a great power, and if scholars of international relations analyze small state partnerships through the expectations and standards developed for great power partnerships, they could easily miss the value of such partnerships.

APPENDIX #1: SMALL STATE DIPLOMATIC TOOLBOX

When serving its special small state needs for security, economic prosperity and legitimacy, Hungary defied its small state limitations that come from its generally constrained diplomatic resources. In this appendix I show how did Hungary defeat these limitations, what kind of diplomatic tools and methods did it use to keep its diplomatic costs low, but still reach the distant, extra regional partners. The identified tools and methods were spotted in the analyzed HSWP documents for the first time period, and identified from the foreign policy documents and interviews in the second time period. The list of these tools is not complete, and further research would likely help to extend it. Also, the listed tools are heterogeneous in that some are employed towards poor, small developing countries, while others are more likely to appear in relation with big developing countries that have large financial assets. However, the list is still helpful and indicative of what means can a small state like Hungary use when trying to build extra-regional partnerships.

1. Small state diplomatic toolbox in the Cold War period

1. Technical assistance and transfer of expertise

“Intellectual export” was one of the most frequently cited Hungarian offers for the developing world in the Cold War era. Hungary kept sending technicians and experts to the friendly developing countries in a form of assistance, and also for money. The technical assistance focused on some key areas, including education, industrial or agricultural planning, and water management. By 1977 there were more than 500 Hungarian experts working in development countries.¹²³

2. Scholarships and network-building

A main tool for building networks and influence in the formerly unknown developing countries was the policy to offer scholarships to students who could then study in Hungary. By 1977 the number of students being trained in Hungary in one year reached 4000.¹²⁴ Hungarian political leaders hoped that with these educational partnerships they gain influence in the partner countries, as these people will become the political and economic leaders of these countries.”¹²⁵

3. Construction of common ideology and goals

Hungary’s partnership-building often tried to use socialist ideology to help its diplomatic attempts in the developing world, by portraying socialist and developing countries as partners in fighting imperialism and exploitation.

¹²³ PC 1978. 07. 25.+(288. f. 5/751. ő. e.) p60

¹²⁴ PC 1962. 04. 19.+(288. f. 5/263. ő. e.) p18

¹²⁵ Ibid.

4. Smallness as an appeal to small partners

Hungarian leaders have seen the small size of the country as a possible asset. In a 1968 debate about the partnerships with developing countries, one member of the PC argued that developing countries do not see Hungary as a threat to their independence, unlike when dealing with the Soviets.¹²⁶

5. Local communists as friends of the socialist world

HSWP meeting records reveal that Hungary regularly provided financial or moral support to the local communist parties in the developing countries, and had high level meetings with them. While it was a valuable source of information about developing countries, it sometimes turned against Hungary, because non-communist countries did not welcome the open support of their communist opposition.¹²⁷

6. Advocacy in international organizations

Hungary, similarly to other socialist countries, stood up for the general interest of poor developing countries in the United Nations, urging, among others, a more just system for international trade every year at the UN General Assembly.¹²⁸ This could then be used in bilateral meetings to prove Hungary's commitment towards solving the partner's problems.

7. Bilateral development aid and governmental gifts

Although limited in quantity, Hungary often provided aid, loans or gifts to friendly developing countries in order to strengthen the good relationship. According to the reviewed documents, often the partner country requested the aid directly.

8. Arms and ammunition aid and export

Hungary has not sent fighting forces to support wars of developing countries, but provided ammunition and arms to many of its partners in times of war, including Guinea, Mozambique, Vietnam, Syria, Egypt and Iraq.

9. High level diplomacy

Foreign ministers and the chairman of the presidential council (the titular head of state) travelled to developing countries regularly to promote partnerships. Any time a high level visit was organized to developing countries, the delegation invited the partner country's heads

¹²⁶ PC 1968. 02. 13. (288. f. 5/445. ő. e.) p 49.

¹²⁷ PC 1969. 07. 15.+(288. f. 5/494. ő. e.) p 22-24

¹²⁸ Based on the author's review of Hungary's UN GA speeches between 1956 and 1983.

of states and political leaders to Hungary, in order to help enhance the partnerships, even if they had to wait for the return visit for years.

