

The Socio-Economic Programmes and Praxis of the Nationalist Right in the EU: the Core-Periphery Divide

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Introduction

Since the end of the last millennium (and especially after the outburst of the Financial and Economic Crisis in 2008) the nationalist Right is becoming once again a political force to reckon with. This evolution manifests itself not only in the rise of political support for traditional nationalist Right political parties, e.g. *Vlaams Belang* (VB), *Freiheitliche Partei Österreich* (FPÖ), *Rassemblement National* (Front National), *Lega* (Nord), *Prawo i Sprawiedliwość* (PiS), but also in the shift within traditional Christian democratic parties, such as the *Österreichische Volkspartei* (ÖVP) and the *Christlich-Soziale Union* (CSU), towards nationalist positions. Notwithstanding this general trend, the Nationalist Right in Europe comes in different colours and shapes. This becomes especially obvious if one looks beyond the overarching xenophobic orientation and takes a closer look at their politico-economic positions. Whereas most nationalist right-wing parties can be considered as euro-sceptic, regional ethno-nationalist parties have a more neutral stance toward the EU, but criticise existing nation-states, i.e. Flemish-nationalists in Belgium and Catalan-nationalist in Spain.

Within the European parliament most well-known nationalist right-wing parties (*Rassemblement National*, *Partij voor de Vrijheid* – PVV, FPÖ, VB and *Lega*) can be found within the Europe of Nations and Freedom Group. Others, however, can be found within, partially surprising, factions such as the Europe of Freedom and Direct Democracy Group (United Kingdom Independence Party – UKIP and *Movimento 5 Stelle*), The European Conservatives and Reformists Group (PiS and NV-A) as well as the Group of the European People’s Party – Christian Democrats (Fidesz). Moreover, as nationalist right-wing parties increasingly participate as (junior-) partners in governments, differences surface in day-to-day political practice. There are some clear differences between the politics and policies with significant participation of right-wing neo-nationalist parties like the PiS-government in Poland, the Fidesz-Government in Hungary, the ÖVP/FPÖ-government in Austria and the N-VA/OpenVLD/MR/CD&V-Government in Belgium.

In the overall context of increased globalisation and the end of the Cold War bipolarity, European nationalist right-wing parties emphasise ethnical competition as dominant explanation for social, political and economic problems. By means of this approach, class and other socio-economic conflicts are made invisible. The concrete political programs of the nationalist right, however, offer diverse solutions, which reach from support for domestic capital groups to the strengthening of a nationalist-exclusive welfare state. Therefore the implications of these policies on wage labour is multi-faceted. In order to grasp these differences we trace the nationalist rights socio-economic concepts back to two schools of thought: neo-liberalism and national-conservatism. By doing so we are not only able to classify nationalist right-wing parties, but at the same time show that their respective programmes reflect the European division of labour. We will, however, in particular discuss their praxis in government regarding their state project, economic and social policies and the forms of their nationalism taking neoliberalism and national-conservatism as different referential frameworks. The analysis on governing praxis of the nationalist right will focus on Belgium, Austria, Hungary, Poland and Italy. In our analysis, the main question is: In whose interest do the government with a strong right-wing nationalist imprint devise their policies?

The Currents of the Nationalist Right

There are two main currents of the nationalist right: neo-liberalism and national-conservatism. Neo-liberalism emerged as a school of thought that was directed against statist reforms. In this vein, it has targeted key regulatory institutions and has advocated encompassing liberalisation of trade and capital movements, “the depoliticization of decision-making on economic and monetary policies, and the separation of regulatory authority from the executive – including the creation of a politically independent central bank” – as Stephanie L. Mudge (2018: 59) points out. In recent years this transformative programme has been inserted into a nationalist frame by nationalist right-wing forces while early representatives of neo-liberalism like Ludwig Mises had been disinclined towards nationalism. National-conservatives tend to have a much more sceptical view on the self-regulatory capacities of the market. Like their predecessors in the late 19th and early 20th century, they regard a pro-active role of the state as indispensable for stabilising the hierarchy of social classes and gender roles. As they pursue strategies of re-politicisation from the right, they go against the neo-liberal grain of de-politicisation. It is significant that some national-conservative formations, in particular PiS, have very close links to conservative intellectuals. Protagonists of conservative thinking in Poland, like Zdzisław Krasnodębski or Ryszard Legutko, are even members of the PiS fraction in the European Parliament. They try to formulate a right-wing alternative to dominant neo-liberalism and more classical forms of liberalism. So far, openly fascist formations are relatively marginal. They are characterised by extreme forms of (mostly culturalist) racism and social exclusion as well as by a cult of violence. We will focus on the neo-liberal and national-conservative parties. For their analysis, we develop a rough typology based on their core concepts with respect to the concept of the state, economic and social policies and concepts of nationalism.

