# The Rise of the Illiberal Elites

By Ellen Hinsey July 13, 2017



In the wake of the Brexit vote and the 2016 American presidential election, the idea began to

circulate that we were witnessing a trans-Atlantic, populist "revolt against the elites," which had spontaneously arisen from populations whose concerns had, for too long, gone unheard by those in power.

Longstanding economic problems regarding income disparity and wealth—left unaddressed by both sides of the political spectrum—are indeed among the most pressing issues that we currently face. But as has been observed, the first half-year of the new U.S. presidential administration, with one of the wealthiest cabinets in American history, calls into question the validity of the "populist" interpretation in the U.S. context. The failure of this theory has in turn exposed a gap in our ability to conceptualize what actually happened during the U.S. election, what is unfolding before us, and how we got here.

It may not be possible to understand these things, however, without taking a longer historical view and including a wider geographic scope. While any short analysis is by nature restrictive, to gain some perspective it may be particularly relevant to look at countries in Central and Eastern Europe, and of course Russia, during the period following the political upheavals of 1989.

#### **Democratic Trends after 1989**

After the fall of the Berlin Wall, when the binary world of Western and Soviet countries with their spheres of influence dissolved, it seemed for a time that democracy—characterized by competitive elections, a balance of powers, and rule of law—had triumphed over autocracy across a large geographic zone, even if non-democratic regimes were still in power in China, the Middle East, and elsewhere. Following 1989, democracy indexes showed continual growth in democratic governance until 2006.<sup>[1]</sup>

Indeed, during this period, one by one the former Eastern bloc states, such as Poland, Hungary, the Czech Republic, as well as Russia, re-constituted their parliaments and put in place market economies. These two things—parliaments and neo-liberal economics—were seen as constituent parts of the configuration for democratic freedom, even if a number of observers cautioned against a lack of oversight in the privatization and liberalization process.<sup>[2]</sup>

Or this is what is considered the standard narrative. What has been far less discussed is that alongside these outward signs of governance and apparent prosperity, there were parallel developments that both Europe and the United States preferred not to observe, particularly as concerned the failure of certain post-Soviet countries to create strong institutions and fight endemic corruption, which persisted along with the rise of anti-democratic tendencies. By the time of the 2008 financial crisis, which had a destabilizing effect on the region, these realities had become more marked, while at the same time that globalization, growing Western corporatocracy and individual wealth accumulation reached vertiginous levels. Concerned with its own profits, the West was no longer positioned to address the increasing fragility of certain EU countries, as well as other anti-democratic players such as Russia and China.

# The Russian Federation and Democratic Recession

The most critical example of the challenges of the post-1989/91 transition period is, of course, the Russian Federation. The inheritor of a nearly absent parliamentary tradition—and challenged in the 1990s by a highly unstable economy, among a range of other critical factors—in the last decade the country has, with increasing velocity, evolved away from democratic norms and the initial hopes of many Russians following Perestroika. By the 2012 presidential election Russia had fulfilled most of the necessary criteria for autocratic rule: state capture of higher courts and administrative bodies, a "re-nationalizing" of public media and repression of liberal media outlets, a brutal crackdown on assembly and non-governmental organizations, and the elimination of key members of the opposition including journalists and political figures. [3] After a period of contentious oligarchy, the economy has become concentrated in State hands, or those loyal to the State. The West's reluctance to address this has now resulted in significant ethical challenges. As a first-hand observer of the 2012 Russian presidential election and the subsequent crackdown on civil society, I believe it is important to stress that modern-day Russia cannot be considered a democratic state as concerns governance with a balance of powers, rule of law, and competitive elections.

## Hungary and the Future of the West

As regards democratic recession Hungary, a EU Member State since 2004, may however represent an even more pertinent example regarding the dangers of illiberalism for Western Europe and the United States. Already a relatively liberal Communist State before the fall of the Wall, after 1989 Hungary quickly accomplished its transformation to democratic rule. Elections were free and fair, characterized by a multiparty system—though by the mid-2000s, the Hungarian state was plagued by economic mismanagement and associated challenges.