10. Supportive institutions for extra-regional diplomacy and export

Hungary delegated substantial amount of resources to expand the network of its diplomatic and economic representations in the Third World. In addition to its network of embassies (71 individual embassies by 1980¹²⁹), it set up vast network of commercial representations in the economically important partner countries for export promotion.

¹²⁹ Puja, Frigyes, *Magyar Külpolitika (Hungarian Foreign Policy)*, 172.

II. Small state diplomatic toolbox in the post-Cold War period

1. Technical assistance and transfer of expertise

“Intellectual export” remained one of the most important Hungarian offers for the developing world in the 20th century, with diplomats emphasizing the potentials in “Hungarian expertise” in almost every relation. The transfer of Hungarian technology is on the table in Sub-Saharan Africa, Asia and Oceania as well, including agricultural technology and infrastructure-development¹³⁰, water-management technology and fish breeding technologies, and expertise in control systems for non-contagious diseases like diabetes or cancer.¹³¹ Hungary - as most of the post-socialist states - also often argue that it has a unique transition experience, knowledge about transition from autocracy to democracy that it can share with developing partner countries.

2. Scholarships and network-building

After 2010 Hungary decided to rebuild the scholarship-system that was in use during the Cold War era, to invite students from developing countries and fund their studies in Hungary. Scholarships are seen again as the long-term basis of the partnerships¹³²; in interviews, Hungarian diplomats reiterated that they find this to be the best and cheapest way to build regional connections and influence. Diplomats urge the development of a network in which regular contact is maintained with students who return to their home countries.¹³³

3. Construction of common heritage

While the common ideology of anti-imperialism cannot be employed anymore, Hungary puts a huge emphasis on creating a friendly discourse of common heritage with its distant partners. In Asia Hungarian diplomats tend to invoke the fact that Hungarians also have an Asian origin and mentality. In Africa, as one diplomat argued during an interview with the author that Hungary can build a positive image because it has never been a colonial power, indeed, it was

¹³⁰ Visnovitz, Péter, “Afrikában Szimatol a Kormány (The Government Sniffs around in Africa),” *Origo.hu*, October 12, 2012, <http://www.origo.hu/itthon/20121012-szemetetgetovel-erkezik-afrikaba-a-gaz-utan-szimatolo-kormany.html>.

¹³¹ Fabók, Bálint, “Végigudvarolta Az ENSZ-T Schmitt Pál (President Pál Schmitt Courted His Way through the UN).”

¹³² Hungarian Ministry of Foreign Affairs, “Magyar Külpolitika Az Uniós Elnökség Után (Hungarian Foreign Policy after the EU Presidency),” 38.

¹³³ Visnovitz, Péter, “Jófejség Lopja Be a Magyarokat Az Afrikai Szívekbe (Coolness Helps Hungarians to Get into the African Hearts),” *Http://www.origo.hu/*, June 10, 2013, <http://www.origo.hu/itthon/20130607-afrika-forummal-nyit-a-magyar-kulpolitika-a-fekete-kontinens-fele.html>.

a “colony” itself within the Habsburg Empire. Diplomats also constantly refer to good reputation of Hungarian products that were exported to Third World during the Cold War era, assuming that new partnerships can build on positive memories about the Hungarian export.

4. Smallness as an appeal to small partners

Diplomats, including János Martonyi, minister of foreign affairs, argued during interviews that being a small state can be considered as an asset when building partnerships with other small states, as they prefer to cooperate with small, creative, smart partners rather than the big ones.¹³⁴ At an Africa Conference organized in Budapest, African representatives also suggested that small partners pay more attention to each other, they are more honest and reliable.¹³⁵

5. Local leaders as friends of Hungary

Attempts to establish personal, friendly connections with state leaders in developing countries is an asset that is connected to the scholarship programs. MFA officials often refer to country leaders who are emotionally connected to Hungary and thus support partnerships in many ways. Commonly quoted examples are Hannah Tetteh, the foreign minister of Ghana who was born in Hungary as a daughter of an exchange student; Joseph Bol Chan, Chairman of the upper house of the South Sudan parliament, who graduated in Hungary during the communist era; or V.George Topou, the late king of Tonga, who was a great admirer of Hungarian history due to his Hungarian royal painter, and supported the Hungarian UN SC bid in the Pacific region.

