

## **Agriculture as a Source of Authoritarian Power**

**An interview with Noémi Gonda**

August 4, 2020

Land grabbing is one of the lesser-known pillars of Viktor Orbán's regime in Hungary. Environmental social scientist Noémi Gonda explains how speculation on agricultural land can strengthen authoritarian populist regimes, and how the European Union is complicit in the process.

**Green European Journal: In a recent paper you looked at the role of land grabbing in how Viktor Orbán's regime strengthens its grip on power. What exactly do you mean by land grabbing in this context?**

**Noémi Gonda:** I am researching domestic land grabbing: the transfer of land from smallholder farmers (often families who cultivate the land themselves) to large-scale entities – or, in the case of Hungary, to the Orbán regime's wealthy supporters. I am particularly interested in how Orbán's current political regime strategically uses land grabbing and related conflicts to consolidate its grip on political and economic power.

**To what extent is this a new phenomenon in Hungary?**

Land grabbing has been going on since the 1990s, through “pocket contracts” (contracts on which the date of purchase is deliberately omitted to allow owners to retain the land even if the law is changed) between foreign investors and Hungarian elites. After the end of state socialism, an agrarian reform made it possible for the original owners of the land to repurchase their expropriated land via vouchers. Although the vouchers could in theory only be used by the original owners, a large chunk of the land ended up in the hands of an emerging class of oligarchs and some foreign investors despite them being legally prohibited from owning arable land or natural resources in Hungary until 2014. According to estimates more than 1 million hectares of land were owned by foreigners in the early 2010s.

*Land grabbing has been going on since the 1990s, through  
“pocket contracts” between foreign investors and  
Hungarian elites.*

Nevertheless, smallholders remained present in the country, in part due to fact that much of state-owned land was leased to them through long-term agreements. The land grabbing process has accelerated and is serving more politicised aims and goals since 2015. This was when the Orbán government privatised a large quantity of state-owned land via a “thunderstorm” process that benefitted a set of loyal oligarchs (in 2014, 23 per cent of the country's total land was still owned by the state).

**What exactly is the Orbán government trying to achieve through this?**

Situating land grabbing in two different periods can help in understanding the government's aims: before the 2010 and after the 2014 elections.

In 2010, Orbán's political party Fidesz used domestic land grabbing and land-related conflicts in Hungary to win the general election. As an opposition party in the late 2000s, Fidesz capitalised on the scandal caused by the revelation of these pocket contracts. The party condemned this and claimed that land should go to Hungarians. If elected, they promised to take care of the fate of the agricultural land still owned by the state. At that time, the party was also developing a hugely progressive rural development strategy with the aim of pleasing rural voters, whose votes they thought necessary to win the election. Their strategy promised to give arable land back to Hungarians, prioritised environmentally sound, landscape-friendly family farming over monocultural mass production, and aimed at revitalising the countryside by attracting young families who could start dynamic, small-scale farms.

*Environmental social scientist Balša Lubarda calls this the “chameleonic nature” of authoritarian populist regimes to describe how they use the narrative of emancipation as a means to gain power*

The person who played the most important role in developing this strategy was József Ángyán, a university professor and Fidesz politician. Ángyán was well known and respected in agricultural circles, and he was expected to become the next minister of agriculture. His plan was attractive not only to the Hungarian agriculture syndicates and peasant leaders but also to environmentalists. By manipulating the issue of land tenure and land-related conflicts – through denouncing pocket contracts by or for foreigners – Orbán was able to attract more rural voters. Once the elections were over, however, this nice rural development strategy ended up in the bin, and its author, Ángyán, was forced to leave the party.

Emancipatory tools or politics can also be co-opted by authoritarian populist regimes. Environmental social scientist Balša Lubarda calls this the “chameleonic nature” of authoritarian populist regimes to describe how they use the narrative of emancipation as a means to gain power, only to reinforce or maintain the same oppression, exclusion, and elitist system once they have it. This is not only an issue of the far right as it can also be observed in countries run by leftist governments.

