Commission on Security & Cooperation in Europe: U.S. Helsinki Commission

"Upholding OSCE Commitments in Hungary and Poland"

Committee Members Present:
Senator Ben Cardin (D-MD), Chairman;
Representative Steve Cohen (D-TN), Co-Chairman;
Representative Ruben Gallego (D-AZ)

Witnesses:
Heather A. Conley, Senior Vice President for Europe, Eurasia, and the Arctic, Center for Strategic and International Studies;
Zselyke Csaky, Research Director, Europe & Eurasia, Freedom House;
Dalibor Rohac, Senior Fellow, American Enterprise Institute

The Hearing Was Held From 2:37 p.m. To 3:44 p.m. in Room 419, Dirksen Senate Office Building, Washington, D.C., Senator Ben Cardin (D-MD), Chairman, Commission for Security and Cooperation in Europe, presiding

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CARDIN: The Helsinki Commission will come to order. I want to welcome our witnesses and our guests that are with us today. The Commission today will consider the current circumstances of the upholding of the OSCE commitments in Hungary and Poland. I'm very pleased to welcome our witnesses here today to testify before the Helsinki Commission on upholding democracy and rule of law in Hungary and Poland.

In January 1999, just one decade after the fall of the Soviet Union, Poland and Hungary joined the NATO alliance. Five years later, both nations joined the European Union and have become strong valued allies and friends of the United States. I've had the opportunity to visit both countries on numerous occasions, and always in awe of the storied history of these nations to achieve freedom and democracy.

As good friends and allies, we must keep one another accountable to uphold the shared values that underpin our relationship, the freedoms which these nations have fought so hard for, the freedoms which also form the basis of the commitments of the OSCE.

Unfortunately, we have seen a downward trajectory with regard to democratic freedoms and rule of law in Hungary and Poland over the last several years. According to Freedom House's "Nations in Transit" report, Hungary's democracy score has fallen 19 points, from a consolidated democracy in 2015 to a transitional or hybrid regime in 2021. Poland's democracy score has similarly fallen 20 points since 2015 but is still labeled a semi-consolidated democracy. We look forward to hearing more on these from our Freedom House witness here today.

Although we see similar trends in both countries, the situation in Hungary is uniquely concerning. Prime Minister Orbán has altered the constitution, packed the Constitutional Court, purged judges, and fostered corruption. He has consolidated the media in the hands of oligarchs whose outlets serve as a megaphone for the ruling party's propaganda. He has brought Hungary closer to Russia and China instead of strengthening the transatlantic bond.

Poland, an indispensable defense ally and friend of the United States, has also taken steps to compromise judicial independence, limit free expression, and engage in other practices out of step with democratic practices and norms. And in my capacity as Special Representative of the OSCE Parliamentary Assembly on Anti-Semitism, Racism and Intolerance, I have noted a disturbing trend in both nations of scapegoating Jewish, Roma, migrant, LGBTQ+, and other vulnerable populations for political gain.

Legislative efforts making it more difficult for Holocaust survivors to reclaim their property in Poland and efforts by Prime Minister Orbán in Hungary to prevent Roma families from receiving compensation for segregated schooling are particularly egregious. Such efforts led by mainstream and other political leaders are out of sync with democratic values. As Hungary moves towards elections, it's my sincere hope that candidates run on platforms that do not further divide their societies through bigotry and violence. I hope to see Hungary and Poland do more to uphold the OSCE commitments that they have willingly agreed to for the sake of freedom and democracy everywhere. We look forward to hearing from our witnesses today on

what the United States Congress can do to support civil society and good governance in Hungary and Poland.

It's now my pleasure to recognize the co-chair of the U.S. Helsinki Commission, Representative Steve Cohen.

COHEN: Thank you, Mr. Chair. I want to appreciate, first, your convening this important hearing. It's important to me as well and should be important to all Americans and all freedom-loving people, and I thank our witnesses for being with us to give us information.

Poland and Hungary are critical allies to the United States, but the trends we are seeing towards anti-democratic behavior are cause for concern. We count on our allies in Europe to uphold democracy. The price to pay of a weak illiberal Europe, as we know from its dark past, is too great.

I have visited both Poland and Hungary, and I enjoyed the history, the culture in both countries, but I was concerned, particularly in Hungary, where we met with NGOs that told us that they did not have opportunities to express themselves and to meet properly, that the press was limited in its abilities to have a freedom of the press, that there were – we visited – I visited a synagogue, and that we were told that the relations with the Jewish population was good. The people at the synagogue said that it was not so good. In fact, they were concerned.

We saw lots of posters at the time of George Soros, and George Soros is more than a Jewish person. He's an individual human being and, indeed, they could have had posters up about George Soros because he was an individual who the Hungarian government did not like because of the university that he helped fund, which, in my opinion from what I visited, was an outstanding university allowing people to study and learn in a liberal context the arts and all perspectives.

But George Soros could have been up there because he was Jewish and he could have been a trope and a symbol of anti-Semitism in the country and, unfortunately, I think that's what it was. His pictures were everywhere. He was put up as an enemy of the state and an enemy of the party.

The party and the government in Hungary, as I understand it, controls the media and so they don't have particularly free elections because even if people can vote fairly, and I'm not sure about that, but the people get one side from the media and that's not fair either.

So there are a lot of concerns raised there and I have concerns with Poland and their efforts to change the judiciary, discipline judges when they feel that their rulings have not been in keeping with the executive, violation of separation of powers and an independent judiciary. So there are concerns we have with both these countries.