6. Advocacy in international organizations

During its UN SC membership bid, Hungary developed a profile in which it promised to stand up for issues that concern weak, small developing countries. This advocacy included fighting against climate change, for poverty reduction, water security, food security and health security.¹³⁶

7. Bilateral and multilateral development aid

The compulsory contributions to development funds are seen as an asset to involve Hungarian companies in projects in developing countries, thus helping them to gain experience in the

¹³⁴ Visnovitz, Péter, “Az Én Álmomat Sodorják Veszélybe (They Endanger My Dream - Interview with János Martonyi, Hungarian Minister of Foreign Affairs).”

¹³⁵ Visnovitz, Péter, “Jófejség Lopja Be a Magyarokat Az Afrikai Szívekbe (Coolness Helps Hungarians to Get into the African Hearts).”

¹³⁶ Hungarian Ministry of Foreign Affairs: Hungary – Candidate to the United Nations Security Council 2012-2013 (leaflet)

partner countries.¹³⁷ Bilateral aid, especially tied development loans are also considered as an asset. In early 2014 Hungary ran three such loan projects in Vietnam, but it planned to extend such constructions to partnerships with African states as well.¹³⁸

8. Arms and ammunition aid and export

In connection to its military missions in Afghanistan and Iraq, Hungary provided arms supplies to both countries. It offered 77 T-72 tanks and 4 million pieces of ammunition to the new Iraqi army in 2004¹³⁹, and gave 20 500 AMD-65 submachine guns to the Afghan army in 2007¹⁴⁰ (AMD-65 is a Hungarian-produced version of the AK-47 Kalashnikov guns). Hungary exported another 45 000 submachine-guns indirectly, as the Pentagon bought up these weapon supplies and then delivered them to Afghanistan.¹⁴¹

9. High level diplomacy

Partnership-building involved high-level diplomatic visits, the establishment of joint intergovernmental economic committees, and several business delegations, where high level government officials (including to the Prime Minister) were accompanied by hundreds of interested businessmen on their official visits to Third World partners. Hungary as a small state also used several multilateral conferences for bilateral networking, especially during Hungary's EU presidency in 2011.

10. Supportive institutions for extra-regional diplomacy and export

Hungary began to rebuild its Trade House network, a number of trade institutions in the capitals of big partner countries outside Europe to promote the export of Hungarian enterprises. Trade Houses were first opened in Azerbaijan, Kazakhstan, Russia, China, Saudi-Arabia, the UAE, Jordan, Turkey, and Singapore, but the network is supposed to expand in the Balkans and in Latin-America as well.

¹³⁷ Visnovitz, Péter, "Afrikában Szimatol a Kormány (The Government Sniffs around in Africa)."

¹³⁸ "Szijjártó: Beneveztünk a Szövetségekötési Versenybe (Szijjártó: We Signed up for the Alliancemaking Contest)."

¹³⁹ "Magyarország Hetvenhét Tankot Ad Iraknak (Hungary Gives 72 Tanks to Iraq)," *Http://www.origo.hu/*, December 11, 2004, <http://www.origo.hu/nagyvilag/20041211magyarorszag.html>.

¹⁴⁰ Romász, Andrea, "A WikiLeaks Magyar Oldala (The Hungarian Side of WikiLeaks)," *Kitekintő*, August 4, 2010, http://kitekinto.hu/hatter/2010/08/04/a_wikileaks_magyar_oldala/.

¹⁴¹ Chivers, C. J., "One Poor Choice in Arming the Afghans, and Its Repercussions," *At War Blog, The New York Times*, október 2010, <http://atwar.blogs.nytimes.com/2010/10/26/one-poor-choice-in-arming-the-afghans-and-its-repercussions/>.

