From Competition to Polarization:
How Populists Change Party Systems to Concentrate Power

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22 October 2017

For two decades after the collapse of communism, scholars tended to identify a trend of democratic progress on the part of post-communist states joining the European Union (EU). While it was evident very soon after 1989-91 that many post-communist states were simply transitioning from one form of authoritarian regime to another, scholars expected that states fortunate enough to become credible future EU members would eventually become EU compatible liberal democracies – and their membership in the EU would only strengthen them. Some hailed the EU's pre-accession process as the most successful democracy promotion program ever implemented by an external actor. Others expected that, even where the EU turned its back, social movements could bring democratic improvement further eastward. For states joining the EU there were setbacks and, crucially, tremendous variation in how – and how well – democratic institutions and party competition developed over time. This included such basic anchors of democracy as political liberties and the rule of law. But the broad picture was one of democratic progress.

Today, echoing trends in the wider transatlantic world, the narrative of progress appears dead, replaced by democratic backsliding – and sliding toward authoritarianism. For its part, the ongoing effectiveness of EU leverage on remaining candidate states is being questioned even as the EU is held liable for weak rule of law in some new EU members, and for allowing if not abetting the backsliding of the Hungarian and Polish governments. The goal in this project is to understand one of the key drivers of domestic political change: when and why political parties change positions. Among some of the EU's post-communist candidates, EU leverage still has an important role in shaping party positions. By incentivizing political parties to moderate their nationalist appeals and to prioritize economic and institutional reforms, EU leverage pushes party systems away from identity-based polarization. As my adapting model predicts, political parties moderate their positions and adopt EU-compatible agendas because they calculate that this is necessary to win elections and hold power. For other candidate states, however, such as Bosnia and Macedonia, EU leverage has been hobbled by something blocking the usual incentives for parties to moderate their positions (Vachudova 2015). In these cases we see high polarization in the party system as incumbents try to make sure that populist, ethno-nationalist appeals remain electorally rewarding. For some post-communist states that have already joined the EU, the dynamics are remarkably similar: Democratic backsliding goes hand in hand with polarization of the party system as political competition shifts to issues of identity. Ruling incumbents take a strong position defending and speaking for "the nation" – and this serves the dual purpose of legitimizing the concentration of power, and deflecting attention from corruption and poor governance.

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While the temptations of polarization can be felt across the region, there is substantial variation in outcomes across candidate and member states. What is especially jarring is that early standard bearers of democratization in the region – Hungary and Poland – are leading the way. Since coming to power, the Hungarian and Polish ruling parties have had a remarkably similar playbook centred on concentrating political and economic power in the name of the nation. Hungary's Fidesz government has all but dismantled liberal democracy, while the fight is still on in Poland between PiS and a more robust opposition. Elections this weekend raise the specter of a somewhat different kind of democratic backsliding in the Czech Republic, orchestrated by and for a powerful and corrupt oligarch. In contrast, after nearly a decade of deterioration, Macedonia offers a new hope: National and subsequently local elections this year show that populist, authoritarian incumbents can overplay their hand and lose elections, and that the EU can even lend a hand in showing them the door.

Why would high polarization put democracies at risk? After all, democracy is centered on the process of institutionally accommodating strongly opposing social and political coalitions. But the democratization literature has also long commented on the indispensable role of the basic social consensus, in particular consensus about the legitimate boundaries of the national community. As the lines of the "legitimate" national community are drawn, any party or parties claiming a monopoly on representing "the nation" undermine basic social norms. If they play a political game where they portray their adversary as an enemy to be excluded or eliminated, this can easily dissolve into a no-holds-barred conflict. It follows that a particularly troublesome form of polarization is the one that eliminates cross-cutting cleavages and turns them into overlapping ones (Lijphart 1968). "It is not so much the hardening of opinion on a single issue, but rather the reorganization of opinions on different issues along specific identity markers that makes polarization such a difficult problem to solve" (McCoy and Rahman 2016). This is exactly the pattern that is evident in most cases of democratic backsliding in the post-communist region. The Chapel Hill Expert Survey (CHES) data[1] on party positions shows that party polarization is unusually high and widening along the social-cultural (or tan-gal axis), while it is at the same time all but disappearing on the economic left-right axis (see Figures 1-3).

