Shifting Alliances:

The Evolution of the US-Hungarian Bilateral Relationship in Recent Decades

By

Virag Feher

Submitted to

Central European University

Department of Political Science

In partial fulfillment of the requirements for the degree of Master of Arts in Political Science

Supervisor: Dr. Zsolt Enyedi

Vienna, Austria 2024

Declaration of Authorship

I, Virag Feher, candidate for the MA degree in Political Science declare herewith that the present thesis is exclusively my own work, based on my research and only such external information as properly credited in notes and bibliography. I declare that no unidentified and illegitimate use was made of the work of others, and no part of the thesis infringes on any person's or institution's copyright. I also declare that no part of the thesis has been submitted in this form to any other institution of higher education for an academic degree.

Vienna, 18 September 2024

Virag Feher

Signature

Abstract

This thesis analyzes the role of the main factors that contribute to the US-Hungarian bilateral relationship and its evolution in recent decades. Emphasis is placed on three key factors; ideology, personalities in politics, and economic interests. Using qualitative interviews as the research method, contributions from experts on the area of US-Hungarian bilateral relations is compared with the literature to bring the thesis to a comprehensive conclusion. As a result of reviewing extensive literature and interview insights, economic interests are determined to be the most important factor in bilateral relations. While ideology is present in bilateral relations and can be very influential, it is a factor of lesser importance than economic interests. Personalities in politics was found to play a more neutral role, with the power to influence the existing dynamic between the US and Hungary in either a positive or a negative direction depending on who the political leaders are, but ultimately not changing the existing relationship in a significant way. Following ideology, personalities in politics, and economic interests, the US and Hungary were both analyzed in terms of the positions they occupy in the current international world order, to determine how those positions influence their bilateral relationship. This chapter contributed to understanding the complex dynamic between the two states by showing the dominant station of the US over Hungary in terms of power, economic resources, and military ability.

Acknowledgements

I want to express my thanks to my wonderful family, especially my parents and my three siblings, for their unwavering love and support of me in my academic career and in all my endeavors. This thesis is dedicated to my sister Veronika, who has given me motivation and strength in the moments when I needed it the most. I could not have done this without her support.

I also want to thank my supervisor Dr. Zsolt Enyedi for his guidance in writing this thesis, for encouraging me and challenging me every step of the way. It was a privilege to be your student and I will always be thankful for the lessons I learned from you during this process.

Table of Contents

Declaration of Authorship	i
Abstract	i
Acknowledgements	ii
1. Introduction	1
2. Methodology	6
2.1 About the Interviewees	7
3. Ideology	10
3.1 Ideology as a Dominant Factor in Bilateral Relations	10
3.2 The Limited Role of Ideology in Bilateral Relations	14
3.3 Experts' Insights and Concluding Analysis	16
4.1 Personalities in Politics as a Dominant Factor in Bilateral Relation	s18
4.2 The Limited Role of Personalities in Politics in Bilateral Relations.	21
4.3 Experts' Insights and Concluding Analysis	24
5. Economic Interests	29
5.1 Economic Interests as a Dominant Factor in Bilateral Relations	29
5.2 The Limited Role of Economic Interests in Bilateral Relations	32
5.3 Experts' Insights and Concluding Analysis	35
6. World Order	39
6.1 The United States in the International System	39
6.2 Hungary in the International System	41
7. Conclusion	43
Bibliography	46

1. Introduction

The bilateral relationship between the United States and Hungary has undergone significant shifts in recent decades. Their evolving relationship can be attributed to changes that impacted the international sphere, as well as internal shifts within the two states. Even though Hungary only began its transition to the path of liberal democracy in 1989, and consequently only started developing a closer relationship with the US following that transition, the US and Hungary have a history with each other predating 1989. The first part of the introduction will provide a historical background.

The first notable event occurred in 1917, when the United States entered World War I on the side of the Allies. Following the US's entry, the Austro-Hungarian Empire declared war on the United States, effectively severing diplomatic relations between the two states, which continued until after the end of World War I. In addition to the end of the war, 1918 also signaled the end of the Austro-Hungarian Empire. The Trianon peace treaty recognized the newly formed Hungary as a loser country of World War I, and assigned its new borders. Following the peace treaty, the United States officially recognized Hungary's statehood and independence in 1921. World War II then saw many elements regarding the two states repeated from WWI. The United States entered the war late and fought opposite of Hungary. Hungary, once again, declared war on the US in 1941, but was inevitably on the losing side and experienced negative consequences. After the end of World War II, Hungary fell under the influence of the Soviet Union and became a Satellite State. The United States continued a policy of containment towards communist states, which now included Hungary.

During the revolution of 1956, Hungary tried to gain independence from the Soviet Union in order to pursue a course of liberal democracy. Their attempt was brief and unsuccessful. While Hungary did not receive support from the US during the 1956 revolution, the US generously opened its doors to Hungarian refugees after the failed revolution. In 1978, US President Jimmy Carter traveled to Hungary to return the Holy Crown of St. Stephen to its home country. Even though bilateral relations were strained due to their differences in political ideology, President Carter's gesture showed respect to Hungary by returning an object with such a significant historical importance to Hungary. Once the Berlin Wall fell and Hungary was free of Soviet influence, the new government and the people were committed to adapt the principles of liberal democracy, and the United States was supportive of their course of actions.

In 1999, Hungary joined NATO, taking a step towards a closer alliance with the Western European states. The United States and Hungary were now both member states of NATO, with the US being a founding member. Their shared NATO membership strengthened their bilateral relationship by making them natural allies. Following the ascension to NATO, Hungary also joined the European Union in 2004, once again with the full support and encouragement of the US. By becoming an EU member state, Hungary increased its economic engagement with the US. Tensions between the two states began to rise in 2010, when Viktor Orban was elected prime minister of Hungary. He and his party, Fidesz, slowly began a shift in political ideology towards illiberalism, nationalism, and populism. The combination of these traits resulted in policy disagreements with the US, namely disagreements on whether Hungarian policies are consistent with the principles or democracy and rule of law. The ongoing Russia-Ukraine war further heightened tensions between the US and Hungary, mainly due to Hungary's refusal to support sanctions against Russia. While the US has been open in its support of Ukraine, Hungary has

remained close with Russia. Hungary's behavior in relation to the Russia-Ukraine war has been the cause of rifts with the EU as well. The aforementioned interactions and events provide historical context for the bilateral relationship between the United States and Hungary, which in turn helps to understand their present-day bilateral relationship.

The purpose of my thesis is to analyze the factors that contribute to the shifting alliance of the United States and Hungary, and determine which factors are the most influential. These factors include ideology, personalities in politics, economic interests, and the changing world order. My main motivation for conducting research on the US-Hungarian bilateral relationship is due to the heightened tension between the two states at present that are a result of an increasing number of past differences and are exasperated by the upcoming US presidential elections. The proximity of the US presidential elections makes this relationship important now, because having a different president with a different political inclination would change the already complicated dynamic between the two countries.

The methodology for my research followed a qualitative research design in the form of qualitative interviews. The interviewees are experts in the field of US-Hungarian bilateral relations due to their backgrounds in diplomacy, holding offices in the Hungarian-, American- or EU parliament, and conducting research and teaching at universities. Their unique experience provided a deeper insight into my topic of interest and was valuable supporting material for the academic research on the subject of US-Hungarian relations. I conducted all interviews using Hungarian or English, in some cases both.

Following the abstract, introduction, and methodology sections, the thesis is organized into four chapters. These chapters are ideology, personalities in politics, economic interests, and

world order. The chapters on ideology, personalities in politics, and economic interests follow the same format. They are divided into three sections, beginning with the argument that the factor (ideology, personalities in politics, and economic interests) is the most important contributor to the changing US-Hungarian bilateral relations, followed by an argument presenting the opposite perspective, which is either arguing why the factor is not the most important constituent, or why other factors are more important. The third section in the ideology, personalities in politics, and economic interests chapters analyzes both sides of the argument in a comprehensive discussion, then comes to a conclusion as to which argument is better applicable to the specific case of US-Hungarian bilateral relations. This section brings in the findings from the qualitative interviews in an effort to analyze how they align with the theories and the literature. The fourth chapter to come is world order, which is structured into three parts as well; reviewing the United States's place in the international system, followed by discussing Hungary's place in the international system, concluded by a discussion of how the positions that the two states are in influence their diplomatic relationship. The final section of this chapter also incorporates the experts' perspectives into the analysis.

The following terminology is frequently used in my thesis:

Ideology: the values, ideas, and beliefs of a state (or the political leaders of a state) that influence state behavior in foreign policy and bilateral relations.

Economic interests: economic, financial, or strategic benefits that influence state behavior.

Bilateral relations: the interactions of two sovereign states regarding political, economic, and cultural matters.

CEU Department of Political Science: One-year MA Program in Political Science 2023-2024

Foreign policy: state behavior towards other states, usually with the purpose to pursue one's own national interests.

World order: used interchangeably with "international world order", "international order" or "international system", world order refers to the set of rules that states abide by in relation to each other. The positions that states fulfill within the international order takes the shape of a hierarchy and contributes to their behavior.

Personalities in politics: the personality traits or personal beliefs of political leaders that influence state behavior.