After the 2014 elections, Orbán secured the long-term support of economic and political elites by offering them the possibility of owning land and expanding their business in the agricultural sector. This was enabled by a land privatisation process in which the main beneficiaries were politicians, Fidesz supporters, and their family members. Ángyán has investigated many of the auctions that took place, and among the winners he found the names of relatives of politically powerful people. In the meantime, many of the smallholder land leasers have lost the land they had been farming for decades.

### **What are the benefits of owning all this land?**

Hungary has the second largest proportion of agricultural land in relation to its size within the EU: 58 per cent of its 9.3 million hectares are under agricultural cultivation. As part of the EU's Common Agricultural Policy (CAP), the country is receiving 12.4 billion euros in the period from 2014 to 2020 – so there is a lot of money available to please loyal elites.

On top of that, these landowning oligarchs are banking on the fact that there is an ongoing infringement procedure by the European Union that would require Hungary to open its land market to foreigners. This is because Hungary is seen as violating the rights of cross-border investors in agricultural land. Once the market is open, they will happily sell their land to people from other European countries who will pay extremely high prices for them. So, the long-term carrot for the elites is speculation, and that of the short term is the CAP subsidy. And in both cases,

the European Union is involved: firstly by providing the agricultural subsidies, and secondly by pushing Hungary to open its land market to foreigners. The EU's involvement allows Orbán to wash his hands of responsibility and claim that it was the EU that pushed him towards this kind of land reform.

It is worth mentioning here that Hungary is not the only country where EU subsidies play a role in domestic land grabbing and keeping loyal elites powerful; the literature has shown a similar trend in Poland and in North Macedonia (a candidate country since 2005).

**Would it really be worth it for these landowning oligarchs to sell their new land and give up the CAP subsidies?**

The subsidy is 240 euros per hectare. This might not seem like much but if you have a lot of land, it can add up to a tidy sum – especially considering that many of the recipients do not even cultivate their lands, as the conditions for getting the CAP subsidies are not implemented properly.

Additionally, if you look at the difference in price between a hectare of land in the Netherlands (where the land market is open to foreign investors) and that in Hungary, you can see the potential for making money. Today in Hungary a hectare costs about 3300 euros, compared to about 115 000 euros in the Netherlands. So, it is really worth waiting a few years and cashing in on the interest of the foreign investors.

**At the 2014 election, Fidesz did not seem to pay a political price for this betrayal of voters in the countryside. Why?**

By 2014, the whole electoral system had changed. Fidesz did lose 570 000 votes compared to 2010, but this 8.2 per cent drop in support only cost them 1.3 per cent of the seats. Two other factors came into play. Firstly, the country's Public Work Scheme had created a system of dependency in which many marginalised groups in the countryside felt too vulnerable to not vote for Fidesz. Secondly, the land privatisation process coincided with the refugee crisis, which allowed Orbán to divert attention from what was happening and instead try to win over the anti-refugee voters of the far-right Jobbik party by discrediting the party's stance and leadership.

**Do you think that there are political parties who manage to appeal to people in the countryside now that Orbán has betrayed them?**

I do not think that there are parties speaking to the rural areas, apart from Fidesz. Even in the poorest regions or among the marginalised Romani populations, Fidesz remains the popular choice. The city-centred counter arguments of the opposition win them support mainly in Budapest and some other cities. LMP (Politics Can be Different), which started out as a Green party, is not as clear on its environmental stance as it used to be – and even when it started, it seemed more interested in city dwellers than rural voters. So there is definitely room for a party that truly represents people in the countryside.

