

Authoritarian Liberalism in Contemporary Europe: methodological approaches and conceptual models

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Abstract: *The author conducts a comparative analysis of authoritarian liberalism's concepts in contemporary political theory. The paper deals with the main directions of interpretation of authoritarian liberalism in the framework of methodological approaches and conceptual models of neoliberalism, ordoliberalism, political liberalism, J.-W. Mueller's 'restrained democracy', J. Habermas' 'legitimation crisis', C. Crouch's 'post-democracy', C. Macpherson's 'participatory democracy', M. Wilkinson's 'dedemocratisation and delegalisation', W. Streeck's 'democratic capitalism crisis' and G. Majone's 'crypto-federalism'. The basic analytical concept is the idea of authoritarian economic liberalism, first proposed by H. Heller and K. Polanyi. This paper will substantiate that in crisis and transformational periods the actualisation of authoritarian liberalism corresponds to the fundamental tension between market capitalism and representative democracy. The author conceptualises authoritarian liberalism as the practice of dedemocratisation and restrained democracy, which results in the regionalisation of radical protest against the supranational regime of political integration in Europe. Latent political authoritarianism strengthens economic liberalism, which, in turn, reinforces the further EU's 'liberal authoritarian transformation'. Authoritarian liberalism restricts traditional forms of representative democracy, contributing to the reanimation of populism and political radicalism. The authoritarian restriction of representative democracy can lead not only to the strengthening of market capitalism, but also to the revival of reactionary forms of 'new nationalism' and illiberalism. Today, the EU's regime is transformed from a nominally rule-based structure supported by market discipline into a 'discretionary order' reinforced by bureaucratic power. The EU's transnational solidarity can become a democratically legitimate tool for a de-escalation of tensions between market capitalism and representative democracy.*

Keywords: *authoritarian liberalism, market capitalism, representative democracy, neoliberalism, ordoliberalism, political liberalism, dedemocratization, restrained democracy, post-democracy, legitimization crisis, transnational solidarity, European integration, EU.*

Introduction

In the period covering the decade since the beginning of the 2008 financial crisis, the authority and legitimacy of the constitutional state and the state system in Europe were affected by a number of existential challenges related to the future of the European project, its fundamental values and Euro-integration perspectives. Now, the EU remains relatively stable; outside the UK, political ideas for ending the Euro-integration experiment remain marginal, although anti-European pressure is increasing in leading European countries, and Euro-skeptical parties are on the rise. Obviously, systemic and anti-systemic challenges are associated both with the legitimacy of domestic regimes and with the very functioning of the EU, which is due to fragmentary pressure from 'below' in the context of subnational claims for autonomy. In the regions of Europe, where there is an increase in support for speakers from autonomist positions of parties, political mobilisation of supporters of independence occurs on the basis of belonging to a territorial community. The desire for inclusiveness, declared in European public discourse, gives such a mobilisation a positive civil connotation.

The constitutional crisis concerns not only the European Union as a whole, but also the regional political system and order of governance on the continent. The fundamental conditions for these multiple sub-crises were created in the era of the Maastricht Treaty and the accompanying geopolitical reconfiguration of modern Europe. Maastricht created the constitutional structure of the Economic and Monetary Union, laid the foundation for the Schengen regime and opened the door to differentiated integration and expansion of Europe to the East. This marked a change in the economic balance of power, 'depoliticization of capitalism' (W. Streeck), 'reunification', which opened the way to 'German Europe' (U. Beck) (Streeck 2015; Beck 2013). According to J. Habermas, after 1992 it is impossible to escape from the 'universe of capitalism'; the only remaining option is to 'civilize and tame the capitalist system from the inside' (Habermas 2012: 106).