During my time in Congress, and especially with the Helsinki Commission, I've consistently advocated for minority rights – in fact, I have done that in the 24 years as a state senator before I came to Congress – for the rights of the Jewish communities after the Holocaust,

and the fundamental freedoms that underpin the OSCE like freedom of media, freedom of expression.

In Orbán's Hungary, as I've discussed, so many of these fundamental freedoms are at risk, serious risk. I think his opponent in the coming election has, basically, said, I am not a crook, and there are questions about Mr. Orbán's contracts with individuals, I think, that put up, if I remember, it was the – maybe the electrical system or lights or whatever, but somebody who had no experience whatsoever in that business and they gave him a multi, multi, multi-million dollar contract and made that man a multi multi-millionaire.

Just being fair in this parceling out of government monies is the right thing to do and it's not happening in Hungary. There's no true democracy when the electoral system is stilted to benefit the ruling party, which it is, and the media has consolidated under single ownership to espouse the government narrative. The media's use of anti-Semitic and anti-Muslim rhetoric and propaganda by Hungarian officials compromises core OSCE values.

Mr. Orbán has cozied up to Vladimir Putin, and Orbán risks doing such pushing Hungary further away from its allies in the West. Mr. Putin is rarely on the side of transparency and freedom of expression and freedom of the press. He's an authoritarian leader as well.

It's troubling that Hungary and Poland are flirting with these autocratic and anti-democratic behaviors and palling around with the people who like that, especially with the pain of having lived behind the Iron Curtain, which is not far in the rearview mirror. We expect better of our allies in NATO and the EU.

I'm looking forward to hearing an honest assessment of the situation from our witnesses and what the United States can do to support freedom and democracy in Central Europe. And with that, I yield back the balance of my time.

CARDIN: Thank you, Representative Cohen. I appreciate those comments.

Let me now welcome our three witnesses to today's discussion. Your written testimony will be made part of our record, without objection. Each of you can proceed as you wish. We hope that you would limit your comments to about five minutes to allow time for questioning.

First, we will hear from Zselyke Csaky, the research director of Europe and Eurasia at Freedom House and author of the Freedom House's "Nations in Transit" report. That's the report I referred to in my opening statement and she is joining us by video today.

Secondly, we'll hear from Dalibor Rohac, senior fellow at the American Enterprise Institute, which has been very much engaged in Hungary and Poland.

And then, finally, we'll hear from Heather Conley, senior vice president for Europe, Eurasia, and the Arctic at CSIS, which we invited her here in that capacity but we just learned of your selection to be president of the German Marshall Fund. So congratulations. We have a very close relationship with the German Marshall Fund.

So it's good to have all three of our witnesses today. So we'll start with Zselyke Csaky by video.

CSAKY: Thank you, Chairman Cardin, Co-Chairman Cohen, and members of the Commission. It is an honor to testify before you today.

Poland and Hungary stand out for their unparalleled democratic evolution over the past decade. As Senator Cardin has said, Hungary has undergone the largest decline ever measured in "Nations in Transit," and last year dropped out of the group of democracies to become a hybrid regime. Poland is still categorized as a semi-consolidated democracy, but its decline over the past five years has been steeper than that of Hungary.

So to understand how we got here, I will focus on four core institutions today and give you some examples of how the governments are increasingly silencing or co-opting them. There are, of course, important differences between Poland and Hungary. But what we are seeing is a story of institutional capture.

The four institutions – the media, the judiciary, the civic sector, and elections – all have pockets of independence, but they are increasingly being used to serve the governing parties.

So media independence is under attack in both countries but the situation is much worse in Hungary. Independent outlets face a hostile regulatory and economic environment and compete against a massive media empire funded by the government.

Last year staff at Index.hu, which at the time was the country's most read online portal, resigned en masse over claims of political interference, and earlier this year the media regulator forced Klubradio, a government critical station, off the air on a technicality. At the same time, KESMA, a media conglomerate established after government-friendly businessmen donated their outlets for free to it, accounted for as much as 40 percent of the turnover on the media market in 2018 when it was established.

Poland's media environment remains much more vibrant than that of Hungary. But the Law and Justice Party has copied tactics from Hungary, including financial and economic pressures. These pressures in Poland are compounded by a situation in the judiciary that can be described as nothing short of dire.

Over the past several years, the government has overhauled the judicial system in an unconstitutional unlawful way and this has been confirmed by the European Court of Human Rights, which in May established that the current composition of the Polish Constitutional Tribunal is unlawful, as well as the European Court of Justice that ruled that parts of the reform, such as the creation of the Disciplinary Chamber, breach EU law. Judges in Poland have been called enemies of the state and face threats, intimidation, and harassment.

In both countries, civil society and especially public interest NGOs have been facing increasing pressure as well. Political action and legislative initiatives have targeted the LGBT+

community. Hungary banned the depiction and, quote/unquote, "promotion" of homosexuality and gender change for minors, while Poland's parliament last week discussed a proposal to ban public gatherings that, quote/unquote, "promote" same-sex orientation and relationships.

Despite these initiatives, however, the civic sector is still very vibrant in Poland and numerous mass protests have taken place, demonstrating the exceptional strength and resolve of Polish civil society. The situation in Hungary, on the other hand, is much less encouraging.

And, finally, the last institution that I want to mention today is that of free and fair elections, a cornerstone of democracy that is increasingly under strain in both countries. Both of them will hold elections. Hungarians will vote next spring. Poles are scheduled to go to the polls in 2023. And so this means that developments over the next several months could be decisive for both countries' democratic trajectory.

