# REINVENTING LIBERALISM: LOCALISM IN A GLOBALIZED WORLD



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#### Editor's note

#### by Dániel Mikecz

During the 2016 US presidential election, the Brexit campaign and the recent parliamentary election in Hungary populist politicians contradicted the globalized city, urban lifestyles and multiculturalism with the traditional countryside, with Christian culture, with the lagging industrial areas and with local communities. However, the Hungarian case proves that populist politicians do not want to solve the problems of local communities, but wish to exploit the abovementioned anxiety by fueling the fear from globalization (i.e. European integration, migration). Independent local communities could also hinder the centralization of power. Thus the populists' goal here is to build a patron-client hierarchical relation. The 'good king' solves the problem of the local community, which should demonstrate political loyalty in return. This is an asymmetrical power relation, the exploitation of local political, social problems. An important challenge of contemporary liberalism is to answer this challenge by mitigating the uncertainties, the anxiety of local communities and by offering liberal local policies, which can ensure autonomy, confidence and entrepreneurship. With the help of the communication technologies of the 21st century it is possible to create cheap, transparent municipalities and participative local politics.

Our volume wishes to consider the role of liberalism on the local level. We believe, that autonomy of communities and the individual, which is a central liberal value should have priority on local policy planning. In this volume good practices of successful local economic policies, local liberal results are presented for liberal politicians, experts and also for the broader audience. Those social groups, stakeholders are identified, who could be the target groups and allies of liberal local politics. The volume offers cultural, economic, historical and political explanations of liberal opportunities on the local level in different countries in Central Europe. In the first chapter Miłosz Hodun presents the political issues, which defined the 2018 municipal elections in Poland. He demonstrates that liberal cultural policies, like women's rights and LGBTQ recognition could be achieved on the local level as well and a smaller liberal party can define the agenda even in alliance with bigger political parties. In the second chapter Dejan Ravšelj, Marko Ropret and Aleksander Aristovnik analyzes the barriers of development and economic success for small and medium sized enterprises in Slovenia. They conclude that due to the regional differences good economic policies should be addressed on the local level or at least with a reflection on regional and local differences. In the third chapter Andrea Virág, Virág Bagi, Sára Baló and Soma Sárkány assess the local results of liberal political parties in Hungary, namely the former SZDSZ party and the new Momentum party. Also, they present the good practices of incumbent liberal mayors and the 2019 oppositional primary elections form a liberal aspect. Finally, Robert Braun in the final chapter presents the historical-cultural barriers of liberalism on the local level in Austria.

#### **Cultural Liberalism Shifting Local Politics in Poland**

#### by Miłosz Hodun

Between November 2018 and June 2019 Poland celebrated two big anniversaries. On November 11th the centenary of the country's re-establishment of independence was honored. In 1918 Polish state came back on maps of Europe after more than a century of partition by foreign powers. The Second Republic (II RP; 1918-1939) was born and it is remembered in the nation's collective memory as twenty years of progress and development symbolized, among other things, by assertion of voting rights for women or building a new harbor in Gdynia. And June 4th was the thirtieth anniversary of the first Polish free elections in 1989 (partially free to be precise, since only 35% of the seats in the Seim would be open to all comers, but all seats in the Senate). For many years this was a symbolic Freedom Day when Poles celebrated the end of communism and the beginning of the Third Republic (III RP) that in three decades has changed economic and social landscape of the country placing it among the peaceful, democratic and rich nations of the world. And in this context one more meaningful anniversary should be mentioned, on May 1st 2019 it was exactly 15 years since Poland joined the most prestigious club of developed nations in the world, the European Union. The membership was a great achievement and a consequence of a cross-party agreement as regarding the fundamental goals in foreign policy.

So why all these anniversaries were not as happy as they should have been? Why they were more reflective and official proceedings did not gather crowds as big as one could expect. In theory, at least, such commemorations should be a time to unify the nation. In practice Poles are divided as never before and big parts of the society feels it's not a good time to party.

