



AUTHORITARIAN LIBERALISM AS A POLITICAL CONCEPT: THE EVOLUTION OF ORDOLIBERAL IDEAS IN THE EUROPEAN INTEGRATION PROCESS

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ABSTRACT

The concept of authoritarian liberalism is presented as one of the relevant explanatory models of European integration. Authoritarian liberalism can be conceptualized as an ideological synthesis of semi-authoritarian forms of government and neoliberal economic goals. The emergence of this concept is associated with periods of economic crises, such as the interwar period of the 1920s and 1930s, and the Eurozone crisis. Ordoliberalism, representing a flexible, market-oriented form of authoritarian liberalism, refers to a rational strategy for maintaining and promoting economic neoliberalism, towards which the market economy and technocratic elite are converging as a means of contain crises and conflicts. While authoritarian liberalism explained in terms of the structural dominance of market capitalism over representative democracy may involve semi-authoritarianism in a technical role, this does manifest itself in overtly repressive or monocentric terms but is subject to democratic criticism in the process of regulating European integration.

KEYWORDS: Authoritarian liberalism, Neoliberalism, Ordoliberalism, Critical theory, Neoliberal theory, Communitarianism, European integration, European Union

INTRODUCTION

In the 20th century, the ideology and practice of liberalism spread widely throughout the world. “The end of history” led to most countries introducing universal suffrage, but some regimes remained or became less free, paving the way for majority-sanctioned tyranny and illiberal democracy. A notable conceptual event was the 2003 release of the book “The Future of Freedom: Illiberal Democracy at Home and Abroad” by Fareed Zakaria, where he claimed that not just democracy, but also the development of liberal democ-

racy provides the key to answering all contemporary challenges: moreover, without such internal content, democracy can become a dangerous empty shell (Zakaria 2003, 46). Zakaria was not the first to issue such a warning. The focus of the study of liberalism must be shifted, insisted Nobel laureate Amartya Sen in the book “Development as Freedom”. The attention of many scientists, he emphasized, chained to the growth of the gross product, insufficient income, technological progress, but the central problem on which everything depends is political freedom and its restrictions, with the dominant role played by economic freedom. (Sen 1999, 112).

The crisis of liberalism was aggravated by the Eurocrisis in 2008 and an overlay in 2016 of two hardly expected events: the victory in the referendum of supporters of the UK’s exit from the European Union and Donald Trump’s coming to power in the USA. The severity of the crisis was reflected by the harsh statement in the title of an article by Jeff Colgan and Robert Keohane “The Liberal Order is Rigged. Fix It Now or Watch It Wither” (Colgan and Keohane 2017, 37-44). The United Kingdom and the United States, which have made the greatest contribution to the formation of the liberal order, they said, virtually turned their backs on it: Brexit became a symbol of the restoration of British sovereignty; Trump ran a nationalist and isolationist campaign in tone and content. The Trump and Brexit phenomena reflected the transformation of the social contract that underpins liberal democracy. Warning against many political experts underestimating the threat this structural and philosophical shift poses to the liberal order, the authors concluded, that the time has come to face reality and embark on policies that will help save the liberal order before it's too late; If change does not occur, they concluded, the global liberal order will die (Ibid).

In the very nature of the European integration project lies a dichotomy between the goals of market development and the achievement of social progress. The processes of globalization, the need to overcome the consequences of the financial and economic crisis, the growth of Europessimism and Eurosceptic sentiments and the strengthening of populist parties, Brexit – all this poses a difficult task for the European Union to harmonize the goals of macroeconomic development and social policy. Contemporary political analysts characterized the financial and constitutional crisis in Europe as a result of the economic policy of authoritarian liberalism (Bonefeld 2017, 747-761; Somek 2015, 67–87; Wilkinson 2015, 313-339), which was first analyzed by H. Heller as a fundamental characteristic of the late Weimar regime (Heller 2015, 295-301). Karl Polanyi and Herbert Marcuse conceptualized authoritarian liberalism as the most common characteristic of the entire period of the interwar collapse of liberal democracy (Marcuse 1988, 77; Polanyi 2001, 15). Jan-Werner Müller introduces the concept of “constrained democracy” as a representation of authoritarian liberalism (Müller 2011, 58). Michael

Wilkinson points out the connection between political authoritarianism and economic liberalism, which lies in the dynamics of constitutional changes in Europe (Wilkinson 2018, 3-19).

Critical theory analyzes political transformations during the current eurocrisis as long-term consequences of authoritarian liberalism, when politically authoritarian forms of government defend economic liberalism, while the principles of democracy and social rights become hostages of the logic of capital accumulation and market rationality. Authoritarian liberalism does not operate through the economic doctrine of *laissez-faire*, but with the help of a strong state apparatus that overregulates national parliaments, deregulates the free market and privatizes social goods, using forms of coercion both within states and within the framework of integration institutions. Neoliberal constitutionalism has always viewed social rights with caution and suspicion because of the clearly articulated material demands they entail (Bonefeld 2017, 747-761; Wilkinson 2015, 313-339). According to Wolfgang Streeck, the authoritarian-liberal regime of the consolidation state involves a deep transformation of democracy as we know it, away from traditional institutions of popular political participation designed to stand up for social equity against the laws of the market: where there are fewer public goods due to privatization, there is less to decide politically, and the economic democracy of capitalism begins to replace political democracy (Streeck 2014, 64). With markets, becoming the principal mechanisms of collective decision-making, there is even less “fiscal democracy” left than in the rigidified debt state of old: at the macro level, public finances are increasingly constrained by constitutionally enshrined debt limits and balanced-budget rules. In the European case, there are also international agreements on fiscal austerity from which countries can break away only at high political and economic cost (Ibid).