In Hungary, as was mentioned before, the opposition faces an uneven playing field as a result of electoral changes, gerrymandering, and the governing party's massive reliance on state resources. But for the first time, the electoral race has tightened considerably.

The opposition has united and elected a joint candidate, a conservative newcomer who, according to recent polls, might have a chance of defeating Fidesz. What this means for undoing the damage that more than a decade of institutional capture has brought on Hungary's democracy, however, is too early to tell.

Poland's electoral framework is in much better shape than that of Hungary. But the recent escalation in the country's tug-of-war with the EU demonstrates the government's desire to press on with anti-democratic changes.

So what can the United States do? Ultimately, it is up to the Polish and Hungarian electorate to change the situation on the ground, but the United States can be a force for good if it continues to press for upholding democracy. However, any U.S. commitment needs to be long term and strategic to avoid instrumentalization.

So on the one hand, there is a need for a strategic commitment at the political level. Recent developments in Warsaw and Budapest present an existential challenge for the EU. So it is important that the United States works with the European Union when addressing this democratic erosion and supports current steps, including steps by the European Commission, to link the deployment of EU funds to respecting the rule of law.

Second, there is also a need for a strategic commitment at the practical level. This can include fostering systemic resilience in the civic sector and continued support for free and independent media. There is a need to ensure that these anti-democratic practices do not take root in other countries that are vulnerable to authoritarian trends.

The United States benefits from a strong united Europe and strong allies so a commitment to upholding democracy in Poland and Hungary contributes to that.

Thank you.

CARDIN: Thank you very much for your testimony. We appreciate that very much.

We'll now hear from Dalibor Rohac.

ROHAC: Mr. Chairman, Mr. Co-Chairman, thank you very much, indeed, for the opportunity to address you today on this important subject.

I, like many others in Washington, have followed the developments across Visigoth countries over the past decade with some degree of concern, having penned my first alarmist piece about the deteriorating state of Hungary's democracy already in January 2012 for the "Weekly Standard."

As of late, however, I've noticed that a number of thought leaders on the American conservative right, in particular, have been looking to the current government in Poland and Hungary with sympathy, if not with admiration, rather than with concern. Those sentiments are fundamentally misguided, not because there will be no policy particulars on which one could not agree with the current government in Hungary and Poland, but, rather, because both governments have pushed their countries on distinctly authoritarian trajectories.

Examples of those developments include the rewriting of the rules of the democratic game in Hungary, so to speak, through the adoption of a new constitution in 2011, so-called fundamental law, on purely partisan lines, the overhaul of the country's electoral system to strengthen its majoritarian winner-takes-all elements, along with the gerrymandering, the packing and politicization of courts in both countries, the de facto end of constitutional review of new legislation in both Hungary and Poland, gradual erosion of media freedom through a politicized public broadcasting, through the concentration of media ownership in the hands of few politically connected organizations, companies, and individuals very prominently in Hungary through the Central European press and media foundation KESMA, to which some 500 outlets were donated by their previous owners, which is also exempt from the country's antitrust law.

Both Hungary and Poland have seen frivolous lawsuits against independent media outlets, discriminatory advertising practices aimed at making opposition media outlets financially nonviable, and arbitrary policies regarding broadcasting licenses, including recently a case that targeted a U.S.-owned media outlet, TVN24. Both countries, particularly Hungary, though, have seen attacks on civil society exemplified by the 2017 Lex NGO, so to speak, and the 2018 law criminalizing groups providing assistance to asylum seekers.

Hungary has seen an extraordinary rise in corruption as measured by a number of indicators and ample anecdotal evidence. Also, Hungary has forged deeper ties with revisionist powers such as Russia and China. Viktor Orbán himself called Hungary a pillar of the Belt and Road Initiative.

Hungarian government has repeatedly blocked EU efforts to hold China accountable over its repression in Hong Kong, over a number of other issues. Orbán lambasted those efforts as being politically inconsequential and frivolous, and I suppose members of this Commission will also remember the rebuke of Hungary's government through the Trump administration over its own 5G initiative.

Now, to be constructive, a U.S. response to these practices, which are sometimes labeled as de-democratization or democratic backsliding, ought to be guided by priorities that are shared across partisan lines, that are nuanced and prudent, and are part of a long-term outlook that our allies and friends can count on and work with.

In particular, the engagement of Central European countries, including criticism and pushback whenever appropriate, should be organized around, in my opinion, a narrow conception of democracy, rule of law, and human rights instead of a more ambitious, more encompassing, more progressive outlook, if you will, because too broad a focus risks inserting the United States on front lines of local culture wars and risks being weaponized by irresponsible and malevolent actors, particularly by Russian propaganda.

The downside risk of a too heavy-handed response is further amplified by the fact that both Hungary and Poland are holding elections in 2022 and 2023, respectively, which could either reverse some of these trends or accelerate them further.

Also, Central European countries are very different from each other. The Czech Republic and Slovakia, if you look at other Visigoth countries, do not suffer from the same problem of de-democratization or democratic backsliding that we see in Hungary and Poland, and dramatic differences exist between the extent of the problem in Poland and in Hungary, not to mention the different geopolitical outlooks of the two countries.

Central Europe is a close and steadfast partner and ally of the United States. Hearing an occasional hard truth is an integral part of any such partnership. However, there are good and bad ways to hold difficult conversations with one's partner. Here's to hoping that the U.S. policy on these matters will live up to its core values while also being prudent and thoughtful and constructive.