2. Methodology

The primary methodology for this research uses expert interviews to gain a deeper understanding into the US-Hungary bilateral relations. The expert interviews are a fundamental part of this research, because they offer their perspective through direct involvement in the diplomatic relationship of the US and Hungary, through extensive observation and education, or both. This type of field research allows the interviews to capture the intricacies and connections of the two states. The experts whose insights were included in this thesis possess expertise on US-Hungary bilateral relations due to their professions as political scientists, diplomats, ambassadors, foreign ministers, members of parliament in the Hungarian or the EU parliament, and university professors.

A qualitative research design was selected for this case because qualitative methods tend to be more effective in the field of social sciences. Qualitative interviews are able to provide insights that numerical data would not show adequately. The interviews were conducted by me in either English, Hungarian, or the combination of the two languages, and then translated and transcribed in order to be used in English during the research process. The interviews followed a semi-structured format and covered a number of topics, with a concentration on foreign relations. Experts were asked about their current or former role or profession that makes them a qualified expert for this research. Prior to the expert interviews, informed consent was given by each participant, and they are mentioned in this research according to the extent that they have given their permission to. In the event that information is credited to "some of the experts", "several experts", or the source of the information is credited by their profession, for example, "a

Hungarian political scientist", that is because the reference reflects the extent to which the interviewee consented to being mentioned to.

It is important to acknowledge the limitations of this research. The experts who were interviewed were chosen because of their supreme knowledge in a field related to the research. All of the interviewed experts are educated, and their views can only be taken as a reflection of their subjective experience or knowledge, and not as a representation of the views that the people in the United States and Hungary hold regarding the bilateral relations. The next section contains the list of experts and their backgrounds to serve as a basis of understanding for where their perspective is coming from.

2.1 About the Interviewees

This section is included with the purpose of briefly providing insight into the background of the experts, in order to better understand their contributions to this research.

Dr. Andras Bozoki is a Hungarian political scientist and a current professor of political science at Central European University. He served as Hungary's Minister of Culture from 2005 to 2006. Dr. Bozoki is an expert in the fields of political transitions, Hungary's democratization, and analyzing the role of elite involvement in political systems. His extensive knowledge of Hungarian politics in the post-communism period makes him a valuable source of information for this research and lend insight into how Hungary's political changes on the domestic level influenced Hungarian foreign policy.

Dr. Istvan Szent-Ivanyi is a Hungarian political scientist and former diplomat, who currently works as a professor of political science. He served as a member of the European

Parliament from 2004 to 2009, and as Hungarian ambassador to Slovenia from 2009 to 2015. Dr. Szent-Ivanyi is an expert in European politics and Hungary's role in it, as well as Hungary's foreign policy initiatives and diplomatic relationships with other states, including the United States. His latest book, "Quo vadis Hungaria?", proved a valuable resource for me in my thesis, as it details Hungary's strategic vision for foreign policy, as well as HUnagry's bilateral relationship with the US.

Dr. Peter Balazs is a Hungarian political scientist and diplomat, who served as Hungary's foreign minister from 2009 to 2010. He was a member of the European Parliament following Hungary's ascension to the European Union. He was a valuable source of information for my research due to his expertise of international relations and European studies. His experience as a diplomat provided especially insightful information due to his role as foreign minister of Hungary, a role during which he represented Hungary's best interests and contributed to maintaining a positive relationship with the United States.

Dr. Istvan Hegedus is a Hungarian politician, sociologist, and serving chair of the Hungarian Europe Society. Dr. Hegedus is knowledgeable on Hungary's post-1989 political transition. Through his NGO involvement, he holds opinions in favor of the European Union and supports the values of liberal democracy. He is a relevant source of information due to his extensive knowledge of Hungarian politics, including Hungary's bilateral relations with other states.

Dr. Charles Gati is a Hungarian-American political scientist who is an expert of international relations. Due to his Hungarian heritage, he frequently focuses on Eastern and

Central Europe. As a Hungarian-American scholar who has conducted extensive research on the political histories of both states, Dr. Gati is a valuable and unique source of information.

Dr. Reka Szemerkenyi is a Hungarian diplomat who served as Hungary's ambassador to the United States from 2015 to 2017. Her background is rooted in energy and security issues. Her experience as a diplomat to the US makes her a crucial expert to include in this research. Her diplomatic mission took place at an important time, and she witnessed the change of presidential power from Democrat Barack Obama to Republican Donald Trump. Considering how the two presidents differ in terms of their goals and visions for the US, makes Dr. Szemerkenyi's perspective especially important.

Mr. John Shattuck, J. D. is an American diplomat and international human rights lawyer. Notable achievements from his career include serving as the US Ambassador to the Czech Republic, serving as the Assistant Secretary of State for Democracy, Human Rights, and Labor during Bill Clinton's presidency, and serving as the president and rector of Central European University from 2009 to 2016. Mr. Shattuck's expertise on democracy and human rights, on Central and Eastern European countries and their connection to the United States make him a credible source of information for the case study of US-Hungarian bilateral relations.

3. Ideology

This section will discuss theories and concepts in order to understand the role of ideology in the US-Hungarian bilateral relationship. While realism and liberalism are the most important theories in this chapter, other concepts are also effective at influencing foreign policy. Realism and liberalism are often compared and contrasted with each other, because their principal tenets can be applied to many situations.

3.1 Ideology as a Dominant Factor in Bilateral Relations

This section is designed to present the arguments of scholars and political scientists who believe that ideology is a key factor in the foreign policy decisions of a nation, which naturally includes bilateral relations.

Liberalism is a theory that focuses on the cooperation of states with each other and with international institutions to ensure democracy is upheld (Wyatt-Walter, 1996). The theory argues that international institutions play an important role, because they are influential in encouraging states to practice democracy and prioritize human rights. Liberalism promotes the notion that states benefit through cooperation, and therefore states will be incentivized to maintain peace and uphold democracy. The presence of interdependence between states and the prominence of international institutions are important in promoting peaceful diplomatic relations between states and use those relations to create mutual interests (Wyatt-Walter, 1996). Institutions, if successful, provide states with a strong framework of democracy, and can be instrumental in peacebuilding efforts. The European Union is an example of an international institution that operates through the cooperation of the EU member states, where the states share common interests in creating

policies that are mutually beneficial to the member states and the EU as a whole. The EU is considered a liberal institution that prioritizes democracy and requires the EU member states to respect democratic values and conduct their governments in a way that is consistent with democracy.

Idealism as an approach to foreign policy promotes the argument that bilateral relations are formed and conducted as a result of shared ideology. Former American president Woodrow Wilson is known as an idealist for his foreign policy decisions during World War I. The US was still very much an isolationist state when Wilson assumed the role of president in 1913. The American people reelected Wilson for his efforts and promises to keep the US out of WWI. However, Wilson began his second term by advocating for the US to enter the war to protect American interests. While Wilson was also driven by a desire to prioritize American economic and security interests in his foreign policy, he is more accurately described as an idealist than a realist (Copeland, 2024). His long-term vision for the United States was far more liberal than that of his predecessors, presidents Theodore Roosevelt and William Howard Taft, because Wilson envisioned the US as a member of the League of Nations. He famously wrote the fourteen points to end the war, but Congress voted against the US entry. Wilson's desire for a closer alliance with Western European states, the victors of World War I, through the League of Nations was deeply rooted in their shared ideology and vision (Copeland, 2024). Wilson's legacy as an idealist left an impact on American foreign policy.

The Democratic Peace Theory argues that democracy is a necessary component to achieve peace in international relations (Buchan, 2002; Doyle, 2005; Russet, Layne, Spiro, Doyle, 1995). Scholars who support this theory include Michael Doyle and Immanuel Kant. While democracy is not an ideology, but a form of governance, the states who govern themselves in a democratic

way are committed to the same values, values that are consistent with democracy. This gives states a strong shared foundation for conducting bilateral relations and utilizing adapting peaceful avenues for solving potential conflicts.

Populism is a political concept that is designed to attract average people with the promise that the government would prioritize their needs and listen to their concerns (Mudde, 2004). Populism can be an effective tool for political leadership if the people fundamentally believe that the political elite have failed them, for example, by disadvantageous policies. Leaders who use populism tend to present themselves as one of the people, as individuals who understand what the people need. Populism and nationalism are often present together, which shows itself in populist leaders advocating for a great degree of national sovereignty and independence. Populist leaders who are also nationalists tend to prioritize their own people and native population by adapting a firm stance against immigration. Leaders are able to defend these policies by claiming that they are putting their state and people first. Donald Trump and Viktor Orban are both examples of leaders who are both populists and nationalists. Cas Mudde's research connecting populism and right-wing politics is relevant here, as both Orban and Trump are right-wing conservative politicians (Mudde, 2000). Trump's election slogan "Make America great again" is symbolic of his nationalist stance and is used to convey to people his commitment to the United States. Combined with the fact that Trump's background is in the field of business, not politics, makes him an appealing candidate for many people if they believe him to be better suited for the role of president than actual politicians. His populist rhetoric is apparent when he paints the politicians of the democratic party as the political elite, and himself as one of the people (Oliver, 2016). As for Viktor Orban, he also portrays the liberal and progressive politicians in the Hungarian government as the elite who do not serve the best interests of Hungary. Hungary is only one

example of a growing populist state in Europe, as Mudde's research illustrates the trajectory of growing populist parties and leaders, as well as the threats they pose (Mudde, 2016).