Political neoliberalism, conceptually developed in the 1970s, including using the ideas of classical liberalism, for a long time had a wide electoral base, the most numerous part of which was the middle class. Over time, it has undergone a rebirth, with the result that it has become an ideology serving the global financial oligarchy. The middle class, which emerged during the era of the welfare state, began to erode and stratify with the impoverishment of its lower strata. These processes were among the main reasons that led to the Great Recession in 2008 and the emergence of the phenomenon of new populism. Communitarianism pays attention to the fact that the individualism of authoritarian liberalism can be destructive; this is due to the exclusive emphasis on the role of law in civil society, as well as the recognition of interacting individuals as mutually indifferent, recognizing only formal rights. Charles Taylor draws attention to the ethics of authoritarian liberalism, which is the ethics of law, not good, that is, its basic principles relate to

how society should regulate and reconcile the competing demands of individuals. These principles, of course, should include attitudes towards individual rights and freedoms, but for any liberal society, the principle of maximum and equal assistance should be central. It does not say what benefits society will contribute to, but establishes what benefits are achievable given the aspirations and requirements of citizens – members of society. The central point here is decision-making procedures, which is why Taylor calls this branch of liberal theory “procedural” (Taylor 1989, 12).

European ordoliberalism as an enhanced and flexible market-oriented form of authoritarian liberalism transforms the norms of democratic constitutionalism and representative democracy in order to maintain economic commitments to currency and price stability, tight fiscal discipline and competitiveness. After the 2008 crisis, European liberalism paradoxically began to be accompanied by antisystem challenges to the future of the European integration project in the process of searching for integration alternatives, activating right-wing populism, nationalism and illiberal authoritarianism, which is most evident in Central and Eastern Europe, but is also reflected in the growth of Eurosceptic parties in Western Europe. The socioeconomic and political model of authoritarian liberalism has a contradictory character: in a crisis, neoliberal integration processes can increase social instability, creating conditions for the escalation of reactive neo-traditionalism and its development into cultural conflicts (Moravcsik 2004, 336-363; Wallerstein 1995, 81). According to Quinn Slobodian, “while neoliberal elites might be organized globally, they remain reliant on the set-up of a national vision, through which any national ruling class can appear as the sole representative of their national people. If we want to know why neoliberalism is now dissolving into this specific nightmare –one of nationalist authoritarianism – this is where we need to look” (Brandes 2019, 641-649).

The author evaluates the analytical significance of authoritarian liberalism and interprets it as one of the relevant conceptual models of European integration. The basic concepts of authoritarian liberalism by Hermann Heller, Herbert Marcuse and Karl Polanyi emphasize the political and ideological connection between authoritarianism of Carl Schmitt’s strong state and economic liberalism of market rationality (Schmitt 2008, 17). Authoritarian liberalism is conceptualized as a synthesis of semi-authoritarian forms of government and neoliberal economic goals; its actualization is associated with periods of economic crises, such as the interwar period of the 1920’s and 1930s and the Eurozone crisis. Based on a conceptual analysis, the article will substantiate that in critical and transitional periods, the actualization of authoritarian liberalism and ordoliberalism corresponds to the structural and normative tensions in contemporary Europe between market capitalism, constitutionalism and representative democracy.

In critical periods, when capitalism and democracy come into fundamental conflict of values and ideologies, the liberal state is perceived as conflict manifestation and in some cases as an actor in conflict resolution. The reason why one can speak of the state within the framework of this conflict is that the “ideological and repressive state apparatus” reinforces the contradictions between democracy and capitalism through the military, police, and judicial authorities (Althusser 2014, 237). Just as structural violence 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 are challenging the structural configuration of politics and economics with a new demand for political and democratic control of the economy. To maintain the economic status quo, the ideological state apparatus offers the historically first market-oriented form of authoritarian liberalism - European ordoliberalism.

THE INFLUENCE OF ORDOLIBERALISM IN THE EUROPEAN INTEGRATION PROCESS

Historically, Friedrich Hayek tried to reveal the essence of authoritarian liberalism in the controversial thesis that, from a political point of view, a dictatorship can be more liberal than unlimited democracy (Hayek 1960, 24). Hayek's idea of the potentially illiberal nature of a democratic government is the key to understanding German ordoliberalism as a form of authoritarian liberalism that arose in the context of the economic crisis of the Weimar Republic. Ordoliberalism, which traces its roots to a prolific group of economists and legal scholars at the University of Freiburg's Faculty of Law and Economics in the early 1930s, has proved singularly influential in shaping the social market economy of post-war Germany. While the Freiburg School undeniably has German roots, it has been from the start an integral part of the neoliberal network of scholars, which formed in Vienna, London and Chicago during the interwar period (Kolev 2019, 24). Ordoliberals relied on the political theology of Schmitt with his concept of the state as the dominant force in relations between the market and the state, calling these relations the union of a free economy and a strong authoritarian state. The premise of authoritarian liberalism was the idea that the establishment of a social order is the basis of a free economy, and a strong liberal state becomes a concentration of this order (Bonefeld 2017, 747-761; Röpke 1960, 72; Schmitt 2008, 114).