State system: From the very beginning, neo-liberal theoreticians have been developed concepts of a “restricted democracy”, as Supiot (2015: 263) calls it, in order to prevent interference with economic freedom. The restrictions can work in two ways. On the one hand, the influence of persons and organisations participating in democratic processes can be limited. Hayek for example argued for restricted voting rights and very long legislature periods (Hayek 1983: 125 ff.). Rüstow, who was heavily influenced by the interwar period in Germany, criticised union’s “monopoly power”, the right to strike and the parliamentary system in general (Rüstow 2001: 132 ff.). More recently, Václav Klaus among others wants to curb the influence of civil society. On the other hand, the influence and powers of elected state institutions can be limited. This can be done by subordinating the state to a fixed set of binding rules, e.g. the European Stability and Growth Pact. Another strategy is to transfer specific political powers to “independent” bodies, e.g. the European Central Bank. By limiting the state’s competency, not only technocratic structures are strengthened, but more importantly, democratic, parliamentary control is reduced. All in all, the neoliberal conceptualisation of the state system corresponds to Hayek giving priority to economic freedoms over democratic decision-making.

The national-conservative conception of politics is not based on de-politicisation, but on re-politicisation. Zdzisław Krasnodębski (2003: 54), a key intellectual of Polish conservatism, explicitly criticises that in the liberal Polish debate, “freedom” rather than “the will of the majority” has been highlighted. As an alternative to (neo-)liberal concepts of the state, he proposes Republican concepts of the state as an alternative. For him, active citizens and a focusing of decision-making processes on the “common good” (Krasnodębski 2003: 299) are key characteristics of Republicanism. He defends, however, a specific form of Republicanism which might be called national Republicanism since he sees a very close relationship between “demos” and “nation” (Krasnodębski 2003: 18, 298 f.). Potentially, a nationalist “Republicanism” can provide an opening towards the de-legitimation of “non-national” political and civil society forces. Some protagonists of the nationalist right see a “national” electoral mandate as an unrestricted mandate for imposing the national will of the

majority (cf. Bucholc/Komornik 2016: 86 f.). This might lead to a questioning of the partition of powers. Ryszard Legutko (2012: 265 f.), another Polish conservative intellectual, criticised what he regarded as the partisan character of the liberal judiciary. National-conservative intellectuals take critical position towards the procedural liberal understanding of democracy and the liberal tendency towards juridification. Thus, nationalist restrictions of the field of legitimate political and social actors and the definition of an electoral victory of “national forces” as a “carte blanche” are key and extremely problematic characteristics of national-conservative concepts of the state.

Economic policy: The core of neoliberal economic policy doctrine centres on economic freedom of disposition and competition. Economic policy should guarantee both by means of private law as opposed to public law. The three main rules of private law are private property, the freedom of contract and civil responsibility. From this perspective neoliberals (e.g. Mises 2010: 63 ff.) oppose also minimum wages as they interfere with the freedom of contract. Ad-hoc economic policy decisions should be prevented by introducing clear and binding rules. These rules should be based on quantitative measures, which corresponds to a technocratic vision of politics by numbers.

Already in the 19th and early 20th century, national-conservatism relied on concepts of the German historical school and old institutionalism that ascribed a pro-active role in the development process to the state. Current national-conservative economic thinking refers to margins of the economic mainstream and heterodox concepts that argue for selective economic protection and a pro-active role of the state in development. In this regard, the well-known development economist Ha-Joon Chang is an important reference. Woźniak (2017: 57 ff.), for example, endorses the combination of selective protection and a stabilisation of domestic demand through social policies. The pro-active and redistribute elements of national-conservative economic thinking distinguish it from neo-liberal concepts.

