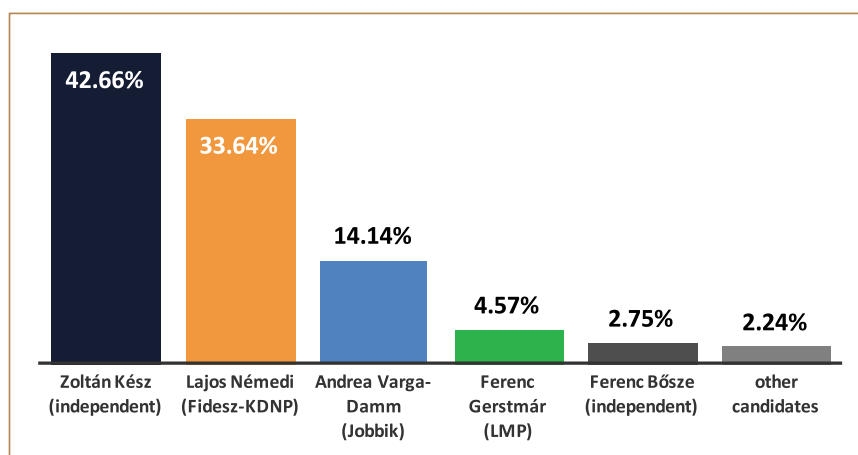


Fidesz' defeat in Veszprém causes and consequences

On February 22, in an electoral district in western Hungary, considered as a stronghold for the right, Zoltán Kész, an independent candidate supported by leftist opposition parties, beat his rival representing the ruling party by 9%. With this the Fidesz-KDNP coalition lost its two-thirds majority, and the defeat may have significant political repercussions. We are going to analyze in five points both the underlying causes and potential consequences.



Causes

1. Relatively high turnout. The by-election in Veszprém and the surrounding region generated significant attention. A 45% turnout is considered quite high and may appear to be somewhat disappointing only compared to the statistics of last April's general parliamentary election (when 64.3% of the eligible voters turned out in the same electoral district). Following Fidesz' 2010 two-thirds win, fewer people went to the polls in each successive parliamentary by-election. In other words, the electorate cannot be described as being apathetic; it did not believe that this interim election was without a stake.

Single-member constituency	Veszprém 1. Veszprém	Budapest 11. District IV	Budapest 2. District II	Hajdú-Bihar 6. Püspökladány	Hajdú-Bihar 6. Püspökladány	Békés 5. Szarvas
Election date (1st round)	2015/02/22	2014/11/23	2011/11/13	2011/10/02	2011/06/05	2010/09/19
Number of eligible voters	72,929	78,071	49,124	40,468	40,428	37,062
Votes cast	32,646*	26,460	19,178	8,518	11,396	6,943
Voter turnout	44.76%*	33.89%	39.04%	21.05%	28.19%	18.73%
Election date (2nd round**)			2011/11/27	2011/10/16	2011/06/19	2010/10/03
Number of eligible voters			49,106	40,479	40,429	37,032
Votes cast			16,817	8,090	9,354	16,342
Voter turnout			34.25%	19.99%	23.14%	44.13%

* 98.91% of votes counted, not including votes cast at foreign representations.