Authoritarianism is a political system in which the leader or the ruling party use centralized power to limit the threats to their political rule, to limit political plurality, and limit the reach of democracy. While authoritarianism is a political system, not a political ideology, authoritarian leaders share similar values that have led to them becoming an authoritarian leader. Authoritarianism is a powerful driving factor in state behavior, in the policies the government creates, and in the foreign policy direction the state takes (Diamond, 2015). State behavior is impacted by authoritarianism because leaders have a tendency to prioritize their own selfinterests over the best interests of the state. Authoritarian influence on foreign policy can be seen when authoritarian leaders, or leaders with authoritarian tendencies, seek each other out and develop a closer bilateral relationship between the states they preside over. Because these alliances are formed between people, not states, the relationship is subject to change drastically if either of the authoritarian leaders is no longer in power. Authoritarian regimes are driven by political ideology to a great extent, as they seek out other authoritarian regimes to strengthen alliances based on shared values, as well as in their stance against liberal democracy due to ideological differences. Despite authoritarian states' inherent opposition to liberal democracy, states with different political systems are interested in maintaining bilateral relations with each other for their best interests, putting ideology aside.

The theory of Marxism prioritizes ideology over other factors by placing ideology at the center of bilateral interactions. Put forth by Karl Marx and Friedrich Engels, Marxism emphasizes class struggles between the ruling class and the working class. When elevated from a political theory and put into practice by a government, Marxism leads to communism. As seen in

the former Soviet Union, communist states preferred conducting economic relations with other communist states due to having a shared ideology.

3.2 The Limited Role of Ideology in Bilateral Relations

In this section, I will present the counterargument for the role of ideology in bilateral relations. Scholars who advocate for this argue that ideology does not play a prominent role in bilateral relations, because other factors play a more dominant role.

Realism is arguably the strongest counterargument to the earlier section, more specifically the claim that ideology is a driving force in foreign policy. This is because the central claim of realism is that nations primarily act in their best interest when crafting foreign policy initiatives, even if that requires their cooperation with states that they do not share an ideological common ground with.

Realism is a theory that believes to be the world as a competitive stage at its core, in which states are involved in a constant state of power struggle (Morgenthau, 1948; Guzzini, 2004; Rosecrance, 1981; Hall, 2011). Realism builds its theory from the perspective of individual states at the center and assumes that states will act in their best interest when it comes to shaping their foreign policy and conducting their diplomatic relations with other nations. States are presumed to be rational in their political decisions, prioritizing their own interests and security (Morgenthau, 1948). This desire shows itself in foreign policies relating to diplomatic decisions, military, economics, business, and financial matters. Anarchy is also an important feature of realism, as the theory does not believe in the need for a world government to guide the states, but instead believes that each state is responsible for ensuring their survival and place on the world

stage (Morgenthau, 1948; Guzzini, 2004; Rosecrance, 1981; Hall, 2011). Even though states are presented as independent and capable entities, realism does condone strategic alliances between states that are created in order to prevent one state from gaining too much power on the world stage. Under the theory of realism, states can pursue their national interests through means that range from peaceful to aggressive in nature (Morgenthau, 1948; Rosecrance, 1981). A contemporary example is Russia, who uses a realist approach in their foreign policy. This is shown by Russia's invasion of Ukraine in 2022, because it serves Russia's interests to regain their control over what used to be the Soviet Union. The United States also has a history of using realist foreign policy measures, evident in their pattern of getting involved in foreign conflicts that serve US interests, as well as their actions during the Cold War, when the US made a conscious effort during the Kennedy administration to conduct civil diplomatic relations with the then-Soviet Union to put a stop to the testing of nuclear weapons. This was advantageous for the US because limiting the USSR's power to test nuclear weapons controlled its ability to gain power, but it also required the US to make the sacrifice of not using nuclear weapons of their own. This arrangement served both states in keeping each other's military power and ability for expansion in check, effectively preventing one to become a dominant world power, while also saving the world from the potentially disastrous consequences of a nuclear war.

John J. Mearsheimer's offensive realism argues that states seek to increase and maximize their power on the international stage (Mearsheimer, 2019). States who conduct their foreign policy according to the principles of offensive realism are driven by strategic calculations in their bilateral relations. Shared ideological values are not a strong factor in offensive realism; as long as the course of actions serve the interests of the state, the ideological values of the other state are irrelevant.

Realpolitik is the realist approach to foreign policy, and it is most notably associated with American politician, diplomat, and author Henry Kissinger. Kissinger served as Secretary of State and National Security Advisor of the US under president Richard Nixon. Kissinger and Nixon's realpolitik allowed the United States to increase its ability to engage in diplomatic relations with the Soviet Union and other communist states by focusing on national interests over differing political ideology (Lake, 1981; Ferguson, 2011; Blackill, 2014; Schwarz, 2015). Realpolitik strongly implies the prioritization of values and political ideology to achieve objectives that serve the national interest, and is still highly applicable to the United States in terms of their foreign policy decisions.

3.3 Experts' Insights and Concluding Analysis

This section is dedicated to discussing the two arguments in relation to the case of the United States and Hungary. The objective is to decide which argument can be best applied to the case study and why.

Returning to the case of the US and Hungary, it is important to consider that states often use several different approaches in their foreign policy decisions, therefore their actions are can often be explained by multiple international theories, depending on what perspective the author writes from (Duguri, Hassan, Ibrahim, 2021; Ikenberry, 2009; Jehangir, 2012). Looking at the two states, it can be said that the US is more powerful than Hungary in all measurable aspects: politically, economically, and in their military (Shattuck, 2018). The only organization that both nations are member states of is NATO, where it is of the member states' advantage to maintain diplomatic relations with each other in order to have access to certain regions. If the US

government relies on realist principles in their foreign policy, they would maintain diplomatic relations with Hungary to keep Hungary from deepening its alliance with Russia. The liberalist influence on American foreign policies can explain why the US is critical of Hungary because of the way Hungary conducts themselves in terms of human rights. The application of realism and liberalism in this case study leads to the following question: To what extent does the Unites States actually care about Hungary? Does the US need to maintain friendly relations with Hungary?

In the case of contemporary Hungary, one of the most pressing subjects of research centers around determining whether the actions of the government and the prime minister are driven by a deep-seated belief in their own political ideology, or if they are driven by a vision of where they want to see Hungary in the future. The expert interviews I conducted reveal that the Hungarian government's foreign policy initiatives are most likely driven by a combination of both theories, with the ideological factor stronger at the present time. As Bozoki noted, the current Orban regime is based on three pillars: personalism, populism, and authoritarianism. However, ideology is not the most important factor in the US-Hungary bilateral relations; despite ideological differences causing tensions and conflicts between the two countries, it has not led to irreversible damage. Rather, as almost all of the expert interview noted, Hungary remains engaged with the US due to the great importance of this relationship—no matter how greatly the two countries diverge in ideological orientation.

4. Personalities in Politics

The intent of this chapter is to investigate the role that personalities of leaders play in politics, namely in shaping foreign policy and bilateral relations, concentrating on the relationship between Hungary and the US. This section will deliberate how leaders' individual characteristics, like nationalism, populism, and authoritarianism influence diplomatic relations and associations among nations. First, the chapter will inspect arguments that focus on the substantial impact of political personalities on foreign relations, succeeded by a counterargument signifying the restricted role that personalities play in influencing international and bilateral relations. The final argument will combine these viewpoints and include the research findings from the interviewed experts, relating them to the explicit circumstances of the US-Hungarian bilateral relationship.

4.1 Personalities in Politics as a Dominant Factor in Bilateral Relations

The contention that personalities play a fundamental role in modifying foreign policy and bilateral relations is well-recognized in political science. Academics claim that individual attributes and leadership approaches drastically sway diplomatic outcomes and the disposition of international exchanges (Lüdert, 2020). Significant personality qualities—such as nationalism, populism, and authoritarianism—configure leaders' view of the world, policy precedence, and methods/tactics to governing, which modify how they connect with other nations. In the instance of the US and Hungary's relationship, the governance of Viktor Orban and his relations with American presidents demonstrate how personal uniformity and analytical affiliations shape diplomatic connections.

Historical and Theoretical Foundations: Scholars like Harold Lasswell and James
David Barber, whose psychological appraises of political figureheads secured the groundwork for grasping how personal traits impact political behavior, have recognized the effect that personalities have on politics (Ascher & Hirschfelder-Ascher, 2004). Lasswell's commission on the psychological motives behind authority-seeking conducts in his 1948 book *Power and*Personality and Barber's categorization of presidential persona in his 1972 book The Presidential Character: Predicting Performance in the White House are pivotal in clarifying the magnitude of personality in political governance. Lasswell, for instance, speculated that personal goals often drive leaders' craving for power, which subsequently controls their policy decisions (Hollister, 1949). Barber, on the contrary, established a model that classifies presidents by their character traits, reasoning that such traits can calculate their management styles and, subsequently, their policy decisions (Patterson, 1979).

More current research by contemporary scholars builds onto this discourse, concentrating on the immediate influence of personalities on foreign policy. A study by Elizabeth Saunders determined that leaders possessing authoritarian inclinations are more likely to follow belligerent foreign policies and associate with compatible administrations (Saunders, 2018). Leaders' characteristics effect their insights of risks and opportunities, which holds sway over their foreign policy choices. This assessment is remarkably significant when analyzing leaders who embrace nationalist and mainstream rhetoric, as their personality attributes often align with an argumentative and insistent foreign policy position.

