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sip Strategic Intervention Paper

The Global Ideas Center (GIC) is an online think tank. Operating out of Berlin, it uses cross-border learning and "The Power of Comparisons" to serve as a catalyst for solving challenging problems that democracies face.

The GIC's Strategic Intervention Papers are co-created with its global network of expert authors drawn from a wide range of disciplines. Stephan-Götz Richter is the Director of the Global Ideas Center.

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Hungary and Turkey: What Orbán's Defeat Says About Erdogan's Future

Plus: Why there is hope in the fight against autocracy

The Hungarian opposition did not lose in 2022 because it was not sufficiently united. It lost because the country's economic base had not yet begun to falter, unlike now in 2026.

What does the overthrow of Hungarian ruler Viktor Orban possibly mean for the political future of Turkey and the political fate of his autocratic counterpart Recep Tayyip Erdoğan?

Orban is an Islamophobe and Erdogan is a proud Muslim, yet the two have much in common. Both men built systems of rule rooted in authoritarian populism and based their political ideologies on three core elements:

1

A resolute defense of national sovereignty against supranational and cosmopolitan claims.

2

A traditionalist understanding of the family and a cultural order pitted against liberal pluralism.

3

The pursuit of a market economy geared to benefit their own respective family clan (and beyond).

Note to journalists

Feel free to quote from this "Strategic Intervention Paper" (SIP) — provided you name the author and reference it as a project of the Berlin-based Global Ideas Center.

For both Orban and Erdogan, achieving a national consensus meant much more than winning elections. That consensus was instead deeply rooted in ethnic-religious politics. They saw themselves as the sole authentic voice of a traditional heritage.

To implement this concept, they used majoritarianism. By legitimizing political power structures through the mass of their respective ethnic-religious bases, they created constitutional structures that could not be checked by the courts, central banks or media.

The institutions they crafted exist for the sole purpose of serving the preconfigured ethnic-religious majority will.

Where Magyar's Hungary differs from the Erdogan script

Peter Magyar, Hungary's new prime minister, is moving fast to eliminate this autocratic structure.

Accordingly, he is restoring the rule of law, reintroducing EU-compliant constitutionalism, reestablishing media pluralism and basing political majorities once again on a truthful representation of an undistorted counting of the votes.

Why did Orban fail?

However, it would be short-sighted to assume that Orban failed mainly because of his model of government. The overriding question is how much his electoral defeat stemmed from the failure of his economic model.

That same question is especially relevant regarding the future of Turkey after Erdogan.

Both Hungary and Turkey have relied heavily on foreign investment to finance major projects, even as their rhetoric emphasizes national sovereignty.

What caused Orban's failure in Hungary, and should eventually lead to Erdogan's fall in Turkey, is not simply corruption or leadership fatigue, but an exhausted economic system.

Distorting the national economy

"Orban and Erdogan created constitutional structures that could not be checked by the courts, central banks or media."

Hungary and Turkey both brought their central banks under political control, allowing interest rates to be lowered as elections approached regardless of inflationary risks.

Both set up state investment funds. These large pools of public capital outside of standard fiscal control were used to support companies friendly with the respective autocrat and to finance megaprojects when foreign credit became scarcer.

Both autocrats established a network of national pseudo-flagship companies in strategic sectors such as construction, energy, banking, defense and telecommunications. Both funneled government contracts, subsidized loans and regulatory benefits to this network, creating the patronage economy on which their regimes rested.

Above all, however, Orban and Erdogan steered a construction boom controlled from their offices. Public housing associations, infrastructure megaprojects and urban redevelopment were used to create jobs on a large scale, monuments that

the head of state could inaugurate, as well as rental income distributed to loyal developers.

All of this served to keep the electoral coalition solvent if global conditions were to change.

It worked wonderfully, until it did not.

The past deterioration today's Hungary has to contend with

Inflation in Hungary peaked at over 25 percent, the highest level in the European Union since 2020. Hungarian per capita household consumption is among the lowest in the EU. The country's economy has fallen into a technical recession twice in two years.

"What caused Orban's failure in Hungary is not simply corruption or leadership fatigue, but an exhausted economic system."

The birth premiums that were supposed to anchor Hungary's Christian nationalist project failed to achieve their own goals, as the country's birth rate fell back to the same level as before the policy was introduced.

Why did the Hungarian election result in 2026 differ from that in 2022?

It is widely believed that the center-left coalition in Hungary lost in 2022 because it was not sufficiently united and Orban knew how to exploit its divisions. In a similar vein, Magyar's former closeness to the Orban regime is credited with giving him credibility throughout Hungary that no previous opposition figure had enjoyed.

Cohesion within an opposition coalition certainly always plays an important role. But was it the decisive factor in Hungary?

From an economic policy perspective, one could argue that the Hungarian opposition lost in 2022 for a much simpler reason: The country's economic base was not yet crumbling.

In other words, Orban's well-oiled (and well-financed) electoral machine was still able to absorb popular discontent by handing out election gifts.

No longer able to absorb popular discontent

By 2026, however, Orban's economic base had definitely begun to falter. Inflation had taken its toll on household spending for four years, rendering his fiercely determined support machine no longer able to keep him in power.

"The birth premiums meant to anchor Hungary's Christian nationalist project failed, as the birth rate fell back to its old level."

Peter Magyar won because conditions had changed, not because his political past as a member of Orban's party made him more acceptable to Fidesz voters.