In 2010, following this period of economic instability, Prime Minister Viktor Orbán and his Fidesz party came to power on a populist platform. With astonishing swiftness during its first four-year mandate, the Fidesz government took apart Hungary's democracy step by step. Using sophisticated legislative means—which should serve as a warning to the United States and Europe—it dismantled the autonomy of the country's supreme court and the judiciary as it neutralized the independence of the country's other institutions. This happened alongside a crackdown on media freedom, and most recently, taking a cue from Russia, passed legislation concerning NGOs who receive international funding, which must now register as "foreign funded," the Hungarian equivalent of "foreign agents." [4] The country's economic resources have become concentrated in the hands of the Fidesz government and its supporters. This has unfolded while the EU and independent advisory bodies such as the Venice Commission have repeatedly issued warnings regarding the legality of the government's actions. In 2014 Orbán publicly expressed his support for countries such as Russia and China, seeing in them models for the future, and expressed his desire to build an "illiberal democracy" in Hungary. [5]

Since then, in the wake of the 2015 parliamentary elections, Poland—long considered a consolidated democracy—has followed suit, the country's de-facto leader Lech Kaczyński fulfilling his promise to bring "Budapest to Warsaw." [6] Over the last 18 months, Poland's Law and Justice government has promoted a populist agenda based on nationalist rhetoric that questions "Western" civil liberties, rule of law and media freedom. Since the start of Law and Justice's mandate, Kaczyński and Orbán have publically affirmed a shared vision, [7] and observers have noted in Poland what appears to be a "checklist approach"

to illiberalism, where the constitutional tribunal, the civil service and the public media were brought under party control in the first year. [8] Despite Poland's specific history—which includes a vibrant civil society and a longstanding enmity toward Russia [9]—the conservative Law and Justice government has progressively chosen to mirror much of the current illiberal rhetoric while promoting legislation based an anti-Western model. While such developments have by and large caught many Western observers off guard, certain specialists, such as the Russian expert Lilia Shevstova have long warned against this shift toward a "new global authoritarianism," [10] which has been drawing countries such as Russia, Belarus, China, and Hungary into political and economic alliances.

# **State Capture**

As the Hungarian writer Péter Nádas has written, such illiberal political climates—in contrast with parliamentary governance where political actors compete with each other while at the same time jointly upholding democratic structures—quickly degenerate into single-party predatory ambitions, which view "the state as prey." [11] In Russia, as well as Hungary, it is inadequate to speak merely of corruption: the absence of rule of law, an institutionalized climate of conflicts of interest and crony control over the country's economic resources are the system's defining features. That said, the initial period of governance can be dangerous for civil society resistance, as, for a time, unregulated and environmentally dangerous business practices can stimulate markets, thus lowering the demand for accountability, even if profit remains in the hands of the few. Further, once state actors have been in power long enough to put in place extensive cronyism or "state capture" and legal thresholds have been breached, normal political alternation is no longer possible without the risk of prosecution. This means that illiberal elites must find ways to stay in power, hiding conflicts of interest and manipulating elections to ensure party longevity.

But if places like Hungary and Poland—seen in the 1990s to be models of Western-looking democratic optimism—have succumbed to illiberalism, it not because they are "other." Instead, we must recognize that there is no longer any "East" or "West," but rather we are part of a shared continuum whose interconnected markets, profit-seeking, and illiberal tendencies have the power to engulf us all. Again to cite Nádas, after 1989, rather than regulating the privatization process, "the huge economic powers like France and Germany were fixated on attractions of new markets—and in line with the liberalist credo of the day, they did not believe that the process needed regulating." [12] The last nearly thirty years, which were supposed to bestow a "peace dividend" brought by the end of the Cold War, have in reality been characterized by an enormous drive for profit that transcends national borders—and may be willing to betray those borders if necessary.