Social welfare: In correspondence to the assumed superiority of markets, social welfare should be organised through them, argues the neo-liberal current. As a result, most social welfare services should be commodified and commercialised (e.g. health insurance, retirement system).

Neoliberalism allows only a residual role for the state to cover basic needs for the very poor. Public social welfare should be strictly targeted and complemented by stringent controls. Besides creating a clear class divide between the haves and the have-nots, neoliberal social welfare politics display a clear gender bias. Feminist studies show that unpaid female labour has to bear the burden of supplementing insufficient public care services.

Conservative social policy aims to attenuate social risks and tensions on the one hand and conserve existing social structures and hierarchies on the other hand. The social insurance systems is viewed as the institutional core of social policy. The aim of conserving income and status differences becomes particularly patent in the pension insurance. National-conservative social policy aims as well at conserving or even restoring “traditional” gender roles and the masculinisation of wage labour.

Concepts of nationalism: The founders of neo-liberalism, like Mises, clearly rejected protectionist economic nationalism. For them, protectionism favoured tendencies of monopolisation and inefficiency. They advocated free trade policies. For dominant economies, however, free trade might be a strategy for favouring “national” economic interests and, thus, might in the end be a form of covert economic nationalism. Hayek’s evolutionary concept of “extended order” provides, as Schui and Blankenburg (2002: 168 ff.) pointed out, a bridge between neo-liberal and anti-migration nationalist positions.

Differently from neo-liberal nationalism, national-conservative nationalism focuses on selective protection mechanisms that shall enable the development of domestic economic structures. In the present European national-conservative debate, the concepts of protection underline the selective

character of protection, but remain rather vague. National-conservatives advocate restrictive policies against immigration and, usually, base their argument on culturalist concepts.

The nationalist right-wing parties do not pursue these two concepts in a pure form. They tend to combine elements of the two. Usually, they lean either to the one or the other conception. Right-wing nationalist parties in the core economies, like AfD, FPÖ, N-VA, UKIP, show a clearly neo-liberal bias both in their programmes and their praxis. Similarly, nationalist forces in the European periphery that accept the subordinated position of their country in the European division of labour show a strong neo-liberal orientation. The Czech Občanská demokratická strana (ODS) and the Slovak Sloboda a Solidarita (SaS) are examples for such a positioning. National-conservative positions play a role for nationalist parties in de-industrialising and declining core economies like Italy (Lega) and France (FN) on the one hand and for nationalist parties in the export-oriented periphery that (partially) question the status quo. While PiS shows a predominant national-conservative orientation, Fidesz, Lega and FN advocate a mixture of national-conservative and neo-liberal positions. It can, however, not be said in these cases that national-conservatism only provides a camouflage for neo-liberalism. It is rather a bricolage of elements from both ideological concepts that form a “contradictory unity” (Budraitskis 2018: 7).

In the following, we will discuss the governing praxis of government with a strong nationalist colourings in Belgium, Austria, Hungary, Poland and, more briefly, Italy.

Dominant Neoliberal Traits of Neo-Nationalist Governments in Belgium and Austria

Both Belgium and Austria have export-oriented economies which are strongly linked to their big neighbouring countries. Capital from both economies has invested internationally. Austrian banks have a substantial presence in Eastern Europe. Austrian FPÖ had already been in the international focus during the first ÖVP/FPÖ government which was formed in 2000. Regarding international attention to the nationalist right, Belgium is different. The strong position of the Flemish neo-nationalist N-VA is hardly a topic of international debate or research. Contrary to N-VA, the more right-wing Vlaams Blok, later Vlaams Belang (VB) had been an object of comparative research. In recent years, VB has been increasingly sidelined by the N-VA. This neo-liberal Flemish formation presents itself as more moderate and flexible than other ruling nationalist right parties. This image allowed N-VA also to avoid the fate of VB, which faces a political *cordon sanitaire*. Since 2014, N-VA is part of the Belgium government.

In the coalition government with liberal and Christian Democrat parties, N-VA did not get the position of the Prime Minister, but is setting to a considerable extent the agenda. N-VA is an outsider to the neo-corporatist arrangements. The party is closely linked to the Flemish business association VOKA which is likewise acting outside the neo-corporatist institutions. In its discourse, N-VA takes a critical position towards political parties and is advocating a strong role of technocrats at the top state positions (cf. Maly 2012: 523). Its nomination praxis followed this technocratic orientation.