Contemporary Examples and Experimental Evidence: The leadership approaches of Donald Trump in the US and Viktor Orban in Hungary illustrate how personal qualities can significantly shape bilateral relations. This dynamic can be examined via the lens of political

populism and realism. With its focus on realpolitik and self-interest, realism lines up with Orban's absolutist character, distinguished by nationalist rhetoric and anti-immigrant views (Antunes & Camisão, 2018). The populist political platform of Trump equally prioritizes border security and national independence (Klopstock, 2022). Trump and Orban's shared populistic ideals, which prioritizes the affairs of the common people over the elite, led to a period of close relations throughout Trump's presidency. Orban was among the few European leaders who approved of Trump's 2016 presidential campaign, and their consequent affiliation was categorized by mutual cynicism towards global foundations like the United Nations and European Union (Kirchick, 2019). The parallels in their diplomatic rhetoric, exchange tactics, and leadership styles exhibit how mutual personality characteristics can increase diplomatic connection.

Researchers debate that such personal correspondences generate policy alliance, often avoiding established diplomatic procedures. For example, Orban and Trump's shared prominence of authority and suspicion regarding multilateral institutions painted their ideological conjunction, which was embedded in their personality-motivated political stances (Pacciardi, Söderbaum & Spandler, 2024). Orban's government supported Trump's angle on immigration and border security, portraying parallels between Trump's suggested border wall with Mexico and Hungary's border fence designed to stop the inflow of migrants (Kirchick, 2019). This evaluation suggests that personal relations and shared ideological values among leaders can influence bilateral relations, at times more so than bureaucratic or strategic interests.

Comparative Cases: The situation of Orban and Trump is not exceptional. Comparable dynamics are seen in the relations between other populist leaders, such as Vladimir Putin and Orban. Scholars claim that Orban's commendation for Putin's governance structure—a blend of authoritarian rule, nationalism, and command over the public and the media—echoes his

subjective ideological coalition with Putin (Sokhey, 2020). This reverence has impacted Hungary's foreign policy, pushing it towards adjacent connections with Russia undeterred by Hungary's affiliation with NATO and the European Union. Orban's connection with Putin is categorized by a mutual understanding and shared respect of a governance that gives precedence to state control over media, political rivalry, and the public (Hajba, 2023). These instances emphasize the dispute that individual political styles and similarities can extensively shape international affairs, swaying alliance outcomes, trade deals, and diplomatic exchanges.

To add on to these high-profile cases, further studies have found that personal relations among leaders can accelerate or delay diplomatic agreements. For example, the personal link between Russian President Vladimir Putin and US President George W. Bush originally induced a more collaborative relationship between Russia and the US, regardless of strategic pressures (German, 2023). On the contrary, the stressed relationship between Israeli Prime Minister Benjamin Netanyahu and President Barack Obama induced a period of unease in US-Israel relations, markedly over concerns affiliated with Iran and the Israeli-Palestinian dispute (Saltzman, 2017). These instances emphasize the capacity for personalities to play a leading role in influencing the essence of bilateral relationships.

4.2 The Limited Role of Personalities in Politics in Bilateral Relations

Regardless of the compelling cases for the power of personalities in politics, a counterargument highlights that strategic factors and institutional structures in steering bilateral relations and foreign policy (Smith, 2012). Scholars who support this view claim that the superficial impacts of individualities are hampered by heavier geopolitical matters, established

checks and balances, and tactical benefits of the state. This outlook, embedded in structural realism, declares that national interests navigate state actions, not personal similarities or leadership approaches.

Foreign Policy and Structural Realism: Promoters of structural realism reckon that international affairs are supervised by the fundamental nature of the worldwide system, which pressures states to prioritize security and strategic apprehensions over individual semblances (Waltz, 2000). In harmony with this theory, the severance of power in the international system warrants the actions of states, and separate leaders have confined power to control these dynamics (Duch-Brown & Fonfría, 2016). This insight suggests that regardless of the personalities involved, states associate their foreign policies based on their nation's benefits, economic concerns, and other risk factors. Hence, while leaders' personalities may influence diplomatic relations, they do not profoundly change the strategic foundation of foreign policy.

Institutional Limits: Scholars indicate that institutional limitations, such as governments, international standards, and bureaucracies, bind the capability of leaders to independently influence foreign policy. In democratic states, foreign policy verdicts are frequently the outcome of composite exchanges among the legislative bodies, the executive director, and several interest groups. Even in more consolidated governments, leaders' pilot institutional structures that restrict their power to act solely on personal preferences (Duch-Brown & Fonfría, 2016). This contention is upheld by cases where, regardless of personal affiliations among leaders, bilateral relations remained influenced by larger strategic matters. For instance, despite the peculiar understanding between Trump and Orban, US foreign policy concerning Hungary remained motivated by wider strategic welfares, like upholding solidity within NATO and mitigating concerns over the democratic backsliding of Hungary.

Orban and Biden: The shift from Trump to Joe Biden in the US presidency exhibits an exemplifying case for this argument. Whilst Orban's connection with Trump was characterized by congruency and shared interests, the Biden administration's emphasis on democratic patterns and human rights led to a more dire and detached relationship with Hungary (Cleveland, 2021). The Biden administration has been outspoken about criticism concerning Hungary's disintegration of democratic institutes and the rule of law, opposing the Trump administration's more forgiving attitude. This shift emphasizes the claim that foreign policy is not exclusively an affair of personal relationships but is modeled by institutional constraints and ideological values. Regardless of the shift in governance style from Trump to Biden, the relationship between the US and Hungary remains constrained by vaster geopolitical matters, namely dealings with the European Union and NATO alliances.

Geopolitical Priorities: Geopolitical priorities are consequential determinants of bilateral relations in the framework of US-Hungarian relations, such as the deliberate position of Hungary within Central Europe and its role inside NATO. The significance of border security, repeatedly mentioned by leaders like Orban and Trump, is not merely a reflection of personal empathies but also a strategic issue, remarkably in the discourse of immigration and provincial solidity (Kirchick, 2019). This argument advocates that while personalities can impact the manner of diplomacy, they do not reformulate the strategic concerns that design foreign policy. For instance, despite Orban's personal kinship with Putin, Hungary stays devoted to its NATO responsibilities and upholds its position within the European Union, demonstrating the limitations of Hungary's geopolitical role and the exigency to stabilize relationships with both Russia and the West.

Evidence from Other Contexts: The restricted influence of personalities on foreign policy is additionally reinforced by empirical evidence from geopolitical frameworks, supported

through the lens of neorealism. Based on the neorealist theory, the international organization's construction, principally the division of power, confines the state's actions, irrespective of changes in leadership (Waltz, 2000). For example, albeit shifts from President George W. Bush to President Barack Obama, followed by President Donald Trump, the strategic emphasis of the United States on global power rivalries and counterterrorism upheld consistency (German, 2023). This permanency allies with neorealism's assertion that state actions are motivated by persistence and control, not individual partialities. Similarly, the change from Obama to Trump did not noticeably modify the US's strategic attitude regarding China, as the race toward economic dominance and agitations over China's expanding authority remained a key factor in shaping policy decisions (Scherrer, 2022). As neorealism prophesizes, while personalities may modify diplomatic relations, but the structural forces and strategic national interests dominate.

4.3 Experts' Insights and Concluding Analysis

This chapter has portrayed two opposing theoretical outlooks debating the importance of the role of personalities in politics. From a constructivist perspective, the orientation of leaders with comparable ideological viewpoints, such as Orban and Trump, displays the magnitude of character, convictions, and personal affiliations in influencing dynamics in foreign policy.

Alternatively, a neorealist outlook, as represented by the shift to the Biden administration, underlines the continuous dominance of structural elements and institutional restrictions in imposing state behavior. Thus, while personalities can shape diplomatic environments, their impact may be restricted by extensive strategic requirements.

The Impact of Personalities in Orban's Political Approach: Personal relationships with important leaders take priority over traditional diplomatic relations in Viktor Orban's political methodology. This prominence on personalities is apparent in Orban's exchanges with Donald Trump, whose ideology and political approach strongly correspond with Orban's own. As specified by Dr. Bozoki, Orban retains "illusions about Trump" and trusts that his return to presidency would solve global disputes akin to those in the Middle East and Ukraine (Bozoki). This conviction points out Orban's dependence on personal ties to structure his foreign policy instead of tactical state-to-state relationships. Orban's tendency to equate a state with its leader is counterintuitive to the bigger picture of collaborating with a state to solve disputes.

Orban's interest in Trump also exhibits a more profound coalition of values, specifically on concerns such as nationalism, family policies, and migration. As a Hungarian diplomat notes, Orban frequently flatters Trump, informed of his narcissism, to obtain his approval and favor. This emphasis on personal diplomacy indicates that Orban sees Trump as a companion who endorses his conventional, anti-globalist agenda. Nonetheless, this approach is uncertain because it links Hungary's international position to the political fates of one single leader. Trump's loss in 2020 accentuated the defenselessness of Orban's approach, which left Hungary isolated, mainly in its tense connection with the Biden administration.

Nationally, Orban's dependence on his own individual allure has been fundamental to his triumph. Similar to Trump, Orban has created a vision of himself as a strong leader protecting national independence and conventional beliefs. Due to his political strategy, several experts that I interviewed deemed him an effective politician and effective leader who possesses a useful ability to speak different languages to different audiences and convey different messages. This flexibility has permitted Orban to preserve control over Hungary's political scenery, bestowing

himself as the protector of the nation in resistance to outside liberal forces, regularly characterized by "Brussels" and the EU. When speaking to the EU, however, Orban is able to downplay his antagonism towards the EU and maintain a working relationship.