Thank you.

CARDIN: Thank you very much for that very constructive testimony. We appreciate it very much.

Ms. Conley?

CONLEY:

Chairman Cardin, Co-Chairman Cohen, thank you so much for holding this hearing. You asked us what could Congress do. This is what Congress can and must do, hold hearings, visit CODELs, hold Hungary and Poland accountable.

I have to tell you, as preparing for this testimony I took absolutely no pleasure in writing my testimony. Poland and Hungary, I believe, represent one of America's greatest foreign policy accomplishments, and you noted it so beautifully in your opening remarks. What I wish I could tell you today is that Poland and Hungary are modeling behavior in the region, that they are beacons of freedom and democracy in the region and around the world, and, unfortunately, that is not what this hearing is about.

In fact, I think it's extremely important to hold this hearing because Poland will assume the chairmanship in office of the OEC beginning in January of 2022. This is important.

I think the other tragic part, as I was preparing for this testimony, is that we have watched these developments happen well over a decade. We have described them. We have watched them. The problem is we haven't been able to stop them. Our policy responses, whether from Washington or from Brussels, have been ineffective.

The U.S. has tried, particularly in the case of Hungary, to impose a visa ban on Hungarian government officials because of corruption in the Orbán administration. The Trump administration attempted a very different approach, all carrots, trying to engage Hungary into changing its behavior. It didn't work.

The European Union has used a variety of its instruments but they, too, have been ineffective. So I think we have to acknowledge that the policy responses thus far have not been effective. What more can we do?

The democratic diminishment of Poland and Hungary – and I completely agree we do need to separate out these two countries. Hungary by far is an illiberal template that, unfortunately, other countries in the region are following, whether that's Poland, whether that's Slovenia, Serbia, and other countries.

But let's focus on the security dimension of this. Hungary, as a member of NATO and the European Union, its close association with Russia, which includes a very problematic international investment bank that is, certainly, considered a front for Russia and potential alleged illicit financing. We have this strong relationship with China, whether that's Huawei's Research and Development Center or, potentially, a future Chinese campus of Wuhan in Budapest.

We have to start to question whether Hungary is able to maintain the secrecy required for NATO. It has already blocked NATO and the Ukraine Commission meeting at the most senior levels. It will bleed into other elements of our agenda. So this has real collateral damage.

For Poland and Hungary, as far as European Union cohesion, we are seeing where the rule of law challenge to the European Union cuts at the very unity of the union. The question of

the efficacy of European arrest warrants are in question. This is an enormous challenge to the European Union that both Poland and Hungary present.

So what can we do? I think, very much to my fellow panelists, we have to remain sustained and engaged in our investment. We can no longer pursue episodic responses to this growing challenge. We have to perhaps look at our own security posture in the region.

Again, I take no pleasure in arguing that we have to in any way weaken NATO. But if Poland continues to take these steps, we have to, I believe, make an assessment of whether our force posture is in the appropriate place. We have to, I think, begin to look at imposing potentially economic cost for this. This is the only way that we can arrest this behavior, potentially.

And, finally, I would absolutely further argue that we have to continue to be a beacon of hope to those who are seeking a different future. I am so grateful that RFE/RL has returned to Hungary. We need to continue to make those investments even though they themselves are under pressure. We have to provide hope to civil society, to investigative journalists. This is absolutely correct. This is the Hungarian peoples' fight. This is the Polish peoples' fight. We only can provide hope, support, and assistance for them to strengthen their own democracy.

I thank you again for holding this important hearing. I encourage these hearings to be as bipartisan in nature as they possibly can. We're becoming partisan in our approach to Poland and Hungary. That isn't a strong message as well. This is important. This is one of America's greatest foreign policy successes. It has been diminishing on our watch. We have to do everything we can to restore democracy and support the Hungarian and the Polish people.

Thank you so much.

CARDIN: Well, again, thank you for your testimony and your suggestions. Obviously, we do think this hearing is important, and the last congressional trip I took before COVID-19 with Congressman Hoyer we were in Budapest and we did have a chance to meet with a lot of the NGOs that were really suffering in that country. So I do think our visits are very important.

I do want to acknowledge Congressman Gallego. Pleased to have you here with us, an active member of our Commission. We will now start rounds of questioning.

Let me just acknowledge, which I think both of – all three of you have said, and that is that Poland and Hungary are two separate countries and they are – they have, obviously, a different set of governments and priorities and we recognize that.

Both have a lot in common. Both showed tremendous courage after the fall of the Soviet Union to develop democratic institutions and free and fair elections so the people could choose their own leaders, and both went on a path to fully integrate into the EU and to become NATO partners. And as I said in my opening statement, both are valued allies and friends of the United States. But both have seen a significant decline in their democratic institutions, and I want to just drill down a little bit on that.

So if I might start with Ms. Csaky, if I might, in regards to Poland. And Poland recently was fined by the European Union. Its limits on the independence of its judiciary by dismantling the Disciplinary Chamber, of its supreme court, has called into question its commitment to the EU tenets.

How do you see the future of Poland in the EU if changes are not made in regards to these issues?

CSAKY: Thank you for that question, Senator Cardin. I hope you can hear me.

CARDIN: We hear you.

CSAKY: Yes, thank you. So that is a very important point that you raised, and I think this is why it's important to understand what happened.

So as the European Court of Human Rights decision said, Poland's Constitutional Tribunal can no longer be regarded as a tribunal established by law, and as the European Court of Justice ruling said, that the Disciplinary Chamber is not a legitimate body so it cannot be regarded as independent and impartial.