After its initial political success at the Flemish level, it did not only grasp power over economic relevant ministries, but it co-opted an external ‘expert’ as minister. In addition, this technocrat, Philippe Muyters, had close ties to Voka, an exclusive Flemish business organisation. After its elective victory in 2014 on national level, N-VA followed a similar technocratic strategy by appointing Johan Van Overtveldt as federal Minister of Finance. In its policy, the neoliberal agenda had primacy over the Flemish nationalist one. However, N-VA could link the two agendas in its campaign for weakening the welfare state because the institutions of the welfare state constitute the core of the Belgian national state. Several federal state institutions, e.g. in the cultural and scientific field, have been in particular singled out for budget cuts in line with the neo-liberal conception of a lean state (cf. Dirx 2012).

In Austria, the strongly right-wing FPÖ and Christian Democrat ÖVP have had very different party structures. FPÖ has focused on building an effective electoral machine. It has played only a marginal role in neo-corporatist institutions and has wooed particularly voters that are not organised in trade unions and resent the Chamber system. ÖVP has traditionally been deeply embedded in the neo-corporatist institutions, in particular the Chamber of Business and the Chamber of Agriculture. The present ÖVP-Chairman has promoted a stronger shift both towards neo-liberal and neo-nationalist positions. After assuming the leadership of the party, he pushed through a neo-liberal party reform. He achieved major influence on the list of candidates for parliament. He used this influence in order to get persons on the list who are loyal to him and to weaken the representatives of the *Bünde* which are organised on socio-economic lines (business, employees, agriculturalists). The forces in favour of “social partnership” have been weakened (Riess 2017: 12). He re-oriented the party strongly towards big capital represented by the Industriellenvereinigung (Association of Industrialists). At time tensions have emerged between the Kurz wing of ÖVP taking a distance vis-à-vis “social partnership” and the forces in ÖVP that defend neo-corporatist arrangements. In line with his party reform, Kurz nominated technocrats rather than political stalwarts of his party into government while FPÖ chose experienced politicians for its key ministries.

The ÖVP/FPÖ government has opted for pushing through key legislation on a fast track without formal expert hearings. The strategy of the government is systematically aimed at weakening the neo-corporatist institutions, in particular the trade unions and the Chamber of Labour (cf. e.g. Loidl 2018a: 7). The state projects of both the N-VA and ÖVP/FPÖ have strong neo-liberal traits.

Both the Belgium and Austrian government have pursued a pro-business, neo-liberal agenda in economic and social policies. In line with export-oriented strategies, flexibilisation of labour time and structural changes as well as cuts in the welfare state have loomed highly on their political agenda.

In line with neo-liberal context, the Michel government in Belgium identified high labour costs and taxes as key economic problems. This point is argued from the perspective of export competitiveness. Regarding fiscal policies, it produced a package of revenue-neutral restructuring measures that was coined taxshift. The taxshift introduces different job-creating and growth-stimulating measures between 2016 and 2020. Reductions in payroll taxes and wage taxes favour respectively employers and employees. However, they also reduce government revenues and the financial affordability of welfare schemes. A broadening of the tax base of the highest value added tax (21%), an increase of excise duties, an increase of taxes on interests and dividends, and the introduction of a speculation tax should absorb these losses. For any economist with a basic understanding of fiscal policy it is clear that this shift from direct to indirect taxes has a negative effect on low-income households and favours inequality. Besides the infamous “taxshift”, the government decided in 2017 to gradually lower company taxation between 2018 and 2020. It should come as no surprise that public spending is subject to austerity measures. In addition to expenditure cuts in specific social sectors (e.g. health care), the current government cut back on public investments. Through these neoliberal measures, N-VA can also pursue indirectly its nationalist agenda. Due to socio-economic asymmetries in Belgium Wallonia bears the heaviest burden of the restructuring and reduction of public spending (cf. Becker/Smet 2018).

The ÖVP/FPÖ government has made a few minor pro-business changes in the tax legislation, the major steps are still in preparation. It recently reaffirmed its aim to reduce the tax ratio to 40%, but did not reveal the concrete tax measures. In particular, it intends to cut the contributions to social security (Madner 2018: 11). These neo-liberal measures would obviously affect social policies. So far, budget cuts have particularly hit the social security system (especially the unemployment insurance).