Conversely, a former MEP contends that Orban's reliance on personal diplomacy is a risk. By concentrating on relationships with single leaders, such as Trump, Netanyahu, or Bolsonaro, Orban fails to establish lasting state-to-state connections. Once these leaders fall from power, as Trump did in the United States and Bolsonaro did in Brazil, Hungary's foreign policy is left in an unstable and risky position. This method confines the long-term solidity of Hungary's international relations and makes them reliant on the results of elections in foreign countries.

Orban's effort to sustain relationships with ideologically clashing leaders makes this strategy more complex. Furthermore, his close relationship with Israel's Netanyahu conflicts with his relationship with Turkey's Erdogan, who supports Hamas (Bozoki). These opposing alliances contrast the restrictions of a personality-focused foreign policy, which sacrifices coherence for a personal narrative.

Orban-Trump Relationship: Orban and Trump's relationship presents a case study for constructivist theory, which theorizes that social interactions between individuals and their conceptual frameworks bring about international relations. A nationalist philosophy and suspicion toward multilateral institutions is shared by both leaders, fostering an abstract harmony in their diplomatic encounters. Trump's emphasis on national independence and Orban's appraisal of globalism founded a shared identity discourse that fortified their political affiliation (Hajba, 2023). The top-level meetings and policy sustenance throughout Trump's presidency reflects how personal bonds and ideological similarity can nurture a more advantageous bilateral relationship,

inferring that individual leaders are major contributors in shaping international governance, aligned with Alexander Wendt's perspective that "anarchy is what states make of it," (Wendt, 1992).

Structural Dynamics in the Orban-Biden Relationship: The conversion to the Biden administration demonstrates a neorealist understanding of international relations, accentuating the supremacy of factors like the division of power, strategic welfares, and alliances above individual personalities. The main concerns of US foreign policy—such as maintaining NATO's unity and strengthening democratic standards—configure relations with Hungary even with the significant distinction in leadership styles. Biden's interest in human rights and reproval of the democratic backsliding in Hungary indicate a revert to conventional US foreign policy doctrines, as institutional structures govern the bilateral relations (Haglund, Schulze & Vangelov, 2022). Consistent with Kenneth Waltz's structural realism, systemic tensions control international politics, and even the most enigmatic leaders must abide by these limitations (Waltz, 2000). The Orban-Biden relationship consequently demonstrates the narrow role that personal diplomacy has in modifying strategic obligations.

The Balance of Personalities and Geopolitical Obligations: The expansive geopolitical framework similarly corresponds with the realist theory, where Hungary's location between East and West, along with its proximity to Russia, represent how external factors shape state behavior, independent of personal relationships. Orban's personal kinship toward Putin gives emphasis to the significance of relationships between two leaders, however, Hungary's allegiance to the European Union and NATO displays the operational obligations of sustaining Western alliances. Exemplified by its involvement in NATO while pursuing an enhanced partnership with Russia, Hungary's foreign policy conflicts depict the fine line that small states must tread in a world with

fluctuating power dynamics (Elman, 1995). This positioning aligns with the neorealist theory of stabilizing and adopting popular trends, where states make their foreign policy choices not solely based on personal relations, but the division of global power (Pashakhanlou, 2009). Hungary stays constrained by its institutional obligations to the West regardless of Orban's ideological alignment with Putin.

Conclusion: While constructivist concepts provide insight into how bilateral relations can be influenced by personalities and ideological empathies, neorealist views prompt us that structural impacts, institutional limitations, and geopolitical certainties hold sway over foreign policy matters. The relationship between Hungary and the US illustrates this conflict, where the cooperation of strategic interests and individual leadership styles characterizes diplomatic situations. The Orban-Trump relationship highlights the capacity for constructivist unions to improve diplomacy, while the Orban-Biden relationship emphasizes the persistent impact of neorealist structural powers. In short, while personalities have the power to shape the style and aspect of international affairs, the geopolitical, institutional, and strategic obligations are the presiding influences behind determining state actions globally.

5. Economic Interests

This chapter is written with the purpose of analyzing the role of economic interests in bilateral relations, specifically to find out the extent to which economic interests are present in decision-making regarding foreign policy. The findings will be applied to the case of the United States and Hungary. The theories used in this chapter were chosen for their relevance, for their applicability.

5.1 Economic Interests as a Dominant Factor in Bilateral Relations

The first section presents the argument that economic interests are very important in foreign policy decisions. To prove this point, I have gathered and summarized six theories that support the argument.

The Complex Interdependence theory is a concept by Robert Keohane and Joseph Nye Jr., whose objective was to gain a deeper understanding of the complex relations between states.

Even though Keohane and Nye crafted this theory in the 1970s, it is still a relevant theory in both international relations and international political economy, and has served as the basis for other scholars to build and expand upon. The complex interdependence theory argues that states are growing increasingly dependent on each other through their engagements in several areas, including their economic connections (Keohane, 1998; Nye, 1976; Keohane, Nye, 1998; Keohane, Nye, 2000). As a result of greater dependence, states become increasingly vulnerable to each other. In the context of economic interests, this the complex interdependence theory means that states depend on each other to conduct trade and maintain their economies. Therefore,

it is in the best interest of states to maintain positive bilateral relations with each other in order to improve their economies, but in the very least not cause harm to their economies.

The Economic Statecraft theory by David Baldwin argues that states utilize economic means to achieve their goals in terms of foreign policy (Baldwin, Pape, 1998). The economic means they use can include trade agreements and sanctions, intended to incentivize the other states to cooperate in foreign policy plans. Baldwin believes that economic interests can be a very powerful factor in bilateral relations, because they allow states to excerpt their influence on the actions of other states. He argues that states can be equally as successful achieving their foreign policy goals using economic tools as they would be using force or using diplomacy. Baldwin also stresses the importance of economic relations between states, because they help solidify national security (Baldwin, 1997).

The Trade Expectations theory by Dale Copeland argues that economic engagement between states can lead to positive bilateral relations. Copeland's theory uses the expectation of future economic engagement as the causal variable, and details how this variable can impact whether the two states have a peaceful or antagonistic foreign policy towards each other. The Trade Expectations theory concludes that a state's decision as to whether to proceed with peace or war highly depends on the "expectation-of-future-trade" variable (Copeland, 1996). In this theory, states display self-interests by basing the nature of their future interactions with another state on the predicted potential of future trade that they will engage in and the direct benefits this arrangement will afford them. By showing how great of a role economic self-interest plays in a state's decision in their course of foreign policy, Copeland supports the argument that economic interests are a driving factor in bilateral relations.

Rational Choice Theory is a prominent theory in the fields of political science and economics, and it serves a framework for analyzing the economic behavior of actors. It argues that actors seek to maximize their profits while keeping their costs at a minimum (Riker, 1995). American political scientist William H. Riker is widely known for his work with the rational choice theory, and in applying it to analyze why actors form alliances with each other. In his research, he used a combination of principles from game theory and economic approaches, and came up with a framework that is able to calculate the size of the political coalition that is needed to achieve maximum profit, while keeping the cost minimal and ensuring that individual actors do not have to share the benefits of their alliance with too many partners (Weale, 1984). RCT can be applied to many different situations, including the topic of this chapter. When used in the context of economic interests, RCT implies that states engage in behavior that serves their best interests, that they formulate their economic engagements with other states in a way that results in the most benefits for themselves.

The principles of realism and liberalism were discussed in detail in the ideology chapter, they are also relevant in international political economy. Combining realist principles with economic interests in bilateral relations leads to the notion that states use their economic assets as means to display their power and influence to other states. Michael Mastanduno and Joseph Grieco are advocates of this theory. Economic means serve the objective of increasing a state's power on the international stage, and therefore influencing the behavior of other states, who will believe it is in their best interest to maintain peaceful relations with an economically powerful state. States also strive to establish a greater security through economic means (Mastanduno, 1998).

The tenets of liberalism can be applied here in the form of liberal internationalism. John Ikenberry is a well-known scholar and advocate of liberal internationalism. Ikenberry argues that the cooperation between states would improve if they shared economic goals and worked towards them in unison (Ikenberry, 2018). Following Ikenberry's argument within liberal internationalism, it can be concluded that states prioritize their economic interests, and therefore supports the argument that states are driven by economic interests. Common economic goals can help to not only maintain peaceful bilateral relations between states, but also offer the potential of financial and economic benefits. In addition to the economic component, liberal internationalism also advocates for states to follow the principles of liberal democracy (Ikenberry, 2018).

5.2 The Limited Role of Economic Interests in Bilateral Relations

This section offers a different perspective, arguing that economic interests do not play a dominant role in bilateral relations, because other factors are more important.

Realism is a theory that can be applied to both sides of the argument in determining the role of economic interests in bilateral relations. Hans Morgenthau and Kenneth Waltz argue that the dominant factors that determine state behavior are power and security (Guzzini, 2017). While economic engagement can be a significant factor in achieving either or both of those goals, it is not necessarily the main one. In the pursuit of power and security, states seek to establish their power over other states, and maintain a dynamic in which they minimize the threats against them. Economics can play a role here via several ways, for example keeping a state in line by holding economic leverages over them, or using economic means to influence their behavior.

Constructivism is an international relations theory that names national identities and social norms as the main dominant factor in state behavior, rather than financial motives like economic interests. Alexander Wendt presents a constructivist view, in which social factors are dominant over material ones (Wendt, 1995).