It is also worth mentioning the information gap [read more on [media capture in Eastern Europe](#)] as an important component in the disconnect between the rural populations and those who aim to challenge the regime. There are no newspapers in the countryside, and no other media which would allow the people to access information that is different from the government's propaganda. Today it seems as though there are two countries and two realities living side by side – and the reality in the countryside is the one constructed by the government's media and its fearmongering about refugees. The 2010 rural development strategy with its focus on revitalising the countryside could have helped by bringing in people from the urban middle class to rural areas. These informed and connected people could have helped both in the development of new agricultural concepts and with the spreading of narratives that challenge the government's.

*Today it seems as though there are two countries and two realities living side by side – and the reality in the countryside is the one constructed by the government’s media and its fearmongering about refugees.*

This may sound a bit utopian, but more and more people – and not just in Hungary – who are fed up with city life. If you have young children and see how polluted Budapest is, you start longing for a healthier environment. Some people are ready to take the step and start working on farms. I have visited several farms run by young couples in their 30s or 40s, where one of them is still working in the city and the other is taking care of the farm. Very often, the health of their children is what motivates them to take up this lifestyle.

**The land grabbing in Kishantos, a small village in central Hungary, was widely covered in Hungarian and international media. Why was it such an important topic?**

This relates to the question most environmentalists, scholars, and activists ask themselves: where is the change and the active resistance going to come from? The Kishantos Rural Development Centre was a 452-hectare, organic show farm and educational centre, owned by the state and leased out. It had been running successfully for two decades until 2012 when the government tried to stop the lease contract and hand the land over to its own supporters. Following an auction, the land was awarded to a group of people who, at best, were novices to farming.

Kishantos was a symbolic example of an organic protest that generated widespread support, but the main reason it became such a big issue was that Greenpeace ran a visible campaign around it, and also brought lawsuits against the Hungarian government.

*There is a need to scale up existing initiatives and to go beyond just resisting the government’s harmful actions.*

There were other important examples, like the government’s attempt in 2015 to privatise protected areas, which they abandoned because nature protection organisations actively fought against it. However, environmentalists fear that the government has only shelved this idea temporarily.

These are just sparks, for now at least. There is a need to scale up existing initiatives and to go beyond just resisting the government’s harmful actions. Kishantos may well be important, but we need to think about structural issues as well: how can we challenge the regime by reconstructing, or constructing, a functioning democracy? How can we think about sustainable rural areas? What about equitable societies in which people in the countryside, in cities, and from different ethnicities live together in harmony? These are some of the questions that the resistance must reflect on.

**What can environmental organisations and activists do in this context?**

There are many farmer organisations in Hungary. Ángyán recounts how he toured the country to meet all the leaders and most of them supported his rural development strategy. It could be our task to go back to these people; to give them a voice, and to let them speak for themselves. We also need to try to get information out to the countryside. There might be an information divide facilitated by traditional media channels, but we can also think about alternative ways of spreading information.

*A serious discussion on how to address this abuse of EU policies without harming the real producers – particularly, the smallholders who still depend on the subsidies – is needed.*

Environmental organisations also need to question the European Union. The system as it is today is not only unjust, it is also complicit in the development of Hungary’s current authoritarian regime – and possibly that of other countries too. When we speak with people from the European Commission, they are aware of the problem but say there is not much they can do. A serious discussion on how to address this abuse of EU policies without harming the real producers – particularly, the smallholders who still depend on the subsidies – is needed.

---



Noémi Gonda is a post-doctoral researcher at the Department of Urban and Rural Development at the Swedish University of Agricultural Sciences, where she studies socio-environmental transformations that emerge in authoritarian contexts, with a focus on Nicaragua and Hungary. Her research on authoritarian populism in these two countries is supported by FORMAS, the Swedish Research Council for sustainable development.

Published August 4, 2020

Interview in English

Published in the *Green European Journal*

Downloaded from <https://www.greeneuropeanjournal.eu/agriculture-as-a-source-of-authoritarian-power/>

*The Green European Journal offers analysis on current affairs, political ecology and the struggle for an alternative Europe. In print and online, the journal works to create an inclusive, multilingual and independent media space. Sign up to the newsletter to receive our monthly Editor's Picks.*