The deterioration in Turkey

Against this background, it is worthwhile to look at the parallels in Turkey's economic and political development.

The downward trajectory of the Turkish lira since 2018, the persistently high level of inflation in Turkey that has eaten away at wages and the country's dependence on funds from the Gulf states and now on Chinese short-term capital are inevitable outcomes. They follow when an economic regime resting on a very weak foundation exhausts its nepotistic support mechanisms.

Just like Orban, Erdogan has reached the end of his economic arc. Economic discontent in the country is steadily increasing.

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A dynastic succession in Turkey?

Currently, the question of succession within Turkey's Justice and Development Party (AKP) is seen by many in Erdogan's entourage as a dynastic question, and in the truest sense of the word: Will it be one of Erdogan's sons-in-law or his own son, Bilal Erdogan, who succeeds the president?

Accordingly, other possible contenders, such as Ibrahim Kalin and Hakan Fidan, have recently slipped down the list. This also applies to two former pillars of the AKP: Ali Babacan, the former minister of economy, and Ahmet Davutoglu, the former prime minister.

"Peter Magyar won because conditions had changed, not because his past in Orban's party made him acceptable to Fidesz voters."

Those who portray Erdogan's eventual departure as dynastic may be right. As Republican People's Party leader Ozgur Ozel once said, Erdogan does not allow any popular candidate to survive politically. The imprisonment of the popular mayor of Istanbul, Ekrem Imamoglu, vividly illustrates how correct Ozel was.

Conclusion: How much longer in control?

If a member of his inner circle were to inherit power from Erdogan, it would undoubtedly flatter the Turkish president, since it would presumably secure the continuation of his ideological project.

Such a transition would also serve the institutional interests of the AKP, which would continue to govern without having to admit that the political vision on which it rose to power has failed.

But while the man and the party may aim to arrange the transfer of power at a time chosen by Erdogan, the political fate of his fellow autocrat Viktor Orban leaves open the question of whether Turkey's deteriorating economy will really allow Erdogan to act on his own preferences for a succession.

Key Findings:

What Orbán's defeat says about Erdogan's future

"Erdogan does not allow any popular candidate to survive politically. The imprisonment of Ekrem Imamoglu illustrates it vividly."

1. Hungary: From an economic policy perspective, the Hungarian opposition lost in 2022 because the country's economic base was not yet crumbling. By 2026, it had collapsed.

2. Turkey: Just like Orban's regime in Hungary, Erdogan's regime has reached the end of its economic arc. Economic discontent in the country is steadily increasing.

3. Turkey: The political fate of his autocrat buddy Viktor Orban leaves open whether Turkey's deteriorating economy will allow Erdogan to act on his own preferences for a succession.

4. Hungary: Peter Magyar, Hungary's new prime minister, is eliminating autocratic structures, for example by restoring the rule of law, media pluralism and reliable vote counting.

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5. Hungary: Magyar's former closeness to the Orban regime is credited with giving him credibility throughout Hungary that no previous opposition figure had enjoyed.

6. Hungary and Turkey: By legitimizing power through the mass of their ethnic-religious bases, Orban and Erdogan created constitutional structures that could not be checked by the courts, central banks or media.

7. Hungary and Turkey: Both countries relied heavily on foreign investment to finance major projects, even as their rhetoric emphasizes national sovereignty.

8. Hungary and Turkey: Both brought their central banks under political control, allowing interest rates to be lowered as elections approached regardless of inflationary risks.

9. Hungary and Turkey: Both autocrats built networks of national pseudo-flagship companies in construction, energy, banking, defense and telecommunications and used them to enrich their political patrons.

About the Author

Ezgi Başaran is a political scientist who focuses on Arab-speaking MENA and Turkey. Prior to joining academia, she was a journalist who gained recognition for her coverage of Turkey's Kurdish conflict, beginning her career as a reporter at Hurriyet daily in 2004.

She later became the youngest editor of Radikal, the largest center-left news outlet in Turkey, and the first woman to hold this position.

At the Southeast European Center (SEESOX) in St. Antony's College, University of Oxford, she served as the coordinator of the Program on Contemporary Turkey, where she explored the intersection of journalism and academia.

Her book "Barış Bir Varmış, Bir Yokmuş" (Once upon a Time Peace) was published by Doğan Kitap in 2015, while her first English-language book, "Frontline Turkey: The Conflict at the Heart of the Middle East," was published by IB Tauris/Bloomsbury in 2017.

Her most recent research project focuses on the interplay between Turkish Islamists and North African Islamists following the Arab uprisings.

She holds an MPhil and a DPhil in Modern Middle Eastern Studies from the University of Oxford.

About the Strategic Intervention Papers (SIPs)

Strategic Intervention Papers (SIPs) are the core format of the Global Ideas Center (GIC), a non-profit independent think tank based in Berlin. Each SIP takes on one concrete problem that a democracy has not yet solved.

SIPs are co-created. Authors from the GIC network of practitioners, scholars and civil society actors write them together with the GIC editorial team.

Every SIP follows the same clear process of analysis and discovery, a clear diagnosis, a look at how other countries handle the same problem, a conclusion and Key Findings that hold across borders.

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The principal method we use is "The Power of Comparisons" and cross-border learning. Lessons from abroad widen the space of what looks politically possible at home and help move a stalled debate.

SIPs address journalists, policymakers and the wider public. They may be quoted freely if the author is named and the paper is referenced as a GIC Strategic Intervention Paper.

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