W. Bonefeld and M. Wilkinson describe the constitutional crisis in contemporary Europe as 'authoritarian economic liberalism' (Bonefeld 2017; Wilkinson 2015), which was first analysed as a political phenomenon by H. Heller as an essential characteristic of the late Weimar regime (Heller 2015). K. Polanyi des-

ignated 'authoritarian liberalism' as a general characteristic of the entire period of interwar collapse of liberal democracy (Polanyi 2001). J.-W. Muller introduces the concept of 'restrained democracy' for a reinterpretation of the phenomenon of authoritarian liberalism (Muller 2011). Contemporary authoritarian liberalism with the principles of 'de-democratization and delegalization' transforms the norms of democratic constitutionalism and representative democracy in order to maintain liberal economic commitments regarding currency stability and prices, tight fiscal discipline and competitiveness, on the one hand, and avoidance of 'moral responsibility', on the other hand (Wilkinson 2015).

Authoritarian liberalism ignores the ethical dimension of public policy and constructs an ideological barrier to 'positive liberty', creating conditions for the materialistic reduction of moral imperatives of social liberalism and participatory democracy. Contemporary authoritarian liberalism is accompanied by systemic and anti-systemic challenges to the dominant order in the process of searching for EU integration alternatives, enhancing right-wing conservatism and 'new nationalism', returning political populism and neo-authoritarianism, which is most evident in Central and Eastern Europe, but also reflected in the growth of Euro-skeptical parties such as 'National Front' and 'Alternative for Germany'.

The goal of this paper is to assess the cognitive potential of the concept of 'authoritarian liberalism' and to analyse the main directions of interpretation of this phenomenon within the framework of various methodological approaches and conceptual models with a view to further conceptualisation. Conceptualisation of authoritarian liberalism as a category of contemporary political discourse becomes a priority to explain the current EU's crisis. This paper will substantiate that in critical and transformational periods the actualisation of authoritarian liberalism corresponds to the fundamental tension between market capitalism and representative democracy. Identifying modern liberalism as a political liberalism, the political and constitutional theory excludes conflict dynamics between capitalism and democracy, which creates difficulties for perception of the concept of 'authoritarian liberalism'.

Liberalism and democracy

Analysing four models of liberal democracy – protective democracy, developmental democracy, equilibrium democracy, and participatory democracy – C. Macpherson notes that the prospects for moving toward a more democratic society are not so bleak. Moving towards it at the same time requires an increase in the measure of participation and encourages such participation. As a basic condition for the emergence of a 'liberal participation democracy', C. Macpherson calls 'a significant reduction in the level of social and economic inequality'. He argues that we cannot achieve more democratic participation without a prior change in the level of social inequality and a change in con-

sciousness, but we cannot achieve a change in the level of social inequality and a change in consciousness until we increase the level of democratic participation (Macpherson 1966).

Chronologically, liberalism precedes democracy and relations between them are contradictory. G. Sartori explains the theoretical distinction between liberalism and democracy by the fact that liberalism is 'a technique of restricting state power', while democracy is 'introducing people's power into the state'. Liberalism and democracy determine the constitutional and social spheres, the first of which is assigned to liberalism, which regulates the role of democracy in the state, and the second to democracy, which regulates economic welfare and social equality (Sartori 1993). According to B. Barber, 'liberalism poorly serves democracy and its survival depends on the search for new institutional forms that weaken the connection of democracy with liberal theory' (Barber 2003: 34). F. Zakaria takes the opposite position, stating that liberalism supports and strengthens democracy, while democracy without liberalism is dysfunctional: the more liberalism 'controls' democracy, the higher the quality of the democratic regime (Zakaria 1997). M. Crozier, S. Huntington and D. Watanuki previously confirmed this thesis in the report 'The Crisis of Democracy' in 1975 as part of the work of the 'Trilateral Commission' (Crozier – Huntington – Watanuki 1975).