The Balance of Power Theory argues that economic interests, as well as other factors, are of a lesser importance in bilateral relations than the general need to ensure that the two states in question are equal in terms of power (Walt, 1985). The Balance of Power Theory is designed to prevent states from being able to dominate each other. Reaching the ideal equilibrium ensures that the diplomatic relationship is more stable and that the two states feel that the other one is an equal partner and an ally. This can happen in many different categories, of course, with economic factors only being one of them. The scholars primarily associated with this theory are Kenneth Waltz and Henry Kissinger. Both academics have been discussed in this thesis already, as their works are essential for political science and international relations. Kissinger explains that the Balance of Power Theory is most efficient is the states "feel free to align themselves with any other state" (The balance of power: Theory and practice. (1995)).

An example that demonstrates this theory is the dynamic between the United States and the former Soviet Union during the Cold War. Both states were in the possession of nuclear weapons, and both were therefore able to cause significant damage to each other's territories, or to any other territory in the world. They were arguably the two most powerful states in the world. The US and the USSR were also equally powerful in their ideological influence, and they took firm positions on the issue of communism, with the USSR pursuing it and the US opposing it. By entering into the Nuclear Test Ban Treaty in 1963, US President John F. Kennedy and USSR President Nikita Khruschev achieved two objectives at the same time; they ensured their safety

from nuclear destruction and they limited each other's power by forbidding each other to test, and therefore improve, their nuclear arsenal. Looking at the case of the United States and Hungary, it is more difficult to spot a clear balance of power between the two states, as the US appears to be more dominant than Hungary in every measurable way.

In addition to economic interests, factors such as ideology, personalities of political leaders, and long-term strategic goals play a role in foreign policy. While there are separate chapters detailing the role of these factors as they relate to US-Hungarian bilateral relations, it is important to discuss them in a different capacity; in the way they influence economic decisions. Ideological perspectives of political leaders are a powerful driving force in economic engagement, because leaders often use economic means to pursue goals driven by ideology. In the chapter on personalities in politics, I discussed the tendencies of authoritarian leaders (or leaders who have authoritarian tendencies) to pursue friendly relationships with each other. This results in the cultivation of a relationship between political leaders, not the relationship between countries. However, authoritarian leaders usually serve longer terms in office than leaders who were elected through democratic means, which means that the authoritarian leaders have time to build a relationship between their two countries. Economic engagements are a practical way of achieving this goal.

The economic relationship between Hungary and Russia can be used as an example for the argument that economic interests are a driving force in foreign policy decisions as well. To make that argument, one could point to the fact that Russia has a much stronger economy than Hungary, and that it is in Hungary's best interest to maintain friendly relations with Russia in order to benefit economically. This argument would also be valid, and can be supported by the Hungary's dependency on Russian gas, for example. However, in the case of Hungary and

Russia, I would argue that their economic relationship was driven by a connection that the two leaders share in their ideology, in the way they wish to govern their countries. Some scholars believe that Orban has modelled his vision of the illiberal Hungary after Putin's Russia. Putin and Orban likely have different incentives to maintain their close relationship, but for Orban, I would argue that economic benefits are not the primary reason, instead an outcome driven by ideology. Both Orban and Putin have been referred to as authoritarian leaders, and they have both faced strong criticism from states who follow the principles of liberal democracy, namely the EU.

5.3 Experts' Insights and Concluding Analysis

This section offers a discussion on the role of economic interests in foreign policy decisions as they relate to the US-Hungarian bilateral relations. While it is evident that economic factors do impact bilateral relations, the real question is finding out the extent of the impact.

Research findings from the qualitative interviews lead to the conclusion that economic interests play a dominant role in US-Hungarian bilateral relations.

When discussing economic interests as a factor in bilateral relations, the experts placed a heavy emphasis on Hungary in connection to Russia or China, rather than the United States. This is because the United States has remained consistent in its foreign policy towards Hungary as a member of the EU and NATO, while Hungary has undergone a drastic shift in its economic engagement in the past decades. Economic engagement between the US and the EU – including Hungary as part of the EU – functions to further solidify an already stable diplomatic relationship that is built on shared goals and values. As a former Hungarian diplomat emphasizes, the Hungarian economy experienced a significant boost as a result of being a member of the

European Union, as the EU contributed financial assistance to the Hungarian budget equivalent to 3-4% of the national GDP. Such a significant increase signifies the financial benefits that Hungary received and continues to receive from the EU, which is a powerful incentive for being a member state.

Several experts – including Dr. Gati – names Hungary's foreign policy orientation as the most important role in US-Hungarian bilateral relations. While the evolution of Hungarian foreign policy can be attributed to many factors, economic interests are arguably the most important. When discussing the Ministry of External Economic Relations and Foreign Affairs, a ministry which was known as the Ministry of Foreign Affairs prior to 2014, a former Hungarian diplomat explains that the name change was done to signal Hungary's intention to let their foreign policy direction be dictated by economic engagement. The year 2014 coincides with the appointment of Peter Szijajrto to the position of foreign minister, which he continues to fulfill today. Szijjarto has carried out the Orban administration's wishes to reorientate Hungary's policy in favor of the east. Several experts acknowledge the Eastern Opening, beginning in 2014, as the turning point in Hungarian foreign policy, as the Hungarian government sought to establish closer ties with states using economic means.

The most important states east to the European Union that the Hungarian government targeted in the Eastern Opening were Russia and China. A Hungarian political scientist names Russia as an important economic partner, especially as a source of gas and petroleum. Hungary's reliance of Russia for these resources has led to a deepening rift between Hungary and other EU member states, who have made a conscious effort to distance themselves from Russia amid the Russia-Ukraine war, while Hungary has kept their connections.

Another source reflects on Hungary's bilateral relations with China from the lens of economic interests. Hungary and China recently made an agreement to import a Chinese car company into Hungary. This would mean that China can take advantage of the trade agreement within the European Union. This plan for China is definitely more beneficial when looking at the whole EU, and less beneficial when looking at only Hungary as the target market. In Hungary, there is a low demand for cars at present, as so many other things take priority over buying a car. In addition to the struggling economic situation of many Hungarians, China's car business is set to face extensive competition, as Hungary already has German factories for Mercedes and Audi, and Japan has factories for Suzuki cars.

While experts emphasize that these economic arrangements are not the most logical course of action for Hungary to pursue in terms of financial benefits, the examples they provide shows that economic engagement is important to Hungary in their bilateral relationships with other states. These examples illustrate Russia and China's intention to establish closer economic relations with the European Union through Hungary as a member state. Hungary's position — including its position as an EU and NATO member state, as well as its geopolitical position — is an influential factor that attracts economically powerful states like Russia and China and incentivizes them to maintain closer bilateral relations with Hungary as a result (Dr. Bozoki, Dr. Balazs, Dr. Gati, Dr. Szent-Ivanyi, Dr. Hegedus).

All of the interviews discussed sanctions in relation to the US-Hungarian bilateral relationship as a way for the United States to express its dissatisfaction with the actions of the Hungarian government and motivate Hungary for a different course of actions. Several experts, including Dr. Gati, note that the US's displeasure with Hungary is more visible in verbal expressions than in actual sanctions, and that the US has stronger sanctions at its disposal that it

CEU Department of Political Science: One-year MA Program in Political Science 2023-2024

has yet to use on Hungary. Using sanctions and showing one's strength on the economic front are consistent with the principles of the Economic Statecraft theory by David Baldwin.

When considering both perspectives, economic interests emerge as a dominant factor in bilateral relations, as well as in the specific case of US-Hungarian bilateral relations, the influence of economic interests as a factor appears either as a motivation to manipulate state behavior by offering an economic incentive, or as a threat of a sanction to correct state behavior that is perceived to be destructive by the economically more powerful state. In the case of the US and Hungary, the US is significantly stronger than Hungary in terms of economic resources. Realism in the context of economic interests presents itself in the form of showcasing their economic resources in the hopes of influencing other states into a certain behavior. This form of realism, supported by Michael Mastanduno and Joseph Grieco, fits the case of the US and Hungary. The US has also resorted to sanctioning Hungary.

6. World Order

This chapter focuses on briefly discussing the current world order, more specifically positions that the US and Hungary hold within that international system. The inclusion of this chapter adds value to the thesis by offering a context in which the US-Hungarian bilateral relationship plays out. Showing their places and the extent of their influence highlights the complex intricacies of this diplomatic relationship.

The current international system is unipolar, because it relies on a single hegemonic power that is in possession of a strong military, financial resources, and a mission they believe in and live by (Szent-Ivanyi, 66, 2020). This hegemonic power is responsible for maintaining the world order, holding other states accountable for their actions, and issuing sanctions as punishments in the event that states risk the peace. Since the end of the Cold War, the United States has effectively fulfilled this role.

6.1 The United States in the International System

In the years following the end of the Cold War, the United States became the global hegemonic power. While the US was already a formidable global power prior to World War II, other states in Western Europe and Asia had the capacity to compete with the US. Because World War II took place in Europe, was fought in Europe, involved mainly European states, Europe emerged weaker from the war. The US, having entered the war late and not having the war fought on their territory, was left with the most resources. Word War II set the stage for the Cold War, which saw the United States and the Soviet Union competing for global power. After the collapse of the Soviet Union, the US proceeded to contain the communist influence that the Soviet Union

left in its wake. Since the end of the Cold War, the US's actions on the international stage were characterized as interventionalist, as the US sought to maintain order by promoting liberal democracy and free markets. The last three president of the United States pursued different goals through their foreign policy, which led to an inconsistent US presence on the international stage.