During periods of political transformations, tensions between democracy and the capitalist state increase, leading to a potential constitutional crisis. The most important moment in the history of European integration is the in-

terwar period. In late Weimar Germany, the democratic capitalist state reached its climax due to the growth of a politically emancipated proletariat, which began to threaten the differentiation of political and economic, created and protected by the Constitution (Wilkinson 2019, 1123-34). The reaction of the ruling elite to this threat was the convergence of authoritarianism and economic liberalism, which was first pointed out in 1933 by the social democrat and constitutional theorist Hermann Heller.

The main principle of authoritarian liberalism in Heller's phenomenology is the principle of rigid authoritarian power instead of the principle of democratic majority; authoritarian support for economic liberalism does not necessarily amount to totalitarian "quasi-religious salvation" (Heller 2015). The term "authoritarian liberalism" was used by Heller to radically criticize Germany's attempts to enter into an alliance with big business between 1930 and 1933 in order to maintain economic liberalism at the cost of intervention in politics in favor of capitalist interests. The subject of criticism of Heller was not only the centrist policy of Chancellor Heinrich Brüning, but also the constitutional theory of Schmitt with the formula "the strong state and the free economy". Schmitt recommended to Germany the strong state with the free market, resisting the threat of social democracy and emancipative experiments of economic democracy (Cristi 1998, 17). Heller's concept of authoritarian liberalism became part of the criticism of Schmitt's political theology and German ordoliberalism. A common feature of these doctrines is the recognition of the state as a source of security and social order in capitalist society. In relation to the economy, the state is absolutely the dominant force: Schmitt and the German Ordoliberals viewed the state as a "security regime" and characterized it as the main instrument for "preventing civil war" (Bonefeld 2017, 747-761). For them, the Weimar Republic was an ineffective political structure that allowed the ruled to influence the strategy of the rulers. According to Schmitt and the German Ordoliberals, for the sake of a free economy, the state should have been built as a fortress in order not to become a victim of massive democratic demands for social protection; Schmitt argued his position by referring to the concept of Leviathan by Thomas Hobbes as a symbol of dominant power, as well as to the traditions of conservative criticism of the egalitarianism of the French Revolution: Schmitt rejected the idea of social equality and defined lawmaking in democracy as the "rule of the crowd" (Schmitt 2008, 126-154).

Ordoliberals argued, based on the political intuitions of Adam Smith, that the power of the state is fundamental to the creation of civil society. The state, as legislator, must uphold the law of private property and prevent "bloodshed and disorder" (Smith 1976, 112). In ordoliberal theory, the state is the political practice of the "market police", where competition is not a category of cohesion and integration (Bonefeld 2017, 747-761; Rüstow

1942). The "market police" is obliged to maintain a competition of private interests, which can be reconciled based on common needs for security and freedom through contract and guarantee of property rights. Acting as a "market police", the state civilizes the behavior of "greedy self-seekers" based on "politically imperative rules of the game" (Ibid). The law is a means of social security and a category of personal freedom: individuals are free if they obey the law, but the law does not apply to riots. The rule of law is underpinned by social order as a key political category. For theorists of authoritarian ordoliberalism, the rule of law entails the absolute power of the state as a concentrated force of order: if a situation of choice between law and order arises, the law must be sacrificed for the sake of order (Ibid). According to Marcuse, authoritarian nature of liberalism is associated with the existentialization and totalization of the political sphere, when depoliticization of social relations entails the politicization of the state as the dominant force (Marcuse 1988, 29).

Early German ordoliberalism expressed the political needs of a free economy in the form of the political theology of Schmitt: it is vital to eliminate all democratic intentions of state policy, especially in the monetary sphere, which should not be run like a switchboard by a weak government directly dependent on the parliamentary majority, or, even worse, from a non-parliamentary group posing as a representative of public opinion (Röpke 1960, 232). In this context, the Ordoliberals argued that the desire for a free economy presupposes a reduction in social democracy and total freedom to make executive decisions. The weakness of democracy in its effective response to economic crises and social unrest leads to the need that, according to Wilhelm Röpke, it must be supported by such restrictions and guarantees that will not allow democracy to be absorbed by democracy itself (Röpke 1969, 97). Malte Dold and Tim Krieger believe that in the period of the Eurocrisis, the battle of ordoliberal ideas was largely independent of the countries' actual responses to the Eurozone crisis: pragmatic self-interest on behalf of governments rather than their ideological convictions played a crucial role in socio-political reactions. Ordoliberals themselves contributed to the ideological misuse of their own program: the ordoliberal Freiburg School ceased to be an active research program and instead grew to resemble a tradition, which all too often disregarded the international academic discourse, in particular in macroeconomics (Dold and Krieger 2021, 341-361). According to Bob Jessop, ordoliberalism is contrasted with neoliberalization: ordoliberals aim to achieve this goal "by creating a juridico-political institutional fix that provides a stable framework for accumulation. Promoters of neoliberal regime shifts pursue it through strategies of destabilization that exploit resulting crises. Ordoliberalism governs through order, neoliberalization through disorder. Further, ordoliberalism corresponds more to an accu-

mulation regime and mode of *régulation-cum-governance* based on a productivist concept of capital, reflecting the dominance of profit-producing capital in coordinated market economies” (Jessop 2019, 973).