The merging of authoritarianism and liberalism seems incompatible due to the long dominance of discourse of political, rather than economic liberalism. For most of the twentieth century, liberalism developed in the Western countries, having as its antithesis the concept of totalitarianism, and therefore emphasising its fundamental disagreement with any forms of collectivist ideology. During the deep-rooted ideological battles of the Cold War period, liberalism was associated with democracy and opposed authoritarian socialism. This was reinforced by 'the end of history' thesis of F. Fukuyama, in which liberal democracy was the culmination of historical progress (Fukuyama 1992). Influenced by the ideas of J. Rawls and J. Habermas, liberalism was identified as a synonym for democracy, even from egalitarian positions in a social democratic and neo-Marxist paradigm (Habermas 1995; Rawls 1993).

The post-war political mainstream did not offer alternatives to capitalism as a potential threat to the democratic order, which was reflected in the criticism not only of the economic liberalism of F. von Hayek, but also of the political liberalism of J. Habermas and J. Rawls for the lack of consistency with the problem of the ability of economic power to influence politics (Wolin 1996; Mouffe 1999). Speaking about the long-term relationship of economic liberalism and democracy, we recall F. von Hayek's distrust of not only social justice, but also of democracy, as well as his flirting with political authoritarianism (Hayek 1960; Scheuerman 1997). Supporting C. Schmitt's criticism of the German left's attempts to influence the former Kaiser's private property, F. von Hayek proposed

developing general rules for deterring the 'whim of the electorate' to ensure the free flow of capital, goods and labor (Hayek 1960). Akin to the concept of 'democracy', liberalism is nevertheless not identical with it; moreover, in its neo-liberal incarnation liberalism is rather opposed to democracy. On the contrary, J. Schumpeter revealed a causal relationship between modern democracy and capitalism. In his opinion, democracy dominated the process of political and institutional changes, through which the bourgeoisie changed the form of social and political structure that preceded its domination, and made it more rational. The democratic method was a practical tool for this reconstruction. Contemporary democracy is a product of the capitalist process (Schumpeter 2000).

The democratic paradigm of contemporary political science is based on the concept of competitive electoral democracy. To define the state as an 'electoral democracy', indexes calculated by Freedom House (competitive multiparty political system; universal suffrage; regular alternative elections; wide public access to main political parties through the media and through open political campaigning) are widely used. Electoral democracy is procedural and limited in nature and is defined as a 'method': this interpretation does not interfere in the economy and political system. As P. Schmitter and T. L. Karl note, 'democratization does not necessarily lead to economic growth, social stability, managerial efficiency, political harmony, a free market, or the end of ideology' (Schmitter, Karl 1993: 61). Political analysts consider the mechanism of electoral democracy apart from political institutions of the capitalist economy. In this context, many critics see liberal democracy as a 'political tool and the most suitable shell for capitalism, rather than a means of liberating a person.'

In liberal-democratic regimes, the political sphere is mainly the sphere of liberalism, and the social sphere is the sphere of democracy: 'democracy is more than liberalism, in the socio-economic sense, but less than liberalism, in the political sense' (Sartori 1993: 210). The political is the sphere of limiting the powers of the state and the protection of the rights and freedoms of the individual; the social is the democratic space for the redistribution of welfare. The modern left advocates for sociocultural liberalism, which promotes individual rights and equality of opportunity, while the right advocates for authoritarian economic and political liberalism, which protects the free market, freed from the shackles of the bureaucratic state. These conflicting forms of neoliberalism mutually reinforce each other and contribute to the convergence of market individualism, bureaucratic authoritarianism and socio-cultural atomism, which leads to the depoliticisation of the socio-economic sphere of society, makes it dependent on the market, at the same time reducing the freedom of self-realisation, destroys the former social ties and activates right-wing conservatism.