There are threats and challenges to the global hegemony of the United States, which are unfolding now. The growing power and influence of China and Russia pose complicated challenges, because both states oppose the idea of participating in a world order in which the US is the global hegemon. Both China and Russia have taken actions to undermine the US's influence.

Russia poses a threat to the international liberal world order because it pursues an aggressive foreign policy to expand its territory. After the Russian annexation of Crimea, the rest of Europe and the US left the act without a significant consequence, due to fears that such actions would lead to further conflicts. In 2016, Russia was also suspected to have interfered in the US presidential elections, which resulted in the election of Donald Trump. Trump's election came as a surprise for many, as he is a rather polarizing figure in American politics. Trump's political inclination is much closer to president Putin's governance style than any democratic politicians' would be, which adds intrigue to Russia's suspected part in the 2016 elections. Russia is presently occupied with the war it started on Ukraine in 2022, and both the Russian military and economic resources are becoming progressively weaker. The Russia-Ukraine war will most likely weaken Russia as a threat to US dominance, regardless of the outcome of the war. Tensions remain high between the United States and Russia, as the US is actively aiding Ukraine's defensive efforts. Unlike Russia, China is not currently engaged in warfare and is in full possession of a powerful military and a constantly growing economic presence.

The US's hegemonic status is also challenged by internal inconsistencies, notably the different foreign policy directions that the most recent presidents pursued. The presidential term of Donald Trump was especially disadvantageous for the US, due to Trump's inconsistent foreign policy, by displaying isolationist tendencies with some actions and not following through with others. Despite challenges, the United States is still stable in its position as the global hegemon in the unipolar world order.

6.2 Hungary in the International System

Hungary's role in the international world order increased over time, as Hungary became a member state of important institutions in the form of NATO and the European Union. Prior to a closer association to the Western European states, Hungary often found itself under the influence or the direct control of stronger powers. This of course includes Hungary's role in the Habsburg Empire, followed by a slightly more elevated role of being a part of Austria-Hungary. Following World War II, Hungary functioned as a Soviet satellite state and was dependent on the Soviet Union.

Becoming a member of the EU and NATO was a significant improvement for Hungary, because a membership in these institutions meant that Hungary was finally free to pursue liberal democracy in its governance, and was strongly encouraged to do so by its new allies. Through the EU and NATO, Hungary became an official ally of the US, and is therefore eligible for US protection should the state be in danger. Hungary fulfills the role of beneficiary in the EU as well by receiving financial assistance from the EU government in the form of funds and other aids, designed to be spent on the betterment of the state.

CEU Department of Political Science: One-year MA Program in Political Science 2023-2024

Even though Hungary does not play a significant role in the international world order, being a member of the EU and NATO bears much responsibility. Since becoming prime minister, Viktor Orban has been increasingly disagreeable towards EU and NATO policies, which require his consent as the leader of a member state. By purposefully not agreeing to policies and propositioned that need a unanimous vote, Orban is using his position to show Hungary's power to slow the EU and NATO in making important decisions. Such behavior categorizes Hungary as a non-compliant member state, showing discontent and disagreeability, but not directly breaking the rules.

7. Conclusion

While ideology, personalities in politics, and economic interests are all factors that contribute to the present state of the US-Hungarian bilateral relations, the strongest factor that is holding the relationship intact despite tensions is economic interests.

Economic interests are the most important factor in US-Hungarian bilateral relations, because they have the power to leave the most impact on a state. Economic interests serve as a strong enough incentive for Hungary that the US is able to use them to warrant compliant behavior out of Hungary. The Hungarian government's actions can be explained logically when they are viewed from the lens of economic interests. An example that demonstrates this is Hungary's behavior within the EU and NATO; Hungarian political leaders make cooperation difficult and slow within both institutions, either because they disagree with the direction of the specific actions that are being voted upon, or because they disagree with the principles of the institution as a whole. Regardless of what the actual reason is, Hungary is careful to refrain from committing actions that would endanger their membership in the EU or NATO. I believe that the reason for this is because the Orban administration values the economic benefits Hungary is receiving by way of their status as a member state, and would not wish to jeopardize that. That can be subject to change in the future, however, most likely in the event that Hungary allied itself with a state or an institution that is able to provide even more financial and economic benefits. While the current Hungarian administration does not find much agreement with the United States, the EU, and NATO, the economic benefits Hungary receives outweighs the inconvenience of other factors. Realism in the context of international relations explains that states are able to maintain effective bilateral relations with each other even when they do not share common values and goals, as long as the partnership serves the best interests of both states. Hungary benefits from being formally allied to the global hegemonic power in the form of the United States, and the US benefits from having a formal alliance with Hungary in order to prevent Hungary from seeking other allies outside the institutions of the EU and NATO.

Personalities in politics directly impacts the shifts that take place between the US and Hungary, and is especially evident to witness when looking at Viktor Orban's attitude towards the three US presidents that served while he has been in the office of prime minister of Hungary. As Orban and his political party shifted their rhetoric towards populist, nationalist, and authoritarian tendencies, the Orban administration experienced increased tensions with the Obama administration. As a democratic administration, president Obama and his government were advocates of liberal democracy and they disapproved of the shifts taking place in Hungary. The 2016 presidential election of Donald Trump was a welcome change for the Orban administration. As a right-wing republican, Trump's goals and policies were more compatible with the Orban administration than a democratic president's would have been. A noticeable difference occurred in Fidesz's public attitude towards the United States, because the presentation of the US was more favorable to the Hungarian public when Donald Trump served as president, as opposed to when Barack Obama did. Following Trump's unsuccessful reelection campaign, the Orban administration has returned to negatively depicting the US in their public propaganda. They are careful not to go too far though, in case they need to return to favorably presenting the US in the event that the president is from the Republican party, or is favorable towards Hungary's course of action. While personalities in politics had an impact on the relationship between political leaders, the relationship between the two states remained consistent. Therefore, I can conclude that while

personalities in politics contributed to temporary tensions, they were not powerful enough of a factor to inherently alter the US-Hungarian bilateral relationship.

While political ideology is a factor in the US-Hungarian bilateral relations to an extent, it is not the most important factor, as it is not sufficient to explain the shift that has occurred in the diplomatic relationship of the US and Hungary in the past decade. Ideology can affect state behavior in foreign policy, leading to a likely positive outcome if the two states are compatible in their ideology, and a potentially negative outcome if the two states are incompatible. Similar to personalities in politics, ideological compatibility in political leaders can create circumstances for an alliance that is closer while the ideological compatibility remains, and increased tensions when the compatibility is exchanged to ideological incompatibility. The Unted States and Hungary are incompatible in terms of their political ideology as they stand at present. The one could argue that if the US wanted to force Hungary to alter their foreign policy, it would likely be because Hungary is not following the principles of liberal democracy as well as a member state of the EU and NATO should. If the US were to proceed with this, they would apply an economic motivation, or threaten an economic sanction against Hungary. In this case, I believe that the Hungarian government would alter their state behavior enough to appease the US, or hide their behavior more effectively, in order to either gain economic benefits or to avoid suffering economic sanctions. In conclusion, as long as the United States is more powerful economically than Hungary, I believe that Hungary will maintain bilateral relations with the US in order to benefit economically.

Bibliography

- Antunes, Sandrina, and Isabel Camisão. 2018. "Introducing Realism in International Relations Theory." International Relations, February.
- Ascher, William, and Barbara Hirschfelder-Ascher. 2004. Revitalizing Political Psychology: The Legacy of Harold D. Lasswell. https://doi.org/10.4324/9781410611765.
- Baldwin, David A. 1997. "The Concept of Security." Review of International Studies 23 (1): 5–26.
- Baldwin, David A., and Robert A. Pape. 1998. "Evaluating Economic Sanctions." International Security 23 (2): 189–98. https://doi.org/10.2307/2539384.
- Blackwill, Robert D. 2014. "In Defense of Kissinger." The National Interest, no. 129, 39-50.
- Buchan, Bruce. 2002. "Explaining War and Peace: Kant and Liberal IR Theory." Alternatives: Global, Local, Political 27 (4): 407–28.
- Cleveland, Sarah H. 2021. "A Human Rights Agenda for the Biden Administration." AJIL Unbound 115:57–62. https://doi.org/10.1017/aju.2020.88.
- Copeland, Dale C. 1996. "Economic Interdependence and War: A Theory of Trade Expectations." International Security 20 (4): 5–41. https://doi.org/10.2307/2539041.
- ———. 2003. "A Realist Critique of the English School." Review of International Studies 29 (3): 427–41.
- 2024. "The U.S. Entry into the First World War." In A World Safe for Commerce, 209:189–231. American Foreign Policy from the Revolution to the Rise of China. Princeton University Press. https://www.jstor.org/stable/jj.5806812.12.
- Diamond, Larry. 2015. "Facing Up to the Democratic Recession." Journal of Democracy 26 (1): 141–55.
- Doyle, Michael W. 2005. "Three Pillars of the Liberal Peace." The American Political Science Review 99 (3): 463–66.
- Duguri, Usman Safiyanu, Isyaku Hassan, and Yusuf Kamaluddeen Ibrahim. 2022. "INTERNATIONAL RELATIONS, REALISM, AND LIBERALISM: A THEORETICAL REVIEW." International Journal of Social and Humanities Extension(IJSHE), 1–6.
- Duch-Brown, Néstor, and Antonio Fonfría. 2016. "190Genocide: From Social Structure to Political Conduct." In Economic Aspects of Genocides, Other Mass Atrocities, and Their Preven-tions, edited by Charles H. Anderton and Jurgen Brauer, 0. Oxford University Press. https://doi.org/10.1093/acprof:oso/9780199378296.003.0008.
- Elman, Miriam Fendius. 1995. "The Foreign Policies of Small States: Challenging Neorealism in Its Own Backyard." British Journal of Political Science 25 (2): 171–217. https://doi.org/10.1017/S0007123400007146.