The semi-authoritarian reduction of democracy to neoliberal economic regime became the main goal of authoritarian liberalism in the postwar period. These attempts have included empowering European constitutional courts to rule on the legitimacy of parliamentary law, subjecting parliamentary law to the primacy of judicial oversight, declaring the majority system invalid, and using debt ceiling regulation as a constitutional constraint on parliamentary power in the Eurozone crisis. According to Werner Bonefeld, since the early 1980s, there have been institutional attempts to remove / reduce democratic oversight of political decision-making for “extra-democratic technocratic institutions” such as central banks, which have been given wider independent powers (Bonefeld 2017, 754). In the current eurocrisis, Hayek's concept of interstate federalism, underlying ordoliberalism, was embodied in the European economic constitution, according to which federal states operate within a supranational framework of economic rights and restrictions that dominate national democratic decision-making and legitimize the de-democratization of lawmaking. Today, in the Eurozone, the neoliberal idea of an “effectively governed community” that should limit the “democratic excesses of a mass society” (W. Bonefeld) manifests itself in a federal form, including a supranational economic constitution agreed by all member states. This megastructure reduces national democratic regulation of monetary policy, restricts fiscal policy, and ensures free competition and territorialization of the labor market, establishing a “regime of imposed liberty” (Ibid). According to Alexander Somek, the ambivalence and dichotomy of authoritarian liberalism as an instrument of eurocrisis management is an example of how actions taken in unfavorable conditions contribute to cognitive adaptation: confrontation with what needs to be done in an unprecedented crisis situation easily cancels what was previously considered as normative restrictions for delegation, and such cognitive adaptations occur not least because delegation is based on trust (Somek 2015, 67–87). Crisis management of the Economic and Monetary Union shows the administrative character of the cosmopolitan constitution of the member states (Somek 2014, 59). This type of constitution obliges states to present their results in a peer review process: the administrative dimension of authoritarian liberalism is associated with the growing importance of transnational decision-making processes, such as technocratic mechanisms and control and enforcement tools. In the current eurocrisis, the principle of proportional exercise of powers is replaced by the principle of proportionality of powers to unpredictable tasks (Somek 2015, 78). As Wilkinson notes, “as commitment to European integration became culturally entrenched across the political spectrum, to the ex-

tent that there remained little, if any, alternative to EU membership in the constitutional imagination, a functionalist ‘progressivism’ came to dominate, in continuation of much earlier trends. This was sometimes expressed by functionalist metaphor, that the project of integration can only move in one direction, and must continue forward if not to collapse, as a bicycle falls over once the cyclist stops pedaling” (Wilkinson 2022, 22).

AUTHORITARIAN LIBERALISM AS A STRUCTURAL ELEMENT OF CONSTITUTIONAL AND ECONOMIC REGULATION IN CONTEMPORARY EUROPE

Liberalism in the philosophical paradigm of the Oxford Manifesto, endorsed by the 48th Congress of Liberal International, which was held on 27–30 November 1997 in the Oxford Town Hall, was succeeding when it was managing to fit into the political mainstream of the major winners in regional and national elections. In a number of votes, they managed to swing in one direction or another the minority of voters, which ensured an advantage. Hence the disputes among liberals about a winning political and electoral strategy, hence the attempts to combine goals and values, the organic combination of which is problematic in practice. For centuries, liberals have been struggling with the synthesis of freedom, justice and equality, popular sovereignty and effective political elite, strong state and democracy, ethnic identity and supranational solidarity, collective and individual rights. According Ronald Dworkin, liberalism relies on the legal regulation of civil life and presupposes a system of civil rights, because the liberal, having chosen the economic market and political democracy for purely egalitarian reasons, finds that these institutions generate non-egalitarian consequences if his scheme is not supplemented with various kinds of individual rights (Dworkin 1977, 63).

Assessing the current situation in the European Union from the angle of the Eurocrisis, Robin Niblett states, that Trump's victory, the decision of the majority of British voters in favor of leaving the EU and the rise of populist parties in the prosperous north and poorer south of Europe are only visible symptoms of dissatisfaction with globalization (Niblett 2017, 21-22). The growing dissatisfaction of Eurosceptics and Europessimists is caused by the activities of the European Commission, which is increasingly taking on the function of a kind of “political operator”, regulating everything via the marginalization of the sovereign rights and state capabilities of the EU member states. It is becoming more and more difficult to maintain a balance of interests of the EU member states: Brexit has strengthened centrifugal tendencies in the regional formats of Europe, primarily in Catalonia, in a less radical form – in Lombardy and Veneto, thoroughly fueled separatist sentiments in Flanders. The results of the referendum in the UK in June 2016 on the coun-

try's exit from the EU meant, among other defining motives and reasons, that they leveled pan-European values in their unified interpretation by the highest echelon of European bureaucrats. Thus, the ideological aspect of Brexit, along with the previous Eurocrisis, has become a new reality of European integration.