BIBLIOGRAPHY

- “33 Millióból, 28 Országban Járt Tavaly Óta Szíjjártó (Szíjjártó Has Been in 28 Countries since Last Year, Spent 33 Million Forints).” *Blikk*, December 28, 2013.
http://www.blikk.hu/blikk_aktualis/33-milliobol-28-orszagban-jart-tavaly-ota-szijjarto-2228839.
- “A Globális Nyitás a Magyar Gazdaság Több Lábon Állását Szolgálja (Global Opening Helps the Hungarian Economy to Stand on Many Feet).” *Kormányzat*, February 4, 2014.
<http://www.kormany.hu/hu/kulugyminiszterium/globalis-ugyekert-felelos-helyettes-allamtitkarsag/hirek/a-globalis-nyitas-a-magyar-gazdasag-tobb-labon-allasat-szolgalja>.
- Balogh, András. “Nemzeti Érdek És Külpolitika (National Interest and Foreign Policy).” In *Magyar Külpolitika a 20. Században (Hungarian Foreign Policy in the 20th Century)*. Budapest: Zrínyi, 2004.
- Békés, Csaba. *Európából Európába (From Europe to Europe)*. Budapest: Gondolat, 2004.
- Blau, Scott. “Hungary And The Third World: An Analysis of East-South Trade.” In *Eastern Europe and the Third World : East vs. South*. New York: Praeger, 1981.
- Bognár, József. “A New Era in the World Economy and Hungarian Foreign Economic Strategy.” *Acta Oeconomica*, no. 17 / 3–4 (1976): 227–43.
- Chivers, C. J. “One Poor Choice in Arming the Afghans, and Its Repercussions.” *At War Blog, The New York Times*, október 2010.
<http://atwar.blogs.nytimes.com/2010/10/26/one-poor-choice-in-arming-the-afghans-and-its-repercussions/>.
- Csaba, László. *The Capitalist Revolution in Eastern Europe*. Hants: Edward Elgar Publishing Ltd, 1995.
- Fabók, Bálint. “Végigudvarolta Az ENSZ-T Schmitt Pál (President Pál Schmitt Courted His Way through the UN).” *Http://www.origo.hu/*, September 24, 2011.
<http://www.origo.hu/itthon/20110924-schmitt-pal-koztarsasagi-elnok-diplomaciai-tevekenysege-hogy-bekeruljon-magyarorszag-az.html>.
- Fülöp, Mihály, and Sipos, Péter. *Magyarország Külpolitikája a XX. Században (Hungary's Foreign Policy in the 20th Century)*. Budapest: Aula, 1998.
- Hey, Jeanne A. K. *Small States in World Politics : Explaining Foreign Policy Behavior / Jeanne A. K. Hey, Editor*. Boulder, Co. : Lynne Rienner Publishers, 2003, n.d.
- Horky, O., and S. Lightfoot. “From Aid Recipients to Aid Donors? Development Policies of Central and Eastern European States.” *PERSPECTIVES ON EUROPEAN POLITICS AND SOCIETY* 13, no. 1 (2012): 1–16.
- Horky, Ondrej. “The Transfer of the Central and Eastern European ‘Transition Experience’ to the South: Myth or Reality?” In *Development Policies of Central and Eastern European States : From Aid Recipients to Aid Donors*, 17–32. New York: Routledge, 2013.
- Hungarian Ministry of Foreign Affairs. “Átalakuló Magyar Szerepvállalás Afganisztánban (Changing Hungarian Role in Afghanistan),” August 23, 2012.
<http://www.kormany.hu/download/9/07/a0000/Magyarorsz%C3%A1g%20afganiszt%C3%A1ni%20szerepv%C3%A1llal%C3%A1sa%20HU.pdf>.
- Hungarian Ministry of Foreign Affairs. “Magyar Külpolitika Az Unió Elnökség Után (Hungarian Foreign Policy after the EU Presidency),” 2011.
http://www.kormany.hu/download/a/cb/60000/kulpolitikai_strategia_20111219.pdf.