Both for the Austrian and Belgian business associations, the flexibilisation of labour time had loomed very high on the political agenda. Both the Belgium and Austrian neo-nationalist governments have heeded these calls. Changes in labour relations and legislation have been a key project of the federal government in Belgium. In order to render labour more flexible the Peeters-Law of 5 March 2017 made some significant changes to the existing labour law. The legal limit to working hours was increased to 9 hours per day and 45 hours per week, whereas the weekly average of 38 working hours was maintained, the reference period of this average was extended to 12 months. The regulation that prohibited labour leasing companies to have tenure contracts with employees was lifted. In addition, the system of unemployment compensations was further adjusted. Whereas in 2012 the national government (without N-VA participation) restructured unemployment compensations to decline faster to a minimum level, the current government tightened the system further in 2015. Unemployed persons faced further reductions and stricter terms, which especially hit young unemployed hard.

The attack on labour, however, did not stop here. The Michel government decided in 2015 to repeal for a fixed period of time the automatic indexation of wages. As a result Belgian labour saw decline its real wages by around 2%. Furthermore, it capped future wage increases by the Law of 27 March 2017, which became even more tightly linked to wage developments in the neighbouring countries (cf. Becker/Smet 2018).

The Austrian ÖVP/FPÖ government made the flexibilisation of labour time one of their top priorities and went considerably beyond the changes imposed by the Belgium right-wing government. In a fast track legislation, the government increased the temporarily permitted maximum working day to 12 hours and the maximum working week to 60 hours. The role of works councils on fixing the labour time was diminished. The FPÖ whip Johann Gudenus underlined that one of the main aims of the bill is that the works councils “will not be able to exercise its power and its control function anymore” (cit. in Horaczek 2018: 15).

Though both governments pursue a neo-liberal agenda in social policy, their priority areas have differed. While Austrian government has so far focused its efforts on the health insurance, unemployment benefits and public assistance, the Michel government has in particular targeted the pension system. Its flagship project is the successive increase of the retirement age to 67 years by 2030. In addition, the possibilities for early-retirement are further restricted. At the same time, are people pushed towards private pension funds, which supports the financialisation of daily life. Since the state retreats from providing security for the risks of life, households have to carry this burden privately.

This reform of the retirement system also displayed clearly, how long lasting institutions of social partnership are marginalised by N-VA, since it was a solo attempt of the government without consultation of the social partners. Whereas the traditional parties are represented within this institutional setting through sister organisations (e.g. unions and health insurance carriers), N-VA has no such history. The neoliberal aversion towards social partnership is further fuelled by N-VA’s nationalist agenda. Since the lion’s share of both the unemployment compensation system and the health insurance system are operated by social partners, which are still organised on a national level, the N-VA regards unions and health insurance carriers as clear antagonists (cf. Becker/Smet 2018).

In social policies, the ÖVP-FPÖ coalition implemented as first step an expansionary measure in order to boost its standing in the beginning phase. The “family bonus” was introduced. It is in line with conservative conception of gender roles of the present Austrian government and can be classified as being national-conservative. As a tax bonus, it benefits mainly the middle class. Otherwise, the social policies of the ÖVP/FPÖ coalition have rather a neo-liberal design. Cuts are targeted particularly at

the poor and migrants. The Austrian government rapidly cut the budget of the unemployment insurance. It is preparing a major neo-liberal reform of the whole unemployment insurance system. Long-term unemployed are to be shifted into the public assistance programme (Becker 2018c: 106 f.). This would substantially worsen the social situation of long-term unemployed and increase the pressures on those who are still employed. The German Hartz IV system which increased precariousness and social polarisation is the model that the ÖVP/FPÖ government intends to follow. The changes in the Austrian public assistance policies affect in particular highly vulnerable groups (like families with many children), migrants and refugees (Loidl 2018b). Migrants are particularly negatively targeted as well by indexing the family support payment for children living abroad to the cost of living prevailing in the country concerned. The nationalist exclusionary approach is a distinctive trait of the social policies of the ÖVP/FPÖ government. It is the main expression of its neo-nationalism. With the systematic stigmatising of specific groups of migrants, the Austrian government tries systematically to distract from the anti-social character of its policies.