The process of 'European depoliticization' as one of the important sources of authoritarian liberalism reached its apogee in the concept of the E. Giddens's 'third way' (embodied in the centrism of the 'New Labour' by T. Blair

and subsequently imitated by all European social democrats). This approach offered an alternative to the neoliberal paradigm, but in many cases deepened it (Wilkinson 2015). European integration has reinforced 'radical centrism' thanks to its institutional procedures of 'consensus lawmaking' and of imperative support of market liberalism. In the absence of a sustainable system of supranational democracy, member states are left with 'the politics but without policies', and the EU – 'with policies but no politics' (Mair 2013). Western representative democracy breaks ties between voters and party elites, who in the past provided the legitimacy of the system. Labor and socialist parties have fewer connections with grassroots organisations and act as technocratic organisations created to manage the system regardless of voters' preferences (Mair 2013). Capitalist globalisation creates structural pressure on left-wing governments to limit the welfare state and increase incentives for private investors. As W. Streeck writes about the new phase of the euro crisis and the depoliticisation of the economy, 'where there are still democratic institutions in Europe, there is no economic governance that would not be seized by non-capitalist interests that transform the market. Where there is economic governance, there is no democracy' (Streeck 2015).

Within the framework of the Habermas' theory of communicative action, this dynamic can be described as 'legitimation crisis' and profound change in the 'democratically legitimate cycle of power': a democratic policy is stable and functional if it is founded and legitimised by 'communicative power' formed by the public sphere of 'mutual understanding'. Communicative power is the force of resistance and limitation of the 'functional imperatives' of the systemic reproduction of the state's economy and administrative system. Communicative power should prevail over such 'functional imperatives', limiting them by laws. However, when the momentum of the public sphere disappears and people become apathetic, the functional imperatives of the economic system cease to meet resistance and begin to 'colonize' the political process: politics becomes a tool for stabilising the capitalist system and restrictions on human rights (Habermas 1984; Habermas 1996).

Authoritarian tendencies of European integration are becoming increasingly apparent in political practice, which G. Majone calls 'crypto-federalism' and 'integration by stealth' (the idea of J. Monnet). Crypto-federalism is 'federalism without a federal constitution', when the forces and subjects of political integration do not operate openly in the direction of the federal constitution – the main goal of neofunctionalism – but pursue a strategy of 'minor steps and grand effects'. Crypto-federalism secretly and non-publicly launches the integration process, while political integration takes place 'under the guise of' economic integration. The strategy of 'stealth integration' makes democracy irrelevant and provides key solutions to European elites (Majone 2009: 72).

The main conditions of the euro regime imposed by the member states of the Euro group, as well as the 'Troika' institutions (IMF, the European Central Bank and the European Commission), are neoliberal 'austerity' measures (privatisation, liberalisation, labor market reforms, regressive taxation). This requires extreme state intervention in the society, breaking social contracts and breaking existing relationships. Analysing institutional changes in the management of the Economic and Monetary Union, in particular, the new powers and authority of the Euro group and the European Central Bank, it is important to note that the neoliberal trend is a symptom of long-term trends in the constitutionalism of Europe (Kaupa 2017).

The ousting of social democracy in favor of 'market technocracy' and 'market rationality' is also a manifestation of these tendencies. Concerns about the lack of democracy in the EU existed long before the 2008 financial crisis. In 1995, J. Habermas noted an increase in the deficit of democracy in Europe: in his opinion, the socio-economic dynamics within the existing institutional structure led to the erosion of national states through European law (Habermas 1995). In this context, it is necessary to understand whether authoritarian liberalism is a modifying or deterrent factor of democracy. The internal electorate can accept the idea that there is no alternative to neoliberal structural reforms if this idea is imposed as a 'constitutional coercion' and an ideological construct, despite the fact that it still appears to be contradictory (Blyth 2013). Today, the EU's regime is transformed from a nominally rule-based structure supported by market discipline into a 'discretionary order' reinforced by bureaucratic power.

Authoritarian liberalism in the epoch of post-democracy

The term 'authoritarian liberalism' covers two basic symptoms of the constitutional development of Europe. In the EU and especially in the Eurozone, there is an authoritarian aspect of governance, represented by the binary process of dedemocratisation and delegalisation, which is related to ignoring parliamentary powers and parliamentary debates, as well as violating the guarantees of the rule of law and the protection of social rights (Wilkinson 2015). To understand this binary process, the terms 'executive managerialism' (Joerges 2013) and 'emergency Europe' (White 2015) are used in contemporary political analysis.