When should we expect that changes in the positions held by major political

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[1] For all figures, I use the Chapel Hill Expert Survey (CHES) on the positions of national political parties that depicts the structure of political competition in the EU's post-communist candidate states, and sheds some light on how political parties bundle different issues. The dataset provides the position of each party on European integration, as well as its position on two dimensions of political competition: the left/right economic dimension, and the gal/tan cultural dimension. 'Gal' stands for green/alternative/libertarian (or socially liberal) and 'tan' for traditional/authoritarian/nationalist (or socially conservative, though this label tends to underplay the authoritarian and nationalism positions of the tan parties in the east). This dataset is built using expert surveys: A team of researchers asks experts—usually academics specializing in political parties or European integration—to evaluate how party leaders defined the positions of their political parties on European integration, and on three ideological dimensions for European political parties. The time point of reference for the figures in this paper is 2007 and 2014, and the analysis is confined to parties with two percent or more of the vote in the national election the most proximate prior year.

parties – or indeed the breakthrough of new parties – will be accompanied by democratic backsliding? It is first helpful to define at least briefly the concept of democratic backsliding. In a recent article Nancy Bermeo defines it as "the state-led debilitation or elimination of any of the political institutions that sustain an existing democracy" (Bermeo 2016, 5). Bermeo also highlights, in the contemporary era these are often moves undertaken by popularly elected governments that then hide behind this electoral mandate to present its anti-democratic moves as "the will of the people" (Bermeo 2016).

Defending the Nation in order to Concentrate Power in Postcommunist Europe

Post-communist EU members and candidates that have suffered from democratic backsliding have tended to share one characteristic: the embrace by parties of intense if not extreme appeals to safeguard the interests of "the nation." These parties – in Bosnia, Macedonia, Hungary, Poland – have been well-established and ostensibly mainstream conservative groupings. They win big in elections by capitalizing on popular frustration with corruption, austerity or the uneven benefits of growth. Once in office, they call for a return to national grandeur and conservative social values, and promise to defend the nation from its enemies – among which liberals, the ex-communist left, foreign-owned big business and the EU quickly take centre-stage. Xenophobic outbursts by elected politicians about immigration may not be backsliding in and of themselves, but they can become a tool for delegitimizing opponents as outsiders who are out of touch with ordinary people and who do not belong to "the nation." It is by claiming to defend the nation that the leaders of these ruling parties build the political cover to concentrate power and dismantle liberal checks and balances. They also put in place a more centralized, illiberal model of political economy that serves to shore up their political power (Scheiring 2015).

In the quest to hold and keep more power, defending "the people" or "the nation" thus serves the dual purpose of legitimizing the assault on liberal democratic institutions and deflecting attention from corruption and poor governance. Political competition on socioeconomic issues is eclipsed by or subsumed into competition on identity and values. The result is striking – and intentional – polarization in the party system on the social liberal (gal-tan) axis, often radicalizing and intensifying earlier divisions. Competition in the Hungarian party system has always been almost entirely on the social conservative vs. social liberal or gal-tan axis, and since 2016 the Polish party system seems to be following suit. Zsolt Enyedi (2016) combines these two ideas by arguing – again through the prism of the Hungarian case – that backsliding was caused and sustained by a polarised, well-institutionalised party system. After watershed elections, ruling incumbents deepen polarization by side-lining, defanging or eliminating institutions, media outlets and NGOs; and by putting in place a centralised system of supportive crony capitalism. The concentration of power is again the greatest in Hungary where "oligarchs and the organized underworld have not captured the state; rather, an organized "upperworld" of elites have captured the economy, including the oligarchs themselves." (Magyar 2016). Only time will tell whether and how this system of illiberal political, economic and social power can be attenuated or reversed in the future.