- Hungarian Ministry of Foreign Affairs. "Magyarország a NATO-Ban (Hungary in NATO)," 2010. http://www.kormany.hu/download/0/7b/20000/magyarorszag_a_NATO-ban.pdf.
- Hungarian Ministry of Foreign Affairs. "Magyarország Afganisztáni Szerepvállalása - Középtávú Stratégiai Kitekintés (Hungary's Participation in Afghanistan - Mid-Range Strategic Outlook)," November 18, 2009. http://www.kum.hu/NR/rdonlyres/534F1052-1EAF-4B89-8F2D-3B4DC651CF25/0/AFG_strat_1118.pdf.
- Johancsik, János. *Magyarország Külpolitikája 1918-1999 (The Foreign Policy of Hungary, 1918-1999)*. Budapest: L'Harmattan, 2010.
- Kádár, Béla. *Kis Országok a Világgazdaságban (Small States in the World Economy)*. Budapest: Közgazdasági és Jogi Könyvkiadó, 1971.
- Kádár, Béla. "Magyar Külgazdasági Stratégia a Nyolcvanas Évek Második Felében (The Strategy of Hungarian External Economy in the Second Half of the 1980's)." In *Magyar Külgazdasági Stratégia a Nyolcvanas Években (The Strategy of Hungarian External Economy in the 1980's)*. Budapest: Közgazdasági és Jogi Könyvkiadó, 1987.
- Katzenstein, Peter J. *Small States in World Markets : Industrial Policy in Europe / Peter J. Katzenstein*. Cornell Studies in Political Economy. Ithaca, N.Y. : Cornell University Press, 1985, n.d.
- Kende, István, and Szentés, Tamás. *Fejlődő Országok Nem-Kapitalista Útja (The Non-Capitalist Road of Developing Countries)*. Budapest: Kossuth, 1966.
- Keohane, Robert O. "Lilliputians' Dilemmas: Small States in International Politics." *International Organization* 23, no. 2 (Spring 1969): 291.
- Kiss J., László. "A Kádárizmustól Az EU-Tagságig: A Magyar Külpolitika Metamorfózisa (From Kadarism to the EU-Membership: The Metamorphosis of the Hungarian Foreign Policy)." In *Magyar Külpolitika a 20. Században (Hungarian Foreign Policy in the 20th Century)*. Budapest: Zrínyi, 2004.
- Kornai, János. "Transformational Recession: The Main Causes." *Journal of Comparative Economics*, no. 19/1 (August 1994): 39–63.
- Láng László. "Gazdasági Együttműködésünk a Fejlődő Országokkal: A Kapcsolatfejlesztés Stratégiája (Our Economic Cooperation with the Developing Countries: The Strategy of Partnership Development)." In *Magyar Külgazdasági Stratégia a Nyolcvanas Években (The Strategy of Hungarian External Economy in the 1980's)*. Budapest: Közgazdasági és Jogi Könyvkiadó, 1987.
- Lutz, James M. "East European Trade with the Developing World: Soviet Diplomatic Partner or Economic Self-Interest." *International Trade Journal* 9, no. 3 (Fall 1995): 333–62.
- "Magyarország Hetvenhét Tankot Ad Iraknak (Hungary Gives 72 Tanks to Iraq)." [Http://www.origo.hu/](http://www.origo.hu/), December 11, 2004. <http://www.origo.hu/nagyvilag/20041211magyarorszag.html>.
- Németh, Jánosné. *Az MSZMP Központi Vezető Szervei Üléseinek Napirendi Jegyzékei (The Agenda Items of the Meetings of the Central Managing Bodies of the HCWP)*. Vol. 1. book (1956–1962). National Archives of Hungary, 1995. http://mnl.gov.hu/letoltes.php?d_id=2499.
- Oprea, Mirela. "Development Discourse in Romania: From Socialism to EU Membership." In *Development Policies of Central and Eastern European States - From Aid Recipients to Aid Donors*, 66–82. New York: Routledge, 2013.