In the context of radical democratic criticism, neoliberalism ignores the danger of authoritarian rule, not limited to the socio-economic sphere (Rawls 1971; Cohen 2008). Liberalism takes 'for granted' the existence of a 'lively democratic culture', underestimating its fragility and evading the recognition of threats arising within the capitalist economy: the logic of individualism and market competition can lead to the erosion of social solidarity that democracy needs (Polanyi 2001). Constitutional theorists also avoid the question of the nature and consequences of economic liberalism in capitalist society by analysing the

general problems of the legitimacy of a constitutional review of legislation to protect civil liberties (Alexander 1998). According to M. Sandel, the celebration of the metaphorical 'market of ideas' is not concerned about the actual market for goods, capital, services and, in a broader sense, the impact of commodification and market behavior on social relations, not counting marginal examples of market immorality (Sandel 2012: 42).

The synthesis of political authoritarianism and economic liberalism is not unique within the framework of the Euro-crisis, this approach was used in the context of the transformation of capitalism in Southeast Asia and Latin America to denote autocratic and even dictatorial measures to implement a 'free market economy' (Jayasuriya 2001). This type of authoritarian-liberal synthesis is called 'authoritarian neoliberalism', which is associated with the transition from the relatively consensual neoliberalism of the 'third way' to a new 'coercive type' that arose during the recent financial crisis (Bruff 2014; Procházka – Cabada 2020). The relative autonomy of the economy, acting according to the logic of the depoliticisation of inequality, the commodification of social relations and the erosion of solidarity, affects the legitimacy of the political dimension of democracy and the relationship between governors and the governed. Liberal theory shies away from analysing this dynamic, taking market capitalism for granted: it does not resolve either the capitalist contradictions between public goods and private interests, or the structural inequalities inherent in the capitalist state (Wilkinson 2015).

C. Crouch, using the concept of 'post-democracy' to explain the contradictions between modern capitalism and democracy, conducts a political analysis of 'authoritarian liberalism'. 'Post-democracy' is associated with the decline of social classes and the spread of global capitalism. According to C. Crouch, if there are only two concepts – democracy and non-democracy – we will not make too much progress in discussions about the health of democracy. The idea of post-democracy helps us to describe those situations where democracy advocates embrace fatigue, despair and frustration; when an interested and strong minority is much more active in trying to exploit the political system to its advantage; when political elites have learned to control and manipulate people's demands; when people are almost dragged to the polling stations by the hand (Crouch 2010: 35). Post-democracy is associated with the emergence of a closed political class, more interested in creating links with business groups than in conducting democratic programs that meet the interests of all citizens; under authoritarian liberalism, when power is in the hands of a 'strong minority', there is no reason to rely on an egalitarian policy of redistributing power and wealth.

Today the separation between political and economic spheres reflects tensions between democracy and capitalism as real political and social forces. According to W. Streeck, in the post-war period the capitalist state is transformed from a 'tax state' through a 'debt state' of the neoliberal era into a new

‘consolidation state’ with the principle of austerity (Streeck 2013). The modern state continues to develop as a democratic state; its constitutional authority essentially depends on its connection with the ‘people’. The ‘people’ here represent the rhetorical and symbolic power of sovereignty, which reflects the relative autonomy of the political sphere not only from a classical theocracy in the context of modern secularisation, but also from an economic power. This is not only a modernist worldview, but also a continuous and fragile process of modernisation, due to the social struggle against the merger of political and economic power and class society. This narrative includes class, worker, feminist, anti-colonial, ethno-national movements and other forms of political struggle for equality and recognition. A modern state can be represented as the tension between democracy and capitalism, solidarity and individualism.