Authoritarian liberalism is actualized during periods of economic crisis and is a structural element of post-war constitutional regulation in Europe, based on the “fear of democracy” and popular sovereignty, in large part because of the threat they can pose to the neoliberal order. In the context of the current European crisis, it is necessary to talk about the politically authoritarian style of management of the Economic and Monetary Union, even if this managerial authoritarianism does not bear traces of direct repression (Somek 2015, 67–87). According to Wilkinson, authoritarian liberalism encompasses two key symptoms of the constitutional crisis of contemporary Europe – de-democratization and de-legalization. In the EU, there is a semi-authoritarian aspect of governance, represented by the binary process of de-democratization and delegation, associated with ignoring parliamentary powers and democratic debates, violation guarantees of the rule of law and protection of social rights (Wilkinson 2018, 3-19). To understand this binary process in contemporary political theory, the terms “executive managerialism” and “emergency Europe” are used (Joerges and Weimer 2012, 1-42; White 2015, 300-318).

Semi-authoritarianism means a form of government that is neither fully democratic nor fully authoritarian; this may be the result of an authoritarian regime adopting some features of a democracy, or a democracy restricting political or civil liberties. Semi-authoritarian regimes are an unwieldy category because they are defined by what they are not: they are neither democratic nor truly autocratic (Gobel 2011, 258-266). The root of this confusing problem lies in how democracy is conceptualized. Scholars do not agree on what procedural characteristics a regime must have to be called a democracy. The minimalist concept of electoral democracy, for example, requires free, fair and inclusive elections, which not only entail a real chance for opposition to come to power, but also includes a range of civil liberties such as freedom of organization, freedom of speech, and freedom of information. At the other end of the spectrum are middle-level concepts that, in addition to the characteristics just listed, entail a wide range of civil rights, no veto players not legitimized by democratic procedures, horizontal accountability, and the rule of law (Ibid).

Efforts to combat the systemic eurocrisis and its implications for public debt financing have profoundly changed the legal framework of the Economic and Monetary Union. The essence of these reforms is manifested in the active and deep involvement of the European Commission in the eco-

conomic and budgetary planning of the member states through the European Semester, which gives the Commission broad access to the entire field of domestic policy planning. The member states of the Eurozone should not only submit to the Commission and the Eurogroup a draft budget planning for the coming year, but under certain conditions, following the results of the work of fact-finding missions, they may be sanctioned in connection with the failure to implement the recommendations based on the reform of the Stability and Growth Pact (Somek 2015, 67-87). Constitutional reforms and the creation of European integration institutions are accompanied by two fundamental problems that accompany the entire post-war European project. The first issue is the legal authority and competence of the Union and the member states to take appropriate action. The second is related to the prospects for European crisis management within the existing “democracy deficit” (Craig 2012, 231-248; Menéndez 2014, 127-141). In this aspect, the contradictions between national and supranational legal competences inevitably lead to an increase in the deficit of democracy. The democratic deficit is that none of the areas in which the European Parliament specializes – trade liberalization, monetary policy, the removal of non-tariff barriers, technical regulation in the field of environmental protection and other areas – does not appear on the list of issues of interest to voters (Moravcsik 2004, 336-363).

In 1995, Jürgen Habermas noted that the democratic deficit is primarily due to the fact, that “economic dynamics within the existing institutional structure perpetuates the erosion of national forces through European law” (Habermas 1995, 303-307). The concern of Marxists and critical theorists about the economically liberal bias of European integration and its impact on social democracy can be traced back to before the adoption of the Single European Act. Although authoritarian-liberal governance is intensified through the eurocrisis, the logic and dynamics of authoritarian liberalism and the underlying de-democratization have been defined since the beginning of European post-war reconstruction, when the judiciary and technocratic authorities assumed the role of leaders of the European integration project (Cohen 2007, 109-127; Wilkinson 2018, 3-19).

Systematic interference in national law is observed within the framework of the European semester in order to develop a mechanism for reporting macroeconomic imbalances in member states. The transition to a single currency provided the euro area countries with the following consequences: the euro eliminated currency risk associated with exchange transactions and reduced transaction costs associated with intra-zone trade; the euro contributed to price stability; the euro helped accelerate the financial integration of the European Union (today, many segments of the financial market are characterized by sufficient depth and liquidity, which guarantees a better distribution of resources and risks); the euro plays the role of the second currency

in the world (after the US dollar), serving international trade and financial turnover. The direct impact of the euro on the capital market was manifested in the reduction of currency risks and the elimination of organizational, technical, legal and regulatory obstacles in the euro area, which in the past led to segmentation and disunity of national markets: the European financial market has become hyper-homogeneous. The transformation of the euro into an international currency created not only benefits for the region and its member countries, but also risks, and increased liability, as the issuer became more vulnerable to fluctuations in currency exchange rates, which undermine financial and macroeconomic stability and limit the choice of possible monetary policy measures. In addition, the rapid appreciation of the euro is disadvantageous for European manufacturers, since it leads to higher prices for exports, reducing their competitiveness compared to American and Asian goods, which, in turn, slows down economic growth (Surico 2007, 115-135; Ewald Nowotny, Peter Mooslechner, Doris Ritzberger-Grunwald 2010, 235).