So based on these decisions, I believe that Poland will have to make changes to these laws because, currently, they contravene international standards. And Poland is in a dialogue with the European Union. Unfortunately, what we have seen over the past several months is that there have been promises made with regards to reforming the Disciplinary Chamber, but Poland has not delivered on those promises.

At the same time, the reason why I remain optimistic is because, as I said, that this is an existential challenge for the European Union. If there is no change to Poland's laws, then other countries might copy what Poland has been doing and that that will lead to a breakdown in traditional cooperation, as my colleague, Heather Conley, mentioned, the European arrest warrants.

But there are other areas where this is relevant. For example, cross-border legal proceedings can be affected. There will be or there already is a legal uncertainty that impact the European legal fabric. So businesses, for example, might not be certain that they will get a fair hearing if they invest in Poland.

And so I believe that by now this problem has grown to such enormous size that there will be some steps taken by Poland. The question is how comprehensive those steps will be.

CARDIN: Thank you.

Let me turn, if I might, to Mr. Rohac in regards to your observation that there will be parliamentary elections in both countries. I believe in Hungary it's in 2022. Congressman Cohen observed the type of election tactics that were used by the Orbán government in the most

recent elections, appealing to the worst instincts, including anti-Semitic type of activities. We also have observed the Orbán government controlling the messaging through the news outlets in the country.

So we always have confidence in free and fair elections, but is it possible to have a truly free and fair election in Hungary today considering the steps that the Orbán government has taken in order to maintain control?

ROHAC: That's an excellent question, which is somewhat difficult to answer in a sort of sweeping general way. There is no question about the fact that the incumbent government will play dirty in different ways in the run-up to the election and it is also true that the opposition has become much better organized than in the previous elections. Right now, the polling for the joint opposition bloc led by Péter Márki-Zay is at around 39 percent whereas the Fidesz-led coalition is polling at around 35 percent. A lot can happen between now and the election in terms of campaigning and so forth.

The real concern, I think, is the one that this country, frankly, faced not that long ago, namely, whether there would be a calm, peaceful transfer of power. I don't want to sound overly alarmist, but it is true that in 2006 there was great resistance in the ranks of Fidesz to recognize the outcome of the election. There was a wave of popular unrest and, you know, conspiracy theories being spouted, and I think this is something that the world needs to watch very closely once it gets to April and once the votes are being counted.

I think it's something that the Hungarians themselves are going to be very much preoccupied with. So this is an environment – this is, frankly, a political environment where the opposition can compete and does compete and does stand the chance of unseating the current government. But we shouldn't be under any illusion that it is a perfectly fair and clean fight.

CARDIN: Thank you.

And lastly, to Ms. Conley, we know the Hungarian – current Hungarian government strategy for a greater Hungary, which is somewhat very concerning, the increased numbers of Hungarian citizens now that do not live in Hungary and the potential challenges to the territorial integrity of its neighbors, how much of a concern is this in regards to Hungary's democratic future?

CONLEY: Senator Cardin, it is a great concern.

CARDIN: Your mic again.

CONLEY: It is a great concern. Thank you. In part, the rise of ethno-nationalism across the region, particularly in the Western Balkans, this, unfortunately, is a trend, again, something we have watched for at least 15 years. While it has always been an approach of the Hungarian government to retain close links with ethnic Hungarian populations, whether that's in Romania, Slovakia, Ukraine, or even Serbia, what we've seen over the last several years under Prime Minister Orbán in some ways is a very purposeful weaponization of Hungarian history and the

Treaty of Trianon – we saw that at the 100th anniversary of Trianon – that increasingly we're seeing Hungarian passports being handed out to these ethnic communities and, in turn, these ethnic communities then vote in the election. They don't live within Hungary, but they are provided generous financial and economic assistance as well as passports.

This causes great tensions within the neighboring countries, particularly Romania, where we did see a flare-up of tensions because, in some ways, Hungarian government policy is to separate the ethnic Hungarian populations in these countries away from their own host country and to create greater fidelity towards Budapest and not towards their own host country.

We see similar tactics by President Putin in the handing out of passports, whether that's in Ukraine or elsewhere. It also gives, obviously, a rationale for having to continue to intervene in neighboring countries to protect those ethnic populations. Again, this is something that we need to be very firm. It destabilizes the region. But, increasingly, we are seeing not only a construct of a greater Hungary, we're seeing this construct of a greater Serbia. We're seeing where ethno-nationalism is now challenging borders in Bosnia-Herzegovina.

So this is a region that, unfortunately, is seized with this and, as in many things, Mr. Orbán is giving a playbook that others will follow.

CARDIN: Thank you.

Congressman Cohen?

COHEN: Thank you, Mr. Chair.

As a follow-up on that question, it's my understanding that Orbán cultivates these folks by soccer clubs in these different countries that are Hungarian soccer clubs even though they're in Romania, Slovakia, Ukraine, or wherever, and he does the same thing with funding political parties there, et cetera.

Is this just the typical playbook of an authoritarian? Is this emulating Putin? Or what do you think is the genesis of this type of activity?

CONLEY: Well, we know Mr. Orbán loves soccer and this is something that, I think, he feels very personally passionate about, has used a lot of very significant European Union infrastructure funds to build large stadiums in small villages. It's, certainly, part of his own patronage network.

But yes, Congressman Cohen, this is soft power. This is where love of sport and that affinity towards teams, yes, you could see in the purchases of British premier leagues by countries. That is a great manifestation of soft power. I think, again, we have to be – joking aside, we have to be very vigilant. These soccer matches and the hooliganism and, again, the virulence of this nationalism is showing itself on these soccer matches.