The Czech Republic is following a different path. In the land of Kafka, the ANO movement has won power on an anti-corruption platform, despite the fact that ANO is a political vehicle for Andrej Babiš, a very corrupt oligarch who made his fortune by manipulating the state and defrauding the taxpayer. Babiš is unique in the ways he has concentrated power in the economy, in politics, in government, in the media and in civil society, with the different sources of power interlocking with and amplifying one another long before he becomes prime minister. We can wonder at the enormous gap between the image cultivated by his firm *Agrofert,* which controls large swathes of the Czech economy*,* and the reality of *Agrofert's* nefarious business practices, political dealings and security networks. We can even listen to Babiš discussing with a reporter for one of his dailies when to run a story discrediting political opponents using information obtained illegally from an active police file. From the perspective of the quality of democracy in the Czech Republic, there is plenty that is concerning – but nearly 30% of the Czechs who went to the polls were apparently not concerned and gave him their vote.

Babiš won these elections in a landslide by successfully painting himself as a martyr – and claiming that all of his troubles were fabricated by corrupt mainstream elites who see him as a threat because he is so honest, efficient and transparent. He promised to protect the Czech people from these corrupt elites – and from the migrants and the Eurocrats at the gates. He is under investigation for fraud and beset by scandals, any one of which could have ended the career of a more typical mainstream politician. There is no question that the rise of ANO has already undermined informal democratic norms in areas such as financial transparency, conflict of interest laws, manipulation of the state administration and accountability to the media. As Anna Grzymala-Busse argues in the framing paper for this conference, "such norms and informal rules are the product of decades of elite and popular interactions and the shaping of expectations that govern political behaviour. Once such trust and consensus disappears, it is not easy to bring it back" (Grzymala-Busse 2017).

As a consequence of the October 2017 elections, the Czech parliament now resembles the Czech agricultural sector -- with one big conglomerate, *Agrofert* (ANO), and many small start-ups and failing traditional businesses (the eight other parties in parliament). The question at hand is whether the big conglomerate will drive the others into submission, or whether they will leverage state institutions to protect themselves. Its too early to know what paths will be open to Babiš. He could be preparing to consolidate power further by holding referendums and pushing through constitutional changes on the model of Hungary's and Poland's populist nationalist parties. There is a possibility that the Senate could be bypassed by making one constitutional change to allow constitutional referendums. The extremist Freedom and Direct Democracy (SPD) party and the unreconstructed Communists would both be up for this, and it could be dressed up as a democratic reform. Babiš could also be looking forward to dominating the fragmented political landscape simply by continuing to concentrate power through more informal means that leverage his interconnected power in business, politics, the state administration and the security networks, but without the formal institutional changes and far reaching purges that have marked democratic backsliding in Hungary and Poland.

ANO has so far not invoked the protection and promotion of an ethnically defined Czech nation. This distinguishes it from Fidesz and PiS for whom defending the "nation"– understood in terms of ethnicity and socially conservative values – has been central to legitimizing their concentration of power. ANO lacks a similar nationalist justification for centralizing authority, though to some extent it uses the fight against corruption and against traditional parties as a stand in. The party also uses fear of refugees and Muslims to create a sense of external threat to Czech national identity. Over the last year, however, ANO has come closer to the openly xenophobic appeals of the Czech president Miloš Zeman. There is some risk ANO will embrace xenophobia to attract the voters of the extremist SPD which got 10% of the vote. In so doing, ANO would follow in the footsteps of Fidesz which has become more and more xenophobic in order to win the voters of the extreme right-wing Hungarian party called Jobbik. Babiš has already fallen in step with Zeman in arguing that although refugees and migrants have shown no interest in settling in the Czech Republic, the country will inevitably face massive migratory pressures threatening both its security and its way of life if national and EU borders are opened (Babiš 2017: 256). Like Zeman he understands Czech national interests as the defence of a beleaguered national state within a dysfunctional EU. All that said, the concentration of power in the Czech Republic is taking a trajectory quite distinct from Hungary and Poland, and is likely to be a weaker vehicle for democratic backsliding though still plenty dangerous for many of the pillars of liberal democracy such as an independent media and the rule of law.