The chauvinism of the rich is also reflected in the EU policies of the Austrian government. Jointly with the Danish government which is tolerated by a right-wing nationalist party, and the Dutch government with its increasing neo-nationalist leanings, the Kurz government is one of the main opponents of an increased EU budget. The nationalist right-wing parties in the EU core countries are united in their refusal of a larger EU budget and stabilising transfers in the euro zone. Because Austrian big business is committed to the euro zone, the FPÖ has discontinued to criticise the euro though the electoral basis of the party continues to be EU sceptical.

Mixtures of National-conservatism and Neoliberalism in Action: Hungary, Poland, Italy

National-conservative elements play a more significant role in the governing praxis of ruling right-wing nationalist parties in the industrialised semi-periphery. In Central Eastern Europe, PiS and Fidesz strive for the strengthening of the role of domestic capital. PiS aims in addition at improving the position of the Polish economy in the European division of labour. In Italy, Lega represents primarily the interests of small and medium capital – and the party claims that it wants to reverse the industrial decline of the country. We will discuss the praxis of Fidesz and PiS in more detail than Lega because Lega just started its term of government jointly with the amorphous Movimento Cinque Stelle. Fidesz and PiS enjoy more political space for a manoeuvre than Lega because they govern alone, while Lega is part of a coalition government. Though Lega is the smaller of the two governing parties in Italy, it has been able to exercise a dominant influence on shaping the agenda of the government because the far-right wing party is much more experienced and has a more clearly defined programme and political strategy.

Both Fidesz and PiS aim at structurally strengthening the position of the national-conservative forces in the state apparatus. For them, political parties are clearly the political key actors. Both parties have banked on a re-politicisation from the political right and developed a clearly recognisable agenda and fomented political polarisation. Increasingly, they defined liberal forces as their main adversary. Already in the opposition years from 2002 to 2010, Fidesz enhanced its organisational and campaigning capacity. After the electoral victory in 2010, the party has functioned as a strictly organised transmission belt for the party leadership centred on Viktor Orbán. PiS is likewise well organised though more pluralist than Fidesz. As Maciej Gdula (2018: 69) in his book “Nowy autorytaryzm” underlines, PiS has been able to present itself as political corrective to the hitherto governing forces and to create “a new form of political subjectivity”. After many years as a regionalist right-wing forces, Lega has recently transformed itself into a party with national ambitions though the North continues to be its regional stronghold. The party leader, Matteo Salvini, is using his position as Minister of the Interior to project the party as an implacable anti-migration force.

Due to its two-thirds majority in parliament, Fidesz was able to draft a new constitution according to its preferred design while PiS has sought to circumvent constitutional obstacles to its restructuring plans by paralysing the constitutional court. Both parties have strived to gain control over key apparatuses of the state. They viewed the control of the judiciary and the weakening of the partition of powers as being of crucial importance because the judiciary might be a corrective. They have tried to get tighter control over the media. Both parties made the public media closely toe the party line. Fidesz was able to get via licencing agreement and oligarchs close to the party control over most private media (cf. Becker 2018a). Fidesz has passed restrictive legislation against critical NGOs and, as part of its aggressive anti-refugee campaign, criminalised support for refugees (Bilková 2018). While both parties try to restrict the field of legitimate political forces to “national” forces, Fidesz has gone much further in an authoritarian direction.

The Fidesz government has repeatedly changed the tri-partite arrangements and systematically weakened them. It has tried as well to establish a form of trade union clientelism, though not with much success. In the government programme of Lega and Movimento Cinque Stelle (2018: 23), the abolition of the Consiglio Nazionale dell’Economia e del Lavoro is proposed. PiS with its longstanding links to trade unions has taken a different stance on tri-partite organs. It revived them. At least, some important pieces of legislation, like an amendment of the labour legislation, have been drafted in consultation with unions and business associations. The different stance of PiS on tri-partite organs reflects its attempt to build a broader social consensus which includes at least part of organised labour.