In critical periods, when capitalism and democracy enter into an explicit conflict, both in terms of interests and values, the state is ‘perceived’ as a representation of this tension in political economy, and in some cases as an actor in conflict resolution. The reason why we can speak here about the state, and not just about the temporarily elected government, is that all the institutions of the state (‘ideological and repressive state apparatus’ according to L. Althusser) strengthen and reformat the relationship between democracy and capitalism through the military, police, judicial authorities, central banks, cultural institutions and the media (Althusser 2014). This ‘repressive ideological apparatus’ in Europe (the European Commission, the European Council, the European Central Bank, the Eurogroup, the European Parliament), without having a strong representative body as a ‘corrective force’, evades democratic control (Wilkinson 2015).

Just as modern capitalism and inequality can threaten a democratic state, the democratic struggle for political and social equality can act as a potential threat to the capitalist state. Democratic movements can threaten a fundamental structural change in politics and economics with a new demand for political and democratic control over the economy (in the case of democratic socialism). In such a context, in order to preserve the status quo, the ‘ideological and repressive apparatus’ of the capitalist state offers a more advanced form of liberal neo-authoritarianism. To reflect the conflict dynamics of authoritarian liberalism in modern Europe, it is necessary to present a diachronic review of the problem under consideration.

Ordoliberalism and authority liberalism

During critical periods of transformation, tensions between the democratic and capitalist states increase, which entails a deep constitutional crisis. The most important moment in the history of European integration is the interwar period, which marks the end of the ‘long nineteenth century’. In late Weimar

Germany, the democratic capitalist state reached its apogee due to the growth of a politically emancipated proletariat, which began to threaten the political and economic differentiation created and defended by the Constitution. The reaction of the ruling elite to this threat was the convergence of authoritarianism and economic liberalism, as the social democrat and constitutional theorist H. Heller first pointed out in 1933 (Heller 2015). The basic principle of 'authoritarian liberalism' in H. Heller's phenomenology is the principle of rigid authoritarian rule instead of the principle of a democratic majority; but authoritarian support for economic liberalism does not necessarily come down to a fascist 'quasi-religious salvation' (Heller 2015: 645). Authoritarian liberalism is based on a rational understanding of economic necessity and conclusions that speak about the absence of a real alternative to depoliticising the economy and reducing social programs (Heller 2015: 652–653).

The term 'authoritarian liberalism' was used by H. Heller to radically criticise Germany's attempts to enter into an alliance with big business in the period between 1930 and 1933 in order to maintain economic liberalism at the cost of intervening in politics in favor of capitalist interests (Heller 2015). The purpose of the criticism of H. Heller was not only the centrist policy of Chancellor H. Brüning, but also K. Schmitt's constitutional theory with the formula 'strong state, free economy'. C. Schmitt recommended Germany 'a strong state with a free market' that opposed the threat of democratic socialism and experiments of economic democracy (Cristi 1998).

The centrist government of H. Brüning ignored parliamentary democracy, using presidential decrees under the cover of an emergency to impose austerity and protect the basic principles of economic liberalism. This policy was based on disappointment with democratic solidarity for maintaining a capitalist economy during the critical period of post-war deflation, unemployment and political turbulence. For the authoritarian liberals of Germany, the fear, reinforced by the success of the Bolsheviks in Russia, was determined by the potential turn of democracy towards socialism (Cristi 1998). This model of authoritarian reaction to the economic crisis was not unique to the late Weimar – countries around the world tried to maintain the requirements of the Gold Standard, resisting social democracy until they abandoned gold, which led to Welfarism in Great Britain and the New Deal in the US. According to K. Polanyi, the more fiercely the countries resisted social democracy through authoritarianism in the name of economic liberalism, the stronger and harsher was the backlash: authoritarian liberalism ousted democracy, weakening its ability to respond to the fascist threat (Polanyi 2001).