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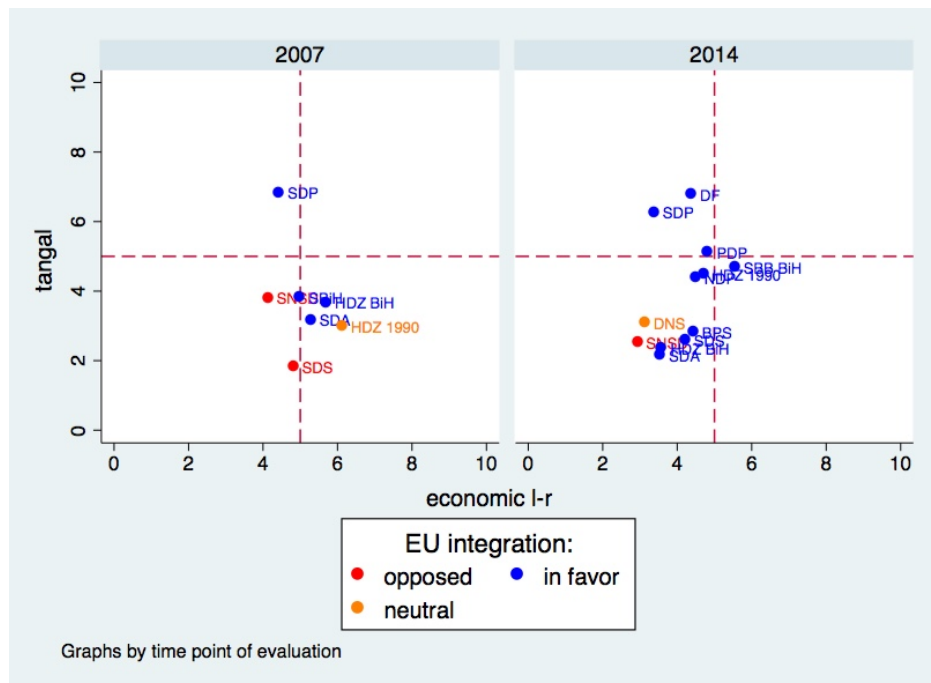**Figure 1: Bosnia's Party System, 2007 and 2014**