It is not the relationship between capital and labour, but change of the balance between foreign and domestic capital that is at the core of the economic projects of Fidesz and PiS. There is a difference between the parties regarding their relationship to domestic capital. Fidesz is building up an oligarchy that is dependent on the party (e.g. regarding contracts or licences) while the links between PiS and domestic capital groups are much looser (cf. Magyar 2018: 107 ff., 408). Both parties regard the strengthening of domestic capital in the banking sectors as crucial and increased its share. The efforts of the Fidesz government to build up domestic capital are restricted to service sectors and construction while it continues to court foreign capital in export manufacturing. The basic contours of accumulation are not challenged by Fidesz. In the more broadly based Polish economy, the ambitions of PiS are more far-reaching. The government aims at renewing the technological base of the economy and to create new sub-sectors. Hardly any of the big projects has been realised so far. The state lacks a developmental capacity. Instead of this, the party has enlarged free production zones with lowered labour and other standards.

PiS had announced to correct the regressive Polish tax structure in his election manifesto, but has not followed up with action. Fidesz introduced sectoral taxes in sub-sectors that are dominated by transnational capital. Otherwise the Hungarian ruling party has pursued neo-liberal and very regressive tax policies – like introducing a flat income tax and substantially reducing corporate taxes. Due to the pressures of Lega, the introduction of a flat tax is part of the government programme of Lega and Movimento Cinque Stelle (Movimento Cinque Stelle/Lega 2018: 12) which reflects the pro-business priorities of Lega (Horňaček 2018: 24). In regard to the budget deficit, the Italian government, however, does not toe the neoliberal line. It intends to pursue more expansionary policies and to increase public investments in order to get out of the long-term stagnation (Feltri 2018: 15).

All three governments want to enlarge the national space for manoeuvre in economic policies. Fidesz has abandoned its former plans to adhere to the euro. PiS views the preservation of the national currency as indispensable for preserving autonomous policy spaces (cf. Becker 2018a). Lega had been outspoken in its criticism of the euro as an obstacle to economic development in Italy and

campaigning for leaving the euro zone while its present coalition partner had been more ambiguous in its position towards the euro. The two parties remain silent on the issue in their government programme. However, they attempted to appoint a high-profile critic of the euro, Paolo Savona, as Minister of Finance and Economic Affairs. Confronted with the resistance of the Italian President, they finally desisted from this nomination and nominated a less controversial economist. The debate on the euro does not loom large any more in the headlines, but seems to be continuing in the background (Frankfurter Allgemeine 2018: 18).

Fidesz and PiS display significant differences regarding their labour relation and social policies. The Fidesz government has systematically weakened the rights of Hungarian workers. It cut unemployment benefits drastically and expanded highly restrictive public work programmes. Social security payments have equally been drastically reduced. This corresponds to a high-profile neo-liberal social policy approach. The family policies were the only social policies that Fidesz substantially expanded. The family policies have been primarily targeted towards the middle class. Though the Fidesz aims at restoring traditional gender roles, it has proved flexible in designing its family policies and dampened their bias against female employment (cf. Szikra 2018, Becker 2018b: 38 f.). The PiS government has pursued high-profile family policies with a national-conservative orientation as well. However, the PiS policy does not have the Hungarian class bias. The child allocation of 500 Zł for every child from the second child onwards is equal for every beneficiary. The Polish government initiated a programme for the construction of flats for rent – though with very limited scope so far. In line with trade union demands, the pension age was lowered to its former level. The PiS government took at least small steps regarding precarious labour. Its main neo-liberal social policy measure is the envisaged strengthening of a third private pillar in the pension system (cf. Becker 2018b: 39). Expansionary social policies fuel growth more in the more inward-looking Polish economy than in the strongly export-orientated Hungarian economy. Thus, there is a link to the accumulation regime. The different approach of PiS to social policies and labour relations is partially also due to PiS historical links with Solidarność and a more inclusive strategy of building a social base. Fidesz is rather narrowly focused on the middle class while PiS tries to reach workers and poorer inhabitants of the rural areas.

Reddito di cittadinanza – in spite of his name a form of unemployment benefit – is the social policy flagship of the Italian right-wing government (cf. Movimento Cinque Stelle/Lega 2018: 22). On the initiative of Movimento Cinque Stelle, it was included in the programme. This proposal is highly popular in the South of the country with its high unemployment. The labour market flexibilisation of the Renzi government is to be partially corrected. It is Movimento Cinque Stelle rather than Lega that is acting in these policy fields. Lega focusses on aggressive anti-refugee and anti-migration campaigning.