One of the problem areas of the Economic and Monetary Union is the institutional heterogeneity of its two parts, or pillars. The single monetary policy has been transferred entirely to a supranational body, the European Central Bank (ECB). The national central banks of the Eurozone are subordinate to the ECB and exist only to strictly implement its decisions. The common economic policy of the European Union and the Eurozone countries is based on the principles of intergovernmental cooperation. The EU bodies - the Council and the Commission - develop some general guidelines for economic development, for the implementation of which national governments are responsible. They are also in charge of the main part of macroeconomic policy, including fiscal, structural, regulation of commodity markets and labor markets. This design arose during the preparation of the Maastricht Treaty: the EU countries sacrificed national sovereignty in the monetary sphere, but did not give Brussels powers in the field of economic policy: before the Eurozone crisis, this structure withstood the load, but then its inconsistency became obvious (Butorina 2012, 98-115). In January 2019 at Davos, Angela Merkel told an audience of global business leaders how she yearned for a resumption of conventional monetary policy: "When you look at the monetary policies of the large central banks, then we can see that we are still chewing over this crisis, that we're still not past it. Things should return to normal as soon as possible" (Donahue and Delfs 2019). As Patrick Donahue and Arne Delfs note, "It used to be bad form for government heads to be seen trying to tell central banks how to do their job; but that's changing with leaders now much more comfortable weighing in - some more aggressively than others" (Ibid). On the other hand, as Dóra Györfy notes, "while following the global financial crisis, many have argued that the homogeneity

of rules within the Economic and Monetary Union facilitate the rise of populist movements, authoritarian challengers have emerged only outside the Eurozone” (Györfy 2022, 1-21). She shows that while the limits on economic policy autonomy strongly hinder authoritarian tendencies within the Eurozone even under a populist government, being outside the EMU is a necessary though not sufficient condition for the entrenchment of authoritarian rule (Ibid).

The checks by the European Commission and the European Council cover all areas of public policy and areas over which the Union has no jurisdiction. According to Alexander Somek, due to the influence of the Union on budget planning, the member states are left with a “core of sovereignty”: national parliaments are not the main participants in decision-making against the background of the growing influence of the European Parliament and supranational executive bodies (Somek 2014, 48). The measures taken in response to the eurocrisis can be described as violating various constitutional norms that are stipulated in European treaties and constitutions: authoritarian liberalism leads to deconstitutionalization, which is “the flip side of excessive neoliberal constitutionalization” (Wilkinson 2018, 3-19). Post-war constitutional overregulation in Europe reflects this authoritarian attitude, which is the systemic fear of popular sovereignty and democratic constitutional power. Various measures associated with attempts by democratic politics to strike back at the principles of authoritarian liberalism at the national and subnational levels are rejected and condemned by neoliberal constitutionalists as populist. In an analytical report prepared in 2021 with the financial support of the European Parliament, Stefano Stefanini notes that “European sovereignty is both a reality and an ongoing process of further building its sphere, for instance with the Health Union, in response to structural changes and challenges in a globalized world. But it has boundaries that the EU institutions must recognize and respect and will continue to coexist with national sovereignties that the legal and political capacity to set the limits. Such limited European sovereignty is here to stay. Member States need to enhance it to confront issues that they cannot deal with in isolation. EU citizens should be thankful for it: only a shared, supranational, sovereignty can cater for their common interests. EU institutions should acknowledge that their hard-fought “sovereignty” is not a natural endowment. It originates from national sovereignties and must be used it wisely” (Stefanini 2021).

In terms of democratic criticism, authoritarian liberalism is accompanied by a significant weakening of parliamentary power and parliamentary debate both within the member states and within the EU itself, as well as the violation or refusal to protect social rights. The economic measures imposed by the Eurogroup and the Troika (IMF, ECB and European Commission) are neoliberal austerity measures requiring government intervention, breaking

social contracts and disrupting existing social relations in favor of structural reforms. According to Donald Tusk, the alternative to austerity is a dangerous illusion: Tusk links national resistance to austerity with “anti-German” forces and speaks approvingly of ordoliberalism as a “new rationality” and the main criterion of economic stability (Donald Tusk Interview 2015). European ordoliberalism is not formally a constitutional restriction and the internal electorate may agree with the idea of the absence of alternatives to neoliberal reforms, but today this idea is imposed as dominant. Authoritarian liberalism is becoming both a transforming and conservative idea and principle of constitutional order in Europe: the post-war ordoliberal regime has mutated from a nominally rule-based structure accompanied by market discipline to a discretionary regime reinforced by bureaucratic power; the goal of mutation is to preserve Europe's neoliberal constitution and its underlying market principle (Bonefeld 2017, 747-761). Contemporary authoritarian liberalism seems to be too epistemological in its orientation and too soft in practice (Somek 2015, 72). As Malte Dold and Tim Krieger note, “ordoliberalism is built on the core idea that the coordination of economic interactions in a complex system requires a deep understanding of the essential role of moral and political thinking... Facing the recent populist backlash against openness and international coordination, ordoliberal policy proposals might help to regain public support for market integration by increasing democratic control of national and European economic policies. After decades in which economists often neglected fundamental social questions in favor of technocratic details, ordoliberals can offer an attractive political economy framework” (Dold and Krieger 2021, 341-361).