# The Rise of the Illiberal Elites

What has been observed over the last half-decade is both familiar and entirely new. On the one hand in Europe and the United States we have been witnessing a surge of classic right-wing populist mobilization, which rhetorically instrumentalizes real economic problems for electoral success. After assuming power, these right-wing movements transform into different degrees of illiberalism—characterized by cronyism, kleptocracy, or authoritarianism—accomplished through the repression of the separation of powers and civil liberties, and, as we have seen, in extreme cases, complete state capture. Certain writers, such as Timothy Snyder, have drawn important parallels with the 1930s. What perhaps separates our two periods, however, is that during the inter-war period one witnessed pitched ideological debates across the political spectrum.

In 2017, however, we find ourselves in a period completely devoid of ideology. Rather, it appears we are on the threshold of a new era, where ambitious political forces—in Putin's Russia, Viktor Orbán's Hungary and, had she succeeded, Le Pen's France to name a few—aim to install a new, bleak illiberalism: a highly cynical, entirely financially driven and technologically engineered form of autocracy.

While the current political trends have developed over several decades, with local cultural and historical variations, they have only recently become more publicly emboldened and have taken on a more homogeneous appearance. For that reason, one might say that current illiberalism as a movement may have less to do with conspiracy than with convenience. That said, over the last two years we have witnessed an open sympathizing between groups of like-minded political actors who have grasped that it is possible to manipulate electoral responses through highly sophisticated technological means, sow divisive sentiment among populations, encourage anti-democratic behavior for economic and political gain, and rally (and fund) those who believe that they have something to gain from such alliances.

## The United States and Illiberalism

Already visible during his campaign, it has become progressively clear that President Donald Trump and many of his associates are sympathetic to the spirit of this new illiberalism. If Trump's confessed admiration for Putin's Russia and other autocratic regimes seemed misplaced for a candidate for the presidency of a democratic state, the last five months since the inauguration have proved highly unsettling for U.S. and international observers. In line with other illiberal trends, and in an apparent disregard for democratic norms, we have witnessed President Trump's disrespect for the integrity of the U.S. judiciary and the separation of powers, as well as presidential conflicts of interest, perplexing nepotism, and an alleged attempt to demand loyalty from an independent U.S. agency.<sup>[13]</sup>

This has unfolded along with an unprecedented antagonism toward the free press and, as reflected in the president's spokespeople, a refusal to affirm a belief in the existence of truth—and thus accountability. The recent suit brought against President Trump by the attorneys general of Maryland and Washington, which alleges that Trump has breached the constitutional oath by violating anti-corruption clauses in the Constitution, further reflects this illiberal trend. Such events, however, are rarely contextualized, making it difficult for U.S. observers to draw data from a broader picture. Thus, in Trump one witnesses the unexpected merging of current European illiberalism with American corporatocracy, understood as the predatory encroachment of corporate interests into the office of the president.<sup>[14]</sup>

Regarding Russian influence during the U.S. election, it is therefore important to stress that "outward" signs of sympathy are as worrisome as the current investigation into direct Russian election meddling. For, should it be the case that a definitive smoking gun is not established with regard to Trump's or his associates' Russian connections, it does not mean that affinity is not present, nor, conversely, that many of Russia's goals might not already have been achieved. As witnessed at the G20 Summit in Hamburg, one sees, on the one hand, an American president who is in support of "moving ahead" with an autocratic country that has attempted to undermine its democracy. On the other hand, as in Poland before its 2015 elections—when it was believed, despite its enmity toward Russia, that Moscow favored Law and Justice's election, as it would result in a diminished, anti-EU country—through Trump, what Russia has achieved is a weakened and deeply divided United States. After only five months, America appears to the outside world as uncertain, devoid of ethics and driven by pure economic gain—and thus disinclined to challenge illiberal regimes, Russia among them.

Meanwhile, long believing its democracy to be shielded from such forces, the United States has had trouble grasping this "sudden" illiberalism, which has both domestic political and corporate origins, as well as being encouraged by exterior trends. Won on the backs of the American poor, it is above all destructive for those who stand to lose the most, and who have been, in many cases, unwittingly targeted for right-wing populist mobilization. At the start of 2017 it seemed a twenty-first century formula of governance had crystalized: nationalism is the rhetoric, profit is the motive, right-wing populism and technology are the vehicle, and illiberalism is the result.