- CEU Department of Political Science: One-year MA Program in Political Science 2023-2024
- Feher, Virag, and Andras Bozoki. MA Thesis Expert Interview with Dr. Andras Bozoki. Personal, May 1, 2024.
- Feher, Virag, and Charles Gati. MA Thesis Expert Interview with Dr. Charles Gati. Personal, May 16, 2024.
- Feher, Virag, and Istvan Hegedus. MA Thesis Expert Interview with Dr. Istvan Hegedus. Personal, May 13, 2024.
- Feher, Virag, and Istvan Szent-Ivanyi. MA Thesis Expert Interview with Dr. Istvan Szent-Ivanyi. Personal, May 6, 2024.
- Feher, Virag, and John Shattuck. MA Thesis Expert Interview with John Shattuck. Personal, May 20, 2024.
- Feher, Virag, and Peter Balazs. MA Thesis Expert Interview with Dr. Peter Balazs. Personal, May 7, 2024.
- Feher, Virag, and Reka Szemerkenyi. MA Thesis Expert Interview with Dr. Reka Szemerkenyi. Personal, May 17, 2024.
- Ferguson, Niall. 2015. "The Meaning of Kissinger: A Realist Reconsidered." Foreign Affairs 94 (5): 134–43.
- German, Tracey. 2023. "From Cooperation to Confrontation: US-Russia Relations since 9/11." International Politics 61 (3): 567–86. https://doi.org/10.1057/s41311-023-00524-x.
- Guzzini, Stefano. 2017. "Realist Theories and Practice." Danish Institute for International Studies. https://www.jstor.org/stable/resrep13439.
- ——. n.d. "The Enduring Dilemmas of Realism in International Relations."
- Haglund, David G., Jennie L. Schulze, and Ognen Vangelov. 2022. "Hungary's Slide Toward Autocracy: Domestic and External Impediments to Locking In Democratic Reforms." Political Science Quarterly 137 (4): 675–713. https://doi.org/10.1002/polq.13416.
- Hall, Ian. 2011. "The Triumph of Anti-Liberalism? Reconciling Radicalism to Realism in International Relations Theory." Political Studies Review 9 (1): 42–52. https://doi.org/10.1111/j.1478-9302.2010.00225.x.
- Hollister, W. W. (1949). Power and Personality. The Journal of Philosophy, 46(21), 679–680. https://doi.org/10.2307/2019369
- Ikenberry, G. John. 2018. "The End of Liberal International Order?" International Affairs 94 (1): 7–23. https://doi.org/10.1093/ia/iix241.
- Keohane, Robert O. 1998. "International Institutions: Can Interdependence Work?" Foreign Policy, no. 110, 82–194. https://doi.org/10.2307/1149278.
- Keohane, Robert O., and Joseph S. Nye. 1998. "Power and Interdependence in the Information Age." Foreign Affairs 77 (5): 81–94. https://doi.org/10.2307/20049052.

- CEU Department of Political Science: One-year MA Program in Political Science 2023-2024
- Kirchick, James. 2019. "Trump Should Be Isolating Viktor Orbán, Not Feting Him at the White House," May.
- Klopstock, Samuel. 2022. "The Efficacy of US-Mexico Border Enforcement in Relation to Crime Prevention." Themis: Research Journal of Justice Studies and Forensic Science 10 (1). https://doi.org/10.31979/THEMIS.2022.1003.
- Lake, Anthony. 1981. "Defining the National Interest." Proceedings of the Academy of Political Science 34 (2): 202–13. https://doi.org/10.2307/1173801.
- Lüdert, Jan. 2020. "Let's Talk: Transformative Leadership and International Relations." International Relations, February.
- ———. 2000. "Globalization: What's New? What's Not? (And So What?)." Foreign Policy, no. 118, 104–19. https://doi.org/10.2307/1149673.
- Mastanduno, Michael. 1998. "Economics and Security in Statecraft and Scholarship." International Organization 52 (4): 825–54.
- Mearsheimer, John J. 2019. "Realism and Restraint." Horizons: Journal of International Relations and Sustainable Development, no. 14, 12–31.
- Morgenthau, Hans J. 1948. "The Twilight of International Morality." Ethics 58 (2): 79–99.
- ———. 1950. "The Mainsprings of American Foreign Policy: The National Interest vs. Moral Abstractions." American Political Science Review 44 (4): 833–54. https://doi.org/10.2307/1951286.
- Mudde, Cas. 2000. "The Extreme Right Party Family." In The Ideology of the Extreme Right, 1—24. Manchester University Press. https://www.jstor.org/stable/j.ctt155j8h1.5.
- ——. 2004. "The Populist Zeitgeist." Government and Opposition 39 (4): 541–63.
- ———. 2016. "Europe's Populist Surge: A Long Time in the Making." Foreign Affairs 95 (6): 25–30.
- Nye, Joseph S. 1976. "Independence and Interdependence." Foreign Policy, no. 22, 130–61. https://doi.org/10.2307/1148075.
- ———. 2008. "Public Diplomacy and Soft Power." The Annals of the American Academy of Political and Social Science 616:94–109.
- Oliver, J. Eric, and Wendy M. Rahn. 2016. "Rise of the 'Trumpenvolk': Populism in the 2016 Election." The Annals of the American Academy of Political and Social Science 667:189–206.
- Patterson, J. T. (1973). Politics, Personality, and Psychohistory: Barber, "The Presidential Character: Predicting Performance in the White House" (Book Review) [Review of Politics, Person-ality, and Psychohistory: Barber, "The Presidential Character: Predicting Performance in the White House" (Book Review)]. Reviews in American History, 1(1), 59-. Redgrave Information Resources Corp.

- CEU Department of Political Science: One-year MA Program in Political Science 2023-2024
- Pacciardi, Agnese, Kilian Spandler, and Fredrik Söderbaum. 2024. "Beyond Exit: How Populist Governments Disengage from International Institutions." International Affairs 100 (5): 2025–45. https://doi.org/10.1093/ia/iiae185.
- Pashakhanlou, Arash Heydarian. 2009. "Comparing and Contrasting Classical Realism and Neorealism." International Relations, July.
- Riker, William H. 1995. "The Political Psychology of Rational Choice Theory." Political Psychology 16 (1): 23–44. https://doi.org/10.2307/3791448.
- Rosecrance, Richard. 1981. "The One World of Hans Morgenthau." Social Research 48 (4): 749–65.
- Russett, Bruce, Christopher Layne, David E. Spiro, and Michael W. Doyle. 1995. "The Democratic Peace." International Security 19 (4): 164–84. https://doi.org/10.2307/2539124.
- Saltzman, Ilai Z. 2017. "Not So 'Special Relationship'? US-Israel Relations During Barack Obama's Presidency." Israel Studies 22 (1): 50. https://doi.org/10.2979/israelstudies.22.1.03.
- Saunders, Elizabeth. 2018. "Leaders, Advisers, and the Political Origins of Elite Support for War." Journal of Conflict Resolution 62 (November):2118–49. https://doi.org/10.1177/0022002718785670.
- Scherrer, Christoph. 2022. "Biden's Foreign Economic Policy: Crossbreed of Obama and Trump?" International Review of Public Policy 4 (1): 129–38. https://doi.org/10.4000/irpp.2398.
- Schwartz, Thomas A. 2011. "Henry Kissinger: Realism, Domestic Politics, and the Struggle Against Exceptionalism in American Foreign Policy." Diplomacy & Statecraft 22 (1): 121–41. https://doi.org/10.1080/09592296.2011.549746.
- Shattuck, John. 2018. "THE NEW GLOBAL LANDSCAPE." Journal of International Affairs 71 (1.5): 15–22.
- Smith, Caitlin. 2012. "Personality in Foreign Policy Decision-Making." International Relations, October.
- Sokhey, Sarah Wilson. 2020. "What Does Putin Promise Russians? Russia's Authoritarian So-cial Policy." Orbis 64 (3): 390–402. https://doi.org/10.1016/j.orbis.2020.05.003.
- Szent-Iványi, István. Quo Vadis Hungaria?: Where is Hungary heading?; foreign policy dilemmas and strategic vision. Budapest: Republikon Institute, 2020.
- Waltz, Kenneth N. 2000. "Structural Realism after the Cold War." International Security 25 (1): 5–41. https://doi.org/10.1162/016228800560372.
- Walt, Stephen M. 1985. "Alliance Formation and the Balance of World Power." International Security 9 (4): 3–43. https://doi.org/10.2307/2538540.

CEU Department of Political Science: One-year MA Program in Political Science 2023-2024

- Weale, Albert. 1984. "Social Choice versus Populism? An Interpretation of Riker's Political Theory." British Journal of Political Science 14 (3): 369–85.
- Wendt, Alexander. 1992. "Anarchy Is What States Make of It: The Social Construction of Power Politics." International Organization 46 (2): 391–425.
- Wendt, Alexander. 1995. "Constructing International Politics." International Security 20 (1): 71–81. https://doi.org/10.2307/2539217.
- Wyatt-Walter, Andrew. 1996. "Adam Smith and the Liberal Tradition in International Relations." Review of International Studies 22 (1): 5–28.