The main argument of H. Heller is that social inequality is incompatible with constitutional democracy since it requires a high degree of social homogeneity, or at least its prospects for maintaining political legitimacy (Heller 2015). However, contemporary constitutional theory still underestimates the chal-

lenges to democracy on the part of economic liberalism and sees in democracy the main threat to capitalism. After the Second World War, political theory substantiates the key idea of the constitutional protection of liberalism, neglecting the studies of power structures that can formally undermine democracy in a capitalist state (Hailbronner 2015). Constitutional theorists involved in the design of legal and political institutions are developing internal, international and supranational institutional mechanisms for controlling majoritarianism and 'democratic irrationality'.

Independent technocratic institutions, such as constitutional courts, commissions and central banks, are becoming the norm and are gradually taking root in the liberal consciousness. European integration is becoming an integral part of the post-war liberal-constitutional process of building a 'militant democracy': J.-W. Muller offers the concept of 'restrained democracy' as a representation of this phenomenon (Muller 2011). The principle of 'militant defense' of liberalism in the name of democratic consolidation is due, primarily, to concern for economic liberalism, rather than the goals of protecting political liberalism and strengthening representative democracy. In contemporary constitutional theory, the focus is on analysing the challenges and dangers of 'unfettered democracy', rather than the obvious intentions of 'unfettered capitalism', to social and economic inequality, as warned by H. Heller and K. Polanyi (Wilkinson 2015).

The 'Thirty Glorious Years' (*Les Trente Glorieuses*, J. Fourestie's term) of the 'welfare state' facilitated the contradictions of capitalism and democracy. Post-war democracies were created not just in opposition to state terror or aggressive nationalism, but also in opposition to the totalitarian concept of spontaneous historical action carried out by collective political actors, such as the Nazi *Volksgemeinschaft*. In response, Western Europeans built a highly controlled form of democracy, marked by a stamp of deep distrust of popular sovereignty and even traditional parliamentary sovereignty (Muller 2011). Liberal theory has sought to resolve the 'majoritarian dilemma' by restricting democracy, both institutionally (constitutional control) and ideologically (the concept of 'reasonableness' by J. Rawls) (Rawls 1993). Thus, contemporary constitutional theory is moving away from critical interaction with political economy. European integration is seen as an aspect of the 'restrained democracy' project, and not as a further stage of reconstructing the relationship between politics and economics.

The post-war development of Europe was characterised by a new vision of not only technocratic management functions, but also management relations; in particular, the nature and limits of economic management. M. Wilkinson calls this new vision 'the dedemocratisation of power, sovereignty and government'; in his opinion, this approach sets forth a new vision of the individual as a market participant, not a political citizen (Wilkinson 2015: 42). A new

concept of the economic role of the state was proposed by the Freiburg ordoliberal, for whom unlimited capitalism was a threat and a challenge to a social market economy based on competition. C. Friedrich, analysing the ideological significance of the 'new liberalism', noted a fundamental theoretical turn of German ordoliberalism with its idea of transforming people's sovereignty into individual freedom as a tool to legitimise constitutional order (Friedrich 1955). For ordoliberals, economic constitutionalism, based on equality, individual rights and competition, was intended to ensure the complete elimination of class and ethno-national conflicts from the political sphere. From this point on, the self-identification of subjects of constitutional relations in Europe (in particular, the European Court of Justice and the European Commission) will be determined by the ideology of economic rationality and the logic of market competition (Muller 2011).