Again, it's sort of this – the pitch is becoming a place for, really, this ethno-nationalism to be stoked and for radicalization to happen. So but it's a soft power mechanism. It's a way to hand out funds and to help people, you know, again, be very supportive of the Hungarian government.

COHEN: And as I understand it, he has provided – has added 1 million new voters by granting citizenship to these ethnic Hungarians in these other countries who end up, I guess, voting pretty much for his party. Is this something he started or were there previous Hungarian governments that issued citizenship to Hungarians living in other countries and what other countries do this type of thing?

CONLEY: As I mentioned, certainly, Mr. Putin has made passportization, using that to pull ethnic populations and to create discord within countries. I would say this habit of strong connections to ethnic Hungarian parties, such as in Slovakia, in Romania, that, certainly, predates Mr. Orbán. It's something that previous Hungarian governments have, certainly, practiced.

But we've never seen the purposeful and the intentionality that is occurring under the current Hungarian government, and Prime Minister Orbán has already told us very publicly that he sees the ethnic Hungarians living outside of Hungary as a primary source of those votes that he needs and, I believe, we'll see in the run-up to the April 2022 Hungarian parliament election we will see him use that to great effect as the contest becomes quite close within Hungary.

COHEN: So the previous Hungarian governments– did they not only reach out to these people with cultural exchanges but also give them the right to vote?

CONLEY: Well, there's, certainly, strong relations with those ethnic Hungarian communities, particularly in Romania and Slovakia, its support to the political parties within those countries that support ethnic Hungarians. Yes, that's been consistent. But as I said, over the last 10 years we've really seen the intentionality and, really, the passport use has been quite substantial where we're seeing up to – you know, up to hundreds of thousands of passports being issued.

COHEN: And could someone out there, and it might be our friend on the Zoom, Ms. Csaky, tell us more about the corruption in Hungary. I remember when I was there, it was something. It was a sewer system or it was a light system. It was something I looked out the bus and I saw along the road. What was it and are there other examples of that corruption where Orbán takes care of his friends who have no expertise?

CSAKY: Yes. So in Hungary's case, we have seen a significant increase in corruption, and I think the example that you mentioned and other examples show what experts call a sort of reverse state capture.

So it is not oligarchs capturing the state but it is a strong state that is creating its own, quote/unquote, "oligarchs," and I think one proof for that is Lorinc Meszaros, who is a

businessman who used to be the mayor of a small town and who by now has become the richest Hungarian over the past few years. He also owns several media outlets, several other companies.

And so what we are seeing is an intentional use by the government, an intentional creation of these oligarchs, of these rich people that are at the same time dependent fully on the government. So it is further proof of a centralization of power that we are seeing.

COHEN: Thank you. If anybody present would like to add anything. Otherwise, I'd yield back the balance of my time.

I yield back the balance of my time.

CARDIN: Congressman Gallego?

GALLEGO: Thank you. And it's disturbing to hear this. I actually taught English in a Hungarian enclave in Slovakia, a city called Nesvady in the Komárno region, and when you're talking about the ethnic unity that they have, you see it there. I mean, the area that I was teaching English only spoke Hungarian, though it had been part of Slovakia for a while. They identified with Orbán even though they were in Slovakia and they, certainly, talked about the history. So it's – and I was roaming around Hungary when Orbán was this young liberal, you know, reforming this post-Soviet satellite.

So it's very disturbing to hear that, and I guess one of the questions that I have, just remembering from my experience in Hungary and Slovakia, is that though they did identify themselves as Hungarians and ethnically Hungarian, the one thing they did appreciate and loved was, you know, democracy and the fact that they are now a democratic country and they had the right to vote.

And kind of studying other movements and other oligarchs being able to kind of pick apart societies, what is it that is actually driving this? Is there a massive amount of unemployment in certain areas or do they feel threatened by movements of immigrants coming through?

I know that, you know, when I was there, the Roma was always used as a political tool and there was a lot of prejudice against the Roma, and I'm wondering if, for some reason, you know, they're, again, kind of using that. It's always – there's always got to be a functioning reason besides the fact that, obviously, he wants power, but what is the underlying cause that the public is buying into this, in your opinion?

Yeah, we'll start with Ms. Conley and then – boy, my sight's really going bad. (Laughter.) The gentleman after you. Yeah.

CONLEY: That's all right. We're very far away. No, it's a really great question and thank you, and your insights, from your own experience, I think, are extremely important.

What I think has been – it's hard for me to say this, but Mr. Orbán is a political innovator. He captures early political trends. He's instinctive about that, and he's able then to use that instinct to draw out, I think, very compelling political narratives. I don't like these political narratives but they're very compelling, and he was very early on speaking of these illiberal winds that blew from the east and what he was saying is democracy isn't delivering anymore. There's too much change happening.

So the best way – so liberal democracy is over. This – what I am presenting and his use of illiberalism, this is the better way, and it pulls inspiration, certainly, from Moscow, I think elements of it from Beijing, and he wrapped this into people's, you know, being very unsettled by change. There's the, you know, an urban-rural divide that we would see today. Migration, of course, is a challenge, and that this is all a threat to, you know, the unique civilization of Hungary and its great history.