- Panke, Diane. "Dwarfs in International Negotiations: How Small States Make Their Voices Heard." *CAMBRIDGE REVIEW OF INTERNATIONAL AFFAIRS* 25, no. 3 (2012): 313–28.
- Puja, Frigyes. *Magyar Külpolitika (Hungarian Foreign Policy)*. Budapest: Kossuth, 1980.
- Romász, Andrea. "A WikiLeaks Magyar Oldala (The Hungarian Side of WikiLeaks)." *Kitekintő*, August 4, 2010. http://kitekinto.hu/hatter/2010/08/04/a_wikileaks_magyar_oldala/.
- Rothstein, Robert L. *Alliances and Small Powers* / [by] Robert L. Rothstein. New York : Columbia University Press, 1968, n.d.
- Scheppelle, Kim Lane. "Hungary's Constitutional Revolution." *Paul Krugman Blog*, December 19, 2011. <http://krugman.blogs.nytimes.com/2011/12/19/hungarys-constitutional-revolution/>.
- Simai, Mihály. *A Fejlődő Országok Szerepe Napjaink Nemzetközi Osztályharcában (The Role of Developing Countries in the Contemporary Class Struggle)*. Budapest: Kossuth, 1978.
- Szabó, Róbert. *A Magyar Külpolitika Története 1848-Tól Napjainkig (The History of Hungarian Foreign Policy from 1848 until the Present)*. Budapest: Helikon, 2011.
- Szentes, Tamás. "A Few Thoughts on the Problem of Hungarian Cooperation with Developing Countries." *Acta Oeconomica*, no. Vol. 17 / 2 (1976): 145–58.
- Szent-Iványi, Balázs. "Hungarian International Development Cooperation: Context, Stakeholders and Performance." In *Development Policies of Central and Eastern European States - From Aid Recipients to Aid Donors*, 50–65. New York: Routledge, 2013.
- "Sziijártó: A Stratégiai Céloknak Megfelelően Alakul Át Az Intézményrendszer (Sziijártó: The Institutional Framework Is Adjusted to the Needs of the Strategic Goals)." *Hirado.hu*, May 22, 2014. <http://www.hirado.hu/2014/05/22/szijjarto-a-strategiai-celoknak-megfeleloen-alakul-at-az-intezmenyrendszer/>.
- "Sziijártó: Beneveztünk a Szövetségekötési Versenybe (Sziijártó: We Signed up for the Allancemaking Contest)." *Világgazdaság*, June 13, 2013. <http://www.vg.hu/kozelet/politika/szijjarto-beneveztunk-a-szovetsegekotesi-versenybe-405663>.
- "Sziijártó: Európa Termelési Központja Akarunk Lenni (Sziijártó: We Want to Become the Manufacturing Center of Europe)." *Hvg.hu*, July 18, 2013. http://hvg.hu/gazdasag/20130718_Szijjarto_Europa_termeles_kozpontja_aku.
- Szlankó, Bálint. "Magyarország Az Afganisztáni Háborúban - Nem a Méret a Lényeg (Hungary in the Afghanistan War: It Is Not Size That Matters)." *Magyar Narancs*, June 5, 2008, 2008/23 edition. http://magyarnarancs.hu/belpol/magyarorszag_az_afganisztani_haboruban_-_nem_a_meret_a_lenyeg-68871.
- Tarrósy, István. "Global Opening for Hungary - New Beginning for Hungarian Africa Policy?" *African Studies Quarterly*, no. Volume 14, Issues 1–2 (November 2013): 77–96.
- "Viktor Orbán's Annual Speech about the State of Hungary," February 8, 2010. http://mno.hu/belfold/orban_viktor_felszitasi_a_remenyt_a_magyar_szivekben-255908.
- Visnovitz, Péter. "Afrikában Szimatol a Kormány (The Government Sniffs around in Africa)." *Origo.hu*, October 12, 2012. <http://www.origo.hu/itthon/20121012-szemetetgetovel-erkezik-afrikaba-a-gaz-utan-szimatolo-kormany.html>.

- Visnovitz, Péter. “Az Én Álmomat Sodorják Veszélybe (They Endanger My Dream - Interview with János Martonyi, Hungarian Minister of Foreign Affairs).” *Origo.hu*, July 16, 2013. <http://www.origo.hu/itthon/20130712-magyarorszag-helye-a-vilagban-interju-martonyi-janos-kulugyminiszterrel.html>.
- Visnovitz, Péter. “‘Ez Nem Bolhapiac’ - Így Lobbizott Magyarország Az ENSZ BT- Tagságért (‘This Is Not a Flea Market’ - How Did Hungary Lobby for the UN SC Membership).” *Origo*, October 17, 2011. <http://www.origo.hu/itthon/20111014-ensz-biztonsagi-tanacs-hogyan-lobbizott-magyarorszag-a-bt-be-kerulesert.html>.
- Visnovitz, Péter. “Jófejség Lopja Be a Magyarokat Az Afrikai Szívekbe (Coolness Helps Hungarians to Get into the African Hearts).” *Http://www.origo.hu/*, June 10, 2013. <http://www.origo.hu/itthon/20130607-afrika-forummal-nyit-a-magyar-kulpolitika-a-fekete-kontinens-fele.html>.
- Vital, David. “3. The Inequality of States: A Study of the Small Power in International Relations.” In *Small States in International Relations*, 77. New Directions in Scandinavian Studies. Seattle: University of Washington Press, 2006.