Social democracy was not a key component of post-war liberal constitutionalism — starting from Maastricht, it was held back in parliaments and referendums (Wilkinson 2013). With the beginning of the Euro-crisis, liberal centrism will try to stabilise, becoming the subject of growing political disputes from the standpoint of state power. Having lost faith in the power of institutional tools, the European state system will begin to resort to coercion in an attempt to maintain order. Since democratic support for liberal centrism remains weak, it can compensate for it in other ways, presenting its criticism as an irrational and anti-European force. As a result, authoritarian liberalism today must support not only 'de-democratization' in order to strengthen the liberal economic order, but also justify 'hegemonic' relations between the capitals in the new 'German Europe', where each country should be 'similar' to Germany, despite the impossibility of such a requirement (Wilkinson 2015). In essence, the ordoliberal rules of economic liberalism established by the Economic and Monetary Union conflict with democratic and social movements against austerity (in the case of Greece, this conflict was brought to a limit after the election of a pro-European government opposing austerity). Democracy and the rule of law, including the protection of social rights, are also nominally protected in the EU treaties and the Charter of the European Union. Thus, the Euro-crisis is being transformed into a 'legitimation crisis' and a clash of main political goals: ordoliberalism, market capitalism, European integration and democratic self-government. The lack of rationality in the sphere of public administration, notes J. Habermas, means that the state apparatus in these border conditions cannot perform any sufficient positive management functions in relation to the economic system; the lack of legitimisation means that legitimate regulatory structures cannot be maintained or produced to the required extent using administrative means (Habermas 1984).

Conclusion

Contemporary authoritarian liberalism seeks rational management of free markets. Institutionally, this is manifested in the constitutional consolidation of economic freedoms and the transfer of control over economic activity to expert bodies and the executive branch of the EU. If authoritarian liberalism focuses on economic liberalism, then authoritarian ways of implementing policies are subject to the interests of private property, contributing to the further authoritarian transformation of the European Union. Authoritarian liberalism recognises that a free economy as a political category is based on a certain social order and represents a comprehensive practice of dedemocratisation and restrained democracy.

Transnational solidarity, suppressed by authoritarian liberalism, can become a democratically legitimate tool for resolving the contradictions of market capitalism and representative democracy, but the EU is developing in a 'neocolonial paradigm' in accordance with the relations between the core and the periphery between creditor countries and debtor countries and inevitably transforms into a 'neocolonial regime' of European integration (Wilkinson 2015). Political equality and supranational European solidarity become illusory, since relations between debtor countries and creditor countries resemble the conditions of unconditional surrender. Supranational constitutions are based on fundamental rights and freedoms, legal principles and sanctions, which grow out of democratic processes of the development of law and politics and prove their suitability within the framework of democratically organised national states.

The institutional model of limited democracy consists of several principles: constitutionally proclaimed and protected human rights and procedures for making binding political decisions either remain unchanged for a long time or are more difficult to change than the provisions governed by ordinary legislation. The adoption of a model of constitutionally limited democracy in post-war Europe was impossible without two conditions: first, the development of the welfare state, which guaranteed each member a certain share in social wealth; second, the processes of authoritarian liberalisation and political integration that unfolded in the 1950s and 1960s impose restrictions on the national sovereignty of European democracies through the creation of supranational institutions.

De-democratisation lies in the fact that distribution and production issues are derived from the public sphere of politics and are determined by market rationality and technocratic bodies. When politics and reformism are reduced to economic logic and constituent power, the autonomy of 'political' is reduced to the perspective of 'revolutionary breakthrough' of right-conservative fundamentalism. In the EU, right-wing euro sceptics are gaining popularity, and authoritarian 'restriction' of democracy can lead not only to strengthening

capitalism, but also to the revival of the reactionary forms of new nationalism and illiberalism. Authoritarian liberalism in Europe becomes the practice of dedemocratisation and restrained democracy, the result of which is the ‘regionalization of protest’ against the supranational regime of European integration. Latent political authoritarianism strengthens economic liberalism, which, in turn, reinforces the further EU’s ‘authoritarian transformation’. Authoritarian liberalism restricts traditional forms of representative democracy, contributing to the reanimation of populism, political radicalism and political extremism. Today, the EU’s regime is transformed from a nominally rule-based structure supported by market discipline into a ‘discretionary order’ reinforced by bureaucratic power. The EU’s transnational solidarity can become a democratically legitimate tool for a de-escalation of tensions between market capitalism and representative democracy.

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