Graphs by time point of evaluation

Figure 2: Macedonia's Party System, 2007 and 2014

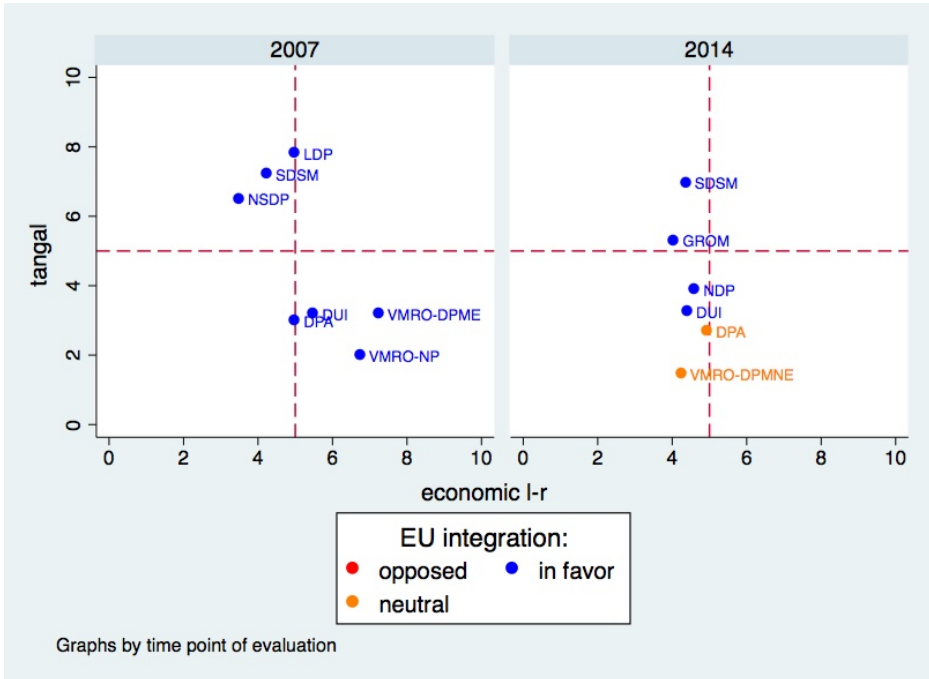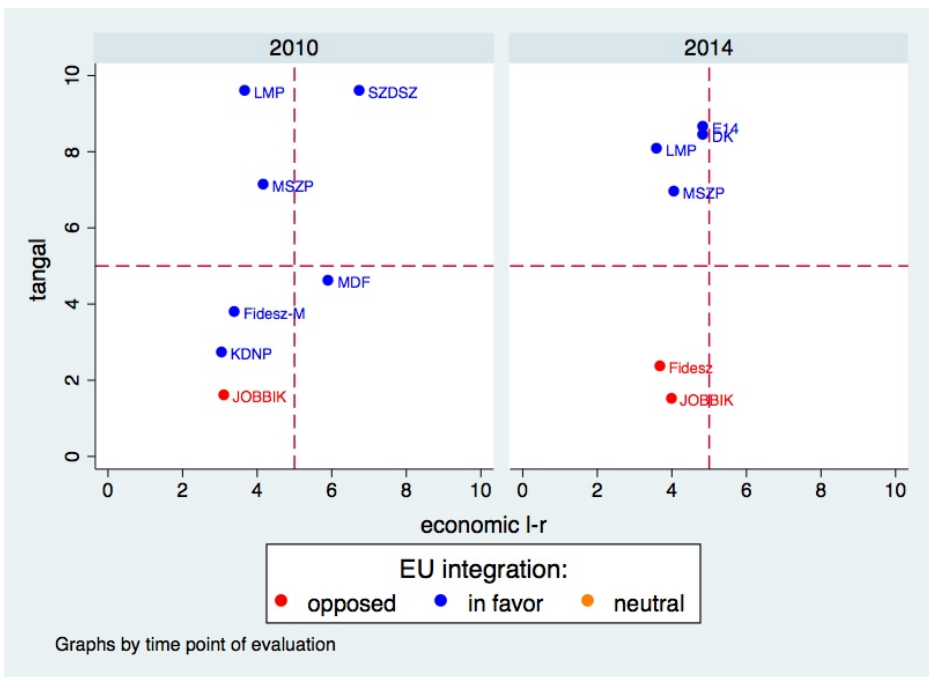**Figure 3: Hungary's Party System, 2007 and 2014**
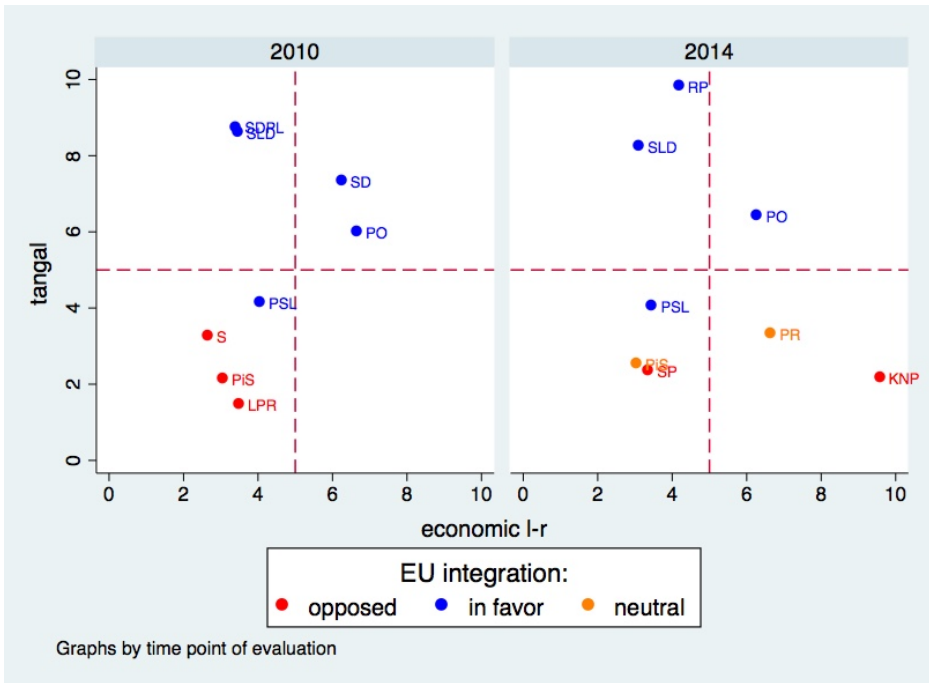
Figure 4: Poland's Party System, 2007 and 2014

Figure 5: The Czech Republic's Party System, 2007 and 2014