In the American context, if this remains unchecked and is allowed to run its course, it could take decades, if ever, to reestablish the authority the United States may once have held—a country long seen, despite its many faults, as an example of a functioning democracy. The twenty-first century "illiberal danger" is not our future, but our present.

That said, we must remember that the post-1989 story of illiberalism—whether we are talking about the East or West—is about each citizen: we are now witnessing the payback for over two decades of putting economic benefits before a long-term vision of governance, and refusing to confront illiberalism and to fight for democratic rule at all costs.

If we are indeed to stem this current tide, as the former Czech president and dissident Václav Havel noted, we have to start with ourselves: our willingness to sacrifice our own "spiritual and moral integrity" <sup>[15]</sup> in the pursuit of affluence, or by trading with countries that violate our basic values. This means if we do not want to live in unfree societies, we have to renew our belief in our institutions, as well as tackling the critical problems of income disparity by seeking equitable economic solutions. It is clear this will require sacrifices. But it is also clear that if we are not willing to fight for free societies, we will face their extinction.

If France and the recent UK elections are signs that populations are not as easily manipulated as some might think, that does not mean that the danger is not formidable. The current American administration has offered the United States people a Faustian pact, where the chimera of economic incentives—divorced from the hard economic and ethical questions of our era—are to be traded against rule of law and civil liberties. This is a challenge that faces Democrats, Republicans, and independents alike, as well as—in upcoming elections—many Europeans. It is the essential question for our generation. It is nevertheless a challenge that can be overcome, for—if we have gained any wisdom from the totalitarianisms of the twentieth century—we have learned that there is no alternative to freedom.

## **Notes**

- 1. Larry Diamond, "Facing Up to the Democratic Recession," *Journal of Democracy* 26, no. 1 (January 2015): 142.
- 2. See Transformation: The Czech Experience (Prague: People In Need, 2006).
- 3. David Filipov, "Here are Ten Critics of Vladimir Putin who Died Violently or in Suspicious Ways," Washington Post, March 23, 2017.
- 4. "Hungary approves strict regulations on foreign-funded NGOs," BBC News, June, 13, 2017.

- 5. Prime Minister Viktor Orbán's Speech at the 25th Bálványos Summer Free University and Student Camp, website of the Hungarian Government, July 30, 2014.
- 6. "Kaczyński: Przyjdzie taki dzień, że będziemy mieli Budapeszt," YouTube, October 10, 2011, .
- 7. Henry Foy and Neil Buckley, "Orban and Kaczynski vow 'cultural counter-revolution' to reform EU," Financial Times, September 7, 2016.
- 8. For an analysis of the Law and Justice's government's impact on the rule of law see Freedom House, "Nations in Transit 2017: Poland."
- 9. For a more in-depth analysis of the Polish situation see "Poland's Illiberal Challenge: History, State-Building, and Patriotism, A Dialogue with Rafał Pankowski," in Ellen Hinsey, *Mastering the Past: Contemporary Central and Eastern Europe and the Rise of Illiberalism* (Candor, NY: Telos Press, 2017), pp. 62–81.
- 10. Lilia Shevtsova, "Putin Ends the Interregnum," The American Interest, August 28, 2014.
- 11. Péter Nádas, "Wendet euch nicht ab!" Die Zeit, April 15, 2010. English translation: "Don't turn your backs now," Sign and Sight, April 21, 2010.
- 12. Ibid.
- 13. Sarah Pulliam Bailey, "Why did James Comey say, 'Will no one rid me of this meddlesome priest?" *Washington Post*, June 8, 2017.
- 14. Tara Palmeri and Kenneth P. Vogel, "Trump huddled with donors on day of Comey testimony," *Politico*, June 14, 2017.
- 15. Václav Havel, Living in Truth (London: Faber and Faber, 1986), p. 54.

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