Today, European liberalism as an ideology of sustainable peace and democratic freedom opposes all forms of direct, cultural and structural violence. Consequently, the attitude towards the future advocated by liberals is fundamentally cosmopolitan. Their ideas about the future world order go back to the classics of liberal ideology. In the fundamental work of L. Mises in 1927, the key points of the future world development were presented in the following sequence: peaceful cooperation of peoples – international law prevailing over national law – free world civil society – world government – cosmopolitan overcoming of nationalism and promoting “perpetual peace” (Mises 2005, 37). For post-war political philosophy, the convergence of authoritarianism and liberalism seems conceptually untenable, and this is due to the fact, that the considered conceptual dichotomy is about political, not economic liberalism. During the ideological battles of the Cold War, liberalism was closely associated with democracy (in Western capitalism) and opposed to authoritarianism (in Soviet communism). In the theories of John Rawls and Jürgen Habermas, liberal democracy is combined with egalitarian and progressive tendencies (Rawls 1971, 52; Habermas 1995, 303-307).

However, they offer neither an alternative to capitalism as a subject of political economy, nor an analysis of capitalism as a threat to the democratic order (Wolin 1996, 97-119).

The liberal project does not diminish the importance of moral ideals and obligations of solidarity, but, on the contrary, creates fair conditions for their implementation. The need to take into account moral views that vary depending on society does not yet indicate the inadmissibility of prioritizing certain basic values over them (today they are usually expressed through the concepts of human rights and equality). Communitarians represented by Michael Sandel, Charles Taylor, Michael Walzer actually adhere to certain fundamental values that they put above any concept of the good, thus remaining within the framework of liberalism, and their attempts to justify the supremacy of ideas about the good life is unconvincing and often leads to the substitution of the problem itself (Sandel 1982; Taylor 1989; Walzer 1990). What has been said means that the communitarian critique does not undermine the foundations of Rawls's theory of justice, but, on the contrary, enriches it. The disagreements between communitarians and liberals are explained by the incorrect use of the concepts of "the good" and "moral merit", and partly by the untenable thesis that moral obligations can arise solely through membership in a particular community. Sandel argued, in a book titled "The Tyranny of Merit", that the rise of authoritarian populism in countries from the United States to Germany to China had been made possible by a confusion of success with merit: elites had come to believe that if they came out ahead it was because of talent and hard work; this left working-class people with the impression that if they had not come out ahead they lacked those things. All the hopeful talk about opportunity and talent rising in a system that did not really provide opportunities was a recipe for working-class alienation (Sandel 2020, 127).

Today, the European Union and the European integration project have almost completely recovered from the shock after the eurocrisis and Brexit. Despite the social transformations of the EU, the painful component of which is the economic and migration crisis, today it is possible to talk about the decline of an integrated Europe only in the format of purely theoretical assumptions. The power structures of the predominant part of the EU member states are aware that its disintegration is fraught with serious strategic consequences for Europe, weakening its political weight. Thus, it would be shortsighted to expect or argue that the EU will run aground in geopolitics for the near future. In general, the history of the development of European integration demonstrates a slow but progressive movement towards the communitarianization of social rights and the strengthening of the social dimension of the European single market. The European Commission, in its Reflection Paper on the Social Dimension of Europe states, that the Europe-

an Union has always had a social dimension closely linked to its economic ambitions. Improving working conditions, raising the standard of living and gender equality have been the main goals of the EU since 1957, when the Treaty of Rome enshrined the principle of equal pay for women and men in the form of law. Since then, the development of the social dimension has gone hand in hand with the deepening of the single market and the concept of EU citizenship, guaranteeing a level playing field and fundamental rights in all countries (European Commission, Reflection Paper on the Social Dimension of Europe 2017). Indeed, according to OECD data for 2018, the share of public spending on social needs as a percentage of GDP in the EU countries is significantly higher than in other regions of the world (EU – 22%, North America – 14.5%, and other OECD countries – 17%) (OECD 2019).

From the first steps of its economic and political existence, the European Union was accompanied by predictions of its inevitable collapse. The prophecies did not come true: the EU has shown a progressive and irreversible process of successful integration and development. In the post-war decades, unifying interethnic processes led to the emergence of a solidary political nation, representing a kind of superstructure on the civic nations, the formation of which took centuries. The growing feeling of supranational belonging to a united Europe began to appear in the minds of its citizens along with belonging to cultural nations. In March 2017, in the Rome Declaration, the European Council, the European Parliament and the European Commission reproduced the fundamental program setting “A stronger Europe on the global scene”, based on “further developing existing partnerships, building new ones and promoting stability and prosperity in its immediate neighbourhood to the east and south, but also in the Middle East and across Africa and globally; a Union ready to take more responsibilities and to assist in creating a more competitive and integrated defence industry; a Union committed to strengthening its common security and defence, also in cooperation and complementarity with the North Atlantic Treaty Organisation, taking into account national circumstances and legal commitments; a Union engaged in the United Nations and standing for a rules-based multilateral system, proud of its values and protective of its people, promoting free and fair trade and a positive global climate policy” (European Commission, The Rome Declaration 2017).