And so he's the unique one to protect that and, certainly, wrapping that in the Christian values and changing the constitution to recognize that. So in some ways, this was a simple answer to a complex time. But as you correctly noted, this really wasn't a socioeconomic issue. Hungary has done extremely well economically. Of course, during the financial crisis it suffered, but it has been more resilient economically. But this is about, I believe, Viktor Orbán remaining in power, sustaining his legitimacy, that only he is uniquely placed to protect Hungary's unique civilization.

I think the challenge here, moving forward, is because over the last decade-plus the corruption and the networks that he has now created this will not be dislodged easily even if Mr. Orbán does not win election, and I think the warning that Dalibor just gave us that this may not be a peaceful transfer is something that we should remain quite focused on.

Mr. Orbán is already suggesting it will be the United States' and the European Union's fault if he does lose this election. But those patronage networks, even if a new government is formed, will be proactively working against that government to ensure either Mr. Orbán's return or that his network is protected.

So this is going to be a long-term process to unravel the illiberalism that has taken place over the last decade.

GALLEGO: And before we go to the gentleman, it just – it confounds me that the college students of the 1968 revolution are going to – that are now adults and seniors, actually, are going to stand by and allow totalitarianism to happen if there is a free and fair election. That's the same generation.

CONLEY: Well, we are hoping that the Hungarian people know that they must fight for their future and – for their democratic future. I think the young people, quite frankly, Congressman, are voting with their feet. The emigration that's coming out of Hungary, the brain drain, because young people do not see a promising future, that hurts Hungary's future. But I think, unfortunately, Mr. Orbán speaks to, largely, a rural and an elderly population that believe and support what he is saying, and that there always will have to be an enemy.

GALLEGO: It sounds very familiar, Ms. Conley.

Sir, go ahead.

ROHAC: Yeah. If I may just – add one thing as sort of a historical footnote to all this, which is that, really, the year 1920 and the Trianon agreement, which reduced Hungary dramatically, both geographically, in terms of its population, casts a very long shadow and –

GALLEGO: Right. Trust me, I heard the stories.

I heard the stories how many times they stopped the advance of the Muslims – Muslim religion into the European – into mainland Europe.

ROHAC: So whereas in other countries of the region – yes, the capital of Slovakia, Bratislava, used to be called Wilson City for a while, you know, Hungarians will have a much more ambivalent view of the West and of the United States and the role that was played in the aftermath of the First World War.

There has been pushback in other countries against these efforts, most recently against the Hungarian government's buying of real estate in neighboring countries, particularly historic buildings in sort of central areas of cities. But that sort of sense of historic injustice or trauma is something that I suppose we need to work with and help to channel it into constructive uses. Otherwise, it just fosters really problematic relationships that are already emerging in the region.

For example, the Orbán government's links to Serbia where, you know, Serbia, again, is one of these former mini empires reduced in size and having, you know, axes to grind with the West. You might have seen recently the so-called Demographic Summit that took place in September in Budapest in which Vice President Pence was sharing a podium with Milorad Dodik, who is a war criminal, somebody on, you know, numerous sanctions lists. And, obviously, it was the decision of the Hungarian government to place the former vice president of the United States in that situation, presumably as a favor to his Serbian counterpart.

And so to have the sort of revisionist powers, which are also linked to China – I mean, it's not a coincidence that the Belt and Road Initiative connects Budapest and Belgrade with a railway, which is being funded by China. And so we should be extremely vigilant about sort of the emergence of these sort of mini alliances that really chip away at the unity of NATO and the European Union and of the West, more broadly.

GALLEGO: And just a last question because I actually have to go, but I apologize. There's been a very fraught relationship between Turkey and Hungary that's also affected our capability to maneuver within NATO and actually have consensus. Has that tension reduced at all or is it still in existence?

CONLEY: Happy to answer that. The tension still exists, although I think it's been reduced, in part because there is a bit of admiration for more authoritarian tactics by the government. But –

GALLEGO: By the Erdoğan government or by the Hungarian government?

CONLEY: Mutually reinforced.

GALLEGO: Yeah. OK. That's what I thought. Yeah.

CONLEY: But I think, again, because of Turkey's very important role in keeping back potential migration waves from coming, I think, again, Mr. Orbán is very clear about making sure those migrants don't, and so there has been some cooperation, I think. Turkey represents a different set of challenges to the NATO alliance, and particularly –

GALLEGO: Well, we could have another conference call on that.

CONLEY: That's another seminar.

GALLEGO: Yeah. I appreciate it. Thank you.

CARDIN: Our House colleagues have a vote on in the House so they need to leave.

Let me follow up in regards to the relationship between Hungary and Poland with Russia and China. After World War Two, the transatlantic security agreements were aimed at trying to protect against the rise of the Soviet Union and NATO was formed as a protection. With the fall of the Soviet Union, we weren't sure who our next threats would be.

We knew we'd have a terrorism issue but we didn't know exactly where the threats would come from. There was the expansion of NATO with the former republics of the Soviet Union and those that were under the domination of the Soviet Union, and this security alliance was – we thought would protect us from our geopolitical threats.

With the activities in Russia following the rise in Mr. Putin's strength, we find that Russia has invaded the sovereignty not just of Ukraine but of Georgia and Moldova. I was in Estonia and I can tell you they worry greatly about one day Russia coming across their border. And, of course, we could argue the same in regards to Poland and other countries.

But yet, it looks like, when we look at Poland and we look at Hungary, they don't necessarily share the same view about NATO and its concerns with Russia. Now, after World War Two, our eyes weren't towards China. But today, they are towards China and we recognize China as a threat, because – not their economic desires, which we think are not based upon international standards and we want to debate that and argue that, but also they're using that pressure to dominate security issues, including the China Seas.