Conclusions

Most right-wing nationalist governments aim at reducing the power of organised labour. In particular, they try to curb the institutional power of labour. This is a strategic element of their export-oriented policies – and a concern that they share with the European Commission which is pursuing a neo-mercantilist strategy and with many other export-oriented governments in the EU. The anti-labour bias is inscribed in neo-liberal policy elements regarding the state projects, economic and social policies. The neo-nationalist forces try to conceal their anti-labour bias behind anti-refugee and anti-migration campaigns that are particularly strong in Austria, Hungary and Italy. There is only one significant exception from the tendency of reducing the institutional power of labour. And this is the PiS government in Poland. The Polish government is not pro-labour, but, nevertheless, more accommodating towards trade union demands than the other neo-nationalist governments. This is not only due to long standing links between the political national-conservative current in Poland and

Solidarność, but also to the greater importance which is attributed to the domestic market in Poland. Moderate wage rises and expansionary social policies sustain economic growth. At the same time, a bit more inward looking economic project allows for more space for a conservative policies that are a bit more inclusive than those of their liberal predecessors.

In the Central East European semi-periphery, the Fidesz and PiS governments strive to advance the interests of domestic capital vis-à-vis foreign capital. This is a counter-move to the FDI-centred policies which started in the early 1990s in Hungary and the late 1990s in Poland. Both governments perceive the strengthening of domestic capital in banking as being of strategic importance. Whereas the PiS government embeds the strengthening of domestic capital in a broader restructuring strategy, the Fidesz government confines its nurturing of domestic capital primarily to services and construction and continues to bank on FDI in export manufacturing. In Italy, Lega represents rather domestic small- and medium-scale capital. The contours of its economic policies are, however, still rather vague.

In the export-oriented core countries, Belgium and Austria, the neo-liberal elements clearly predominate both in the programmes of the neo-nationalist right-wing parties and the praxis of the governments. They are in the service of capital and export-oriented strategies. The national-conservative elements play a minor role. They are more pronounced in the Austrian case where the ÖVP/FPÖ government recurs to national-conservative elements in social policy in order to restore “traditional” gender roles. Both governments try to distract from their neo-liberal character and class orientation by playing the anti-migration card. In this regard, the Austrian approach is much more aggressive and openly exclusionary in social policies than the policies of the Belgium government.

The government in Hungary, Poland and Italy mix neo-liberal and national-conservative elements. The national-conservative elements are strongest in Poland. National-conservative elements, particularly in the state project, have served to gain and preserve power. They play also a role in strengthening the role of domestic capital – and in the Polish case with its more inward-looking economic strategy in building an electoral base that includes workers and organised labour. Neo-liberal policies aim at strengthening the export sector and benefit – particularly in regard to tax policies – capital and the upper middle class. Aggressive anti-refugee and anti-migration campaigning is used both by Fidesz and Lega extensively to deflect from their anti-labour bias and build a support base. Though anti-refugee rhetoric is not absent in PiS, this party has primarily banked on a broader national-conservative programme and a selective expansion of social expenditure to build its support base. Thus elements of the neo-liberal/national-conservative bricolage are directed at different economic sectors and social classes. The respective weight of inward- and outward-looking sectors has an impact on the mixture of neo-liberal and national-conservative elements. The latter have so far only played a substantial role in the European periphery.

The neo-nationalist right is united in its call for “defending” EU borders against refugees and migrants. They are divided on issues regarding migration within the EU along the core-periphery divide. The Austrian and Belgium neo-nationalist forces are generally comfortable with the neo-liberal integration approach. They pursue a restrictive line regarding transfers to the periphery. Fidesz and PiS defend the (neo-liberal) Single Market project, but want to see it supported by substantial regional and cohesion funds. They advocate a strengthening of national governments in the EU and perceive the conservation of their national currencies as being crucial for preserving national space of manoeuvre. Lega sees the euro as crucial obstacle to economic development in Italy. It is, however, not (yet) clear how far this scepticism will be translated into policies. Regarding their security and EU border protection discourse, the neo-nationalist right is unified. In other aspects, however, significant differentiations can be seen.

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