Many participants in political discussions insisted on saturating liberalism with democratic and socialist values. It is not easy to resolve this issue in a doctrinal frame but if we are talking about views that do not go beyond consensual approaches, then in the mainstream of practical activity it is necessary to seek and find balances between the goals of liberals, social democrats and democratic socialists. On the one hand, we should not forget that

the fundamental liberal idea is the defense of liberal democracy, on the other hand, not a single politician who comes to the polls today and in the foreseeable future can do anything with the slogans of dismantling the welfare state or even significantly reducing its scale, because he will lose the election. Thus, the debaters cannot get away from the structural and ideological gap between the normative state of the welfare state and neoliberal reality. The influence of ethno-nationalists, isolationists and xenophobes on people who are anxious about the independence and “specialness” of their country, about the preservation of their language, cultural identity and historical memory, must also be taken into account. Nationalist and anti-European parties have taken strong positions in a number of countries. Indicative in this aspect is the authoritarian case of Hungary, which in communist times was at the forefront of liberation processes, and after a short transitional democratic period showed phenomenal illiberal transformations. The successive waves of nationalist and social populism not only raised the autocratic government to the pinnacle of power, while throwing socialists to the periphery of political life, and liberals beyond it, but also buried the entire system of checks and balances under them. Today, among Eurosceptics within the European Union, and especially among external Europessimists and observers, there are many who try to substantiate the coming decline of European integration with theoretical calculations, but they still remain a kind of “conceptual minority shareholders” who do not take into account the growing transnational solidarity in the face of geopolitical threats, the structural adaptability of political liberalism and the flexible economic rationality of European ordoliberalism, as well as the current changeable mobility of sociocultural interactions both within the EU itself and outside it – with the most influential actors in world politics.

CONCLUSION

In the political studies of authoritarian liberalism, three competing conceptual approaches can be distinguished: a structural analysis of authoritarianism underlying European ordoliberalism in contemporary critical theory; an ethical analysis of the procedural consequences of neoliberalism in communitarianism; and an economic analysis of ordoliberalism as a rational strategy for managing a market economy in neoliberal theory. Authoritarian liberalism is conceptualized as an ideological synthesis of semi-authoritarian forms of government and neoliberal economic goals and is associated with periods of economic crises, such as the interwar period of the 1920's and 1930s and the current eurocrisis. Authoritarian liberalism means the strategy of maintaining and promoting economic neoliberalism, to which the market economy and

technocratic elite are shifting to contain social crises. Authoritarian liberalism embodies the political structure of market capitalism's dominance over representative democracy with the priority of economic liberalism and the technical and symbolic role of semi-authoritarianism. Due to the presence and dominance of the fundamental values of political liberalism, authoritarianism in this structure is not repressive or monocentric, it is subject to sharp democratic criticism in relation to the supranational structural and constitutional overregulation of the European integration.

The practice of the welfare state, having undergone a series of transformations, moved to one of the central places in political discussions and public life. The Oxford Manifesto of Liberal International proclaimed the creation of a system of social justice and equality of opportunity one of the main goals of liberalism. In the European Union, proposals have appeared to extend universal social benefits to all citizens. The idea of compatibility of the welfare state with the liberal ideology affects the foundations of the democratic structure – local self-government, NGOs, business. Without the free functioning of structures independent of the state, no effective social policy is possible. Opponents of this idea came out with strong objections. Presenting the idea in a rational way, they said, is impossible, because the welfare state, in the eyes of many, looks like post-modern Leviathan. In practice, this is a conglomerate made up of heterogeneous components, each of which has its own dynamics and effects that cancel each other out. They also suppress incentives to work and inflate the country's debt during periods of economic crisis.

European ordoliberalism as an enhanced form of authoritarian neoliberalism manifests itself in the constitutional consolidation of the primacy of economic freedoms in relation to legislatures and trade unions, as well as in institutions (European Commission, European Council, ECB, Eurogroup, and European Parliament) that transfer control over macroeconomic and monetary management from parliaments to supranational expert bodies and executive power. Authoritarian liberalism is pragmatic and ambivalent: on the one hand, if the emphasis is on economic liberalism, then authoritarian ways of managing and implementing policies are subject to the interests of property; on the other hand, economic liberalism can be an effective means of facilitating political authoritarianism, making it more acceptable to achieve interests. For authoritarian liberalism, the strong state is the dominant category of political economy. Authoritarian liberalism recognizes that the free economy, as a fundamental political category, is based on social order and constitutes an all-encompassing, totalizing practice of government. From the point of view of European ordoliberalism, all economic crises manifest themselves as crises of interventionism. Historically, authoritarian liberalism in the European integration process was reduced to the concept-

alization of a free economy as a political practice of the strong state: European ordoliberalism proceeded from the idea of the insufficiency of political liberalism and “softly controlled” the democratic organization of power.

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