** According to the new electoral system in force since 2014 there is no second round.

- 2. Protest mood.** The outcome shows a rising disappointment in Fidesz, demonstrated in public-opinion surveys as well. Since October 2014 this was the fifth by-election where a candidate fielded by the governing party ran and lost. Of course, these interim elections typically held in small settlements carry less significance; there was only one parliamentary by-election in November where the Socialist candidate won by a large margin (the significance of this one was lower since it was held in a district traditionally carried by the socialists). However, this time Fidesz lost in a district that in recent elections served as a solid party fortress. With the defeat in Veszprém a perception of Fidesz' apparent invincibility in all corners of the country has been dispelled.
- 3. Weakening central power field.** Fidesz' political strategy is based on the claim that, as a dominant governing party, it remains indispensable standing between Jobbik and a fragmented left. However, due to a spectacular drop in the popularity of Fidesz this "central power field" strategy is crumbling. The governing party would have an easier time to explain its defeat had Jobbik and LMP candidates done much worse at the polls than in April 2014, but as it turned out they fell back by only 2-3 percentage points. Although in the case of LMP this represents a 30% decline, Fidesz still can't attribute its defeat to the migration of Jobbik and LMP voters to the independent candidate. There are signs that gradually the electorate is learning to express its will in a 'central power field' and an election system created in that spirit. Most anti-government voters do not have a strong political identity or party preference and simply try to assess the current balance of power and, in a crowded field, cast their vote for the opposition candidate with the best chance to win. In other words, the candidate who manages to present him/herself as a strong challenger has the chance to win against Fidesz.
- 4. Opposition parties moving to the background.** While Zoltán Kész accepted the support of leftist opposition parties, throughout the campaign he emphasized his independence and strong local ties, and his ballot sheet did not feature a single party logo next to his name. Aside from the last few days, the supporting parties' politicians did not show up in the company of the candidate, but in the meantime they made an effort to mobilize their diehard supporters. On the other hand, Zoltán Kész did not make the mistake of distancing himself completely from these parties. As a result, emphasizing his independence did not alienate opposition parties and their supporters, and thus he managed to position himself as a viable challenger.
- 5. Ineffective government communication.** Finally, it must be mentioned that although Fidesz mobilized the national public media and a large part of the local press, its communication remained ineffective. Promises to bring investment projects to Veszprém and a negative campaign aimed at Zoltán Kész did not sufficiently motivate former supporters of the governing party. In fact, the latter strategy may have backfired and statistics from the various electoral precincts suggest that, in fact, it has only encouraged anti-government voters.

Consequences

- 1. Intensifying conflicts within Fidesz.** A number of governing party politicians and opinion-leaders interpreted the Veszprém election results as a warning sign. With the shattering of Fidesz' image of invincibility critical voices within the party are expected to intensify, voices that have been clearly heard already in the past few months. The conflict developed between Lajos Simicska and Viktor Orbán remains the most dangerous fault line in the party.
- 2. Moderate adjustments in governing.** As the government must react to a drastic decline in its support base, it is expected to introduce measures aimed at recapturing social groups alienated in the past few months. However, in view of the government's slapdash modus operandi, in the short term it is unlikely to introduce meaningful corrections.
- 3. There is no hope for a significant reshuffle in the opposition ranks.** The parties lining up behind Zoltán Kész would make a mistake to project the Veszprém election results on a national scale for, instead of finishing first with the help of their own candidates, success came because they stayed in the background. Jobbik holds on to its second position and, based on the latest surveys, they are the only ones profiting from a declining popular support for Fidesz. In other words, there is no change in the prevailing trends.
- 4. The implementation of decisions requiring a two-thirds majority have become more difficult.** The vote of two-thirds of the parliamentary delegates present is sufficient for the amendment of most acts requiring a supermajority, i.e., an act can be amended if a single opposition delegate is missing when the vote is taken while all 132 government delegates are present (provided that the governing party candidate wins at the April 12 by-election; see under the next point). However, two thirds of all delegates (199 in the case of a full House) 133 mandates are needed to amend the fundamental law and to make a number of personal changes, including the election of Constitutional Court members, the president of the National Office of the Judiciary, the president of the Curia, the president of the State Audit Office, the chief prosecutor, and the commissioner for fundamental rights and his/her deputy. To carry these decisions, in the future the governing parties have to win the support of at least one opposition delegate.
- 5. Reducing the significance of the by-election in Tapolca.** A by-election will be held in Tapolca on April 12 due to the death of a Fidesz delegate. Following the election in Veszprém, from the point of the parliamentary supermajority the only significance of the election is whether in the future its majority falls short by one or two mandates. However, for the governing party it is crucial to stop the downward spiral and demonstrate its ability to keep winning. In light of yesterday's developments, the outcome of the next election is unpredictable, especially as this district is tri-polar: while the mayor of Tapolca comes from Jobbik, the traditionally leftist former industrial city, Ajka, is also part of the electoral district.