So we look at that as a security threat as well. So my question to – I'll ask all three if you want to comment on it. But as we see these relationships developing between Poland and Hungary with Russia and China, which seems to me and many of my colleagues to be inconsistent with the transatlantic partnership in which NATO was created and the European

Union is focused, what should be our strategies in regards to these two countries in their relationship with Russia and China?

Why don't we just go – first, let me ask, Ms. Csaky, if you want to weigh in on this we'd love to hear from you.

CSAKY: Thank you. I would like my colleagues to weigh in first.

CARDIN: Certainly. Why don't we go to Mr. Rohac?

ROHAC: Thank you. I think this is one of those issues where there is a fairly clear difference between Poland and Hungary, and it's also one that should inform American – U.S. policy, going forward. There is a consensus across Polish political parties, across Polish political class, about the threat that Russia poses, about the incredibly important role that NATO and the transatlantic link plays for the security of Poland.

There is also, I think, much greater degree of sort of circumspection when it comes to China and when it comes to sort of forging those deeper links with China. Hungary, for historic reasons, a number of other reasons, partly the fact that the Russian threat today remains much more abstract for Hungarian public than in the case of Poland, there isn't such a consensus, and we've seen Hungary forge deeper ties with both Russia and China, and also Russian propaganda and Russian outreach efforts, Russian sort of methods for co-opting Western political elites, have really exploited some of these pressure points that we've seen over the past 10 years with migration, with culture wars, presenting Russia as a sort of bulwark of traditional Christian values against Western decadence.

For a variety of reasons, those tactics work much better in Hungary than in Poland, and I think for U.S. policy this should be a reason to, in a way, play a much tougher game with Budapest than with Warsaw, which has been a much more reliable and more consistent ally on these points. At some point, the Hungarian political class will have to choose.

CARDIN: Ms. Conley?

CONLEY: Yeah, absolutely. To just echo Dalibor, we really have to understand that this threat to democracy is the challenge of the threat from within. The democratic weaknesses allow both Poland and Hungary to be much more susceptible to malign influence. I would say with Hungary it's intentional. They seek it. Poland, these democratic weaknesses make it more vulnerable, more susceptive to Russian disinformation, potentially.

Dalibor is absolutely right. I think you really have to separate Poland because of its strong and dependent relationship on the United States. It will be hard work. But they have shifted their position on China quite significantly during the last administration. I think they would respond if there was some very clear and very tough messages about our security posture and I think they would make some changes. I really think it would be existential for them.

Hungary, there has really been no penalty for this behavior at all and, you know, we have to do this – in my written statement I talk about we have to have a transatlantic approach. There's not a unified European approach to Hungary. We would have to work very clearly and we would have to impose costs.

I have to tell you, Senator Cardin, if Congressman Tom Lantos was alive today, I believe that Congress would have sanctioned Hungary a long time ago. He had a very clear view on Hungary. He was a moral voice.

We have to, perhaps, use the toughest of love for these important allies and we may have to change their calculation. They are sovereign countries. They can choose their path. But we don't have to choose to financially support and support them militarily if they make choices against being vibrant democracies Our security rests on the health of their democracy and their security rests on the health of our democracy. We are mutually dependent on one another.

So as I said, I don't say this lightly. I don't – I hate that we are here in this position. But I am now at a point where this is such a crisis we may have to take extremely difficult measures and hope we can change calculations for both.

CARDIN: Thank you for that.

Ms. Csaky, I want to ask you one question, if I might, as to COVID-19. We have seen COVID-19 be used by certain governments to restrict rights of its citizens, in some cases for public health reasons but in other cases in order to abridge their basic freedom, and now that we're coming out of COVID-19 we don't see any action to restore those principles of basic rights.

In your view, in Poland and/or Hungary, has COVID-19 affected the government's policies relative to the personal liberties of its citizens?

CSAKY: Thank you for that question, Senator Cardin.

COVID-19, at the beginning, did have an impact, especially in Hungary's case and especially on government transparency. So the government failed to publish data on the number of infections and failed to, really, bring transparency with regards to the steps that it was taking. There was also a fear at the beginning of the pandemic that the government would use COVID-19 as an excuse to push through other initiatives and that, to some extent, perhaps, was true. But I think that the government mostly pushed through initiatives that it wanted to push through anyway.

When it comes to civil liberties on the ground, however, there are no significant restrictions to those either in Poland or in Hungary. So, in that sense, COVID-19 has not had yet a significant impact. I think we should be watching what happens with the elections and if the current situation with the infections changes, because in both countries they both are experiencing a very bad fourth wave, just the start of that very bad fourth wave. And so we should be watching what happens, especially in Hungary in the runup to the elections and

whether the government will want to use the bad situation as an excuse, although I would think that that is not really a realistic scenario.

CARDIN: Well, let me thank all three of our witnesses. I have found this panel to be particularly helpful as we try to sort out. That is to say, we're dealing with allies. We're dealing with NATO allies. We're dealing with countries that we have a deep tie to. And we see disturbing trends, and they're different in Poland and Hungary. We recognize that. But I think we have to be clear and we have to look for ways in which we can strengthen the values that make our relationship so important, and I think America can play an important role here and I think the Congress can play an important role.

So I want to thank all of our witnesses for your testimonies and for your help, and I'm certain that we'll be relying upon you as we go forward for some technical and expert advice.

With that, the Commission will stand adjourned. Thank you.

[Whereupon, at 3:44 p.m., the hearing ended.]