Led by Eurosceptic former Prime Minister Jarosław Kaczyński, the conservative and populist Law and Justice (PiS) won an unprecedented majority in the 2015 general election after eight years in opposition, during two consecutive terms under the Civic Platform (PO). It happened just after Andrzej Duda (PiS) surprisingly won the presidential race. PiS was the first party in Polish post-1989 period that did not need a coalition partner to govern, it had majorities in both chambers of the parliament and could appoint all ministers, take control over public media, state owned companies and agencies. In order to get a full control over the state Jarosław Kaczyński only needed to subordinate the judiciary. The PiS majority annulled the appointment of five Constitutional Tribunal judges nominated right before the elections by the previous parliament dominated by the Civic Platform and packed it with its own loyalists. Later the law on the National Committee of the Judiciary (KRS), body responsible for nominating judges, was amended. According to the new legislation a majority of KRS members will be elected by the Sejm. In other words they will be PiS nominees. Finally, the Supreme Court law retroactively applied a lower retirement age to the sitting judges, effectively dismissing them, opening positions for right wingers nominated by the new KRS

In December 2017 and for the very first time, the European Commission activated a provision of the European Treaties (Article 7 TEU) in relation to the rule of law situation in Poland. According to the Commission there was and still is a clear risk of a serious breach of the rule of law by Polish authorities.

Unfortunately, there's more. The new government tried to limit women's right, changed public media into a fake news factory that supports the ruling party, cut financing for NGOs that are not

conservative and/or catholic, introduced education deform that destroys years of cumulative reforms and forced a new ideological curriculum, went on war with minorities and contributed to increase of hate speech and hate crimes against LGBT+ people. To put this differently, it cannot be doubted that the PiS party has enacted numerous measures that increase political influence over state institutions and threaten the democracy.

The PiS government's actions met with vociferous protests from opposition politicians and media. The first to protest were legal scholars, lawyers and judges, who issued public statements warning that the new parliamentary majority was undermining the Constitution. The opposition became mobilized and, to a degree, united by the crisis. Thousands of Poles participated in demonstrations organized by civil societies, e.g. protests in front of the Supreme Court or black protests for women rights all over the country, including small towns and villages.

In such times, times of extreme polarization between PiS and all other parties, it is difficult to come together and celebrate. Democrats are focused on mobilizing the society and protecting the achievements of the transition and European integration and one of the bastions to be protected was local government.

#### Polish self-government

The creation and development of regional and local self-government is seen as one of the biggest successes of Polish transition, just next to the economic growth and democratic reforms. One of the innovations of the 1989 Solidarity government was to replace the old communist centralism with administrative division in which the basic unit was the gmina (municipality), which owned property and had responsibility for its own budget. The gmina elected a council, which appointed the executive officials actually responsible for day-to-day administration of the locality. The biggest changes in self-government structure were introduced in 1999, transforming 49 regions into 16 new ones. A three-tier division of government was established: municipalities (gmina), 308 counties (powiat), and 16 regions traditionally called voivodships (województwo). Each of these divisions is governed by a council. Council members are directly elected. On the regional level there is two pillars of authority, a government-appointed governor called a voivode (wojewoda) and an elected assembly called a sejmik, with an executive board appointed by that assembly, headed by a voivodeship marshal (marszałek województwa). Since 2002 all mayors are directly elected.

Direct election of mayors strengthens the anti-party spirit presented in Polish municipalities. It enabled victories of popular local leaders, charismatic activists and political entrepreneurs, who were far from the Warsaw politics and gave a chance for escapers from traditional parties. Big cities in Poland are strongholds of progressive and centrist politics and broadly did not vote for PiS. After the 2015 elections and shock that was coming with every month of actions by the Szydło and Morawiecki administrations, cities and voivodships kept on being spaces of freedom and openness. It is worth mentioning that after the 2014 elections among 106 biggest Polish cities (with a president) there were 28 mayors from Civic Platform, 13 from SLD, 5 from PSL, 1 from Twój Ruch and 45 independents. PiS won only 12 cities. And the biggest of them was Nowy Sącz, 44th biggest town in the country. Moreover in top 10 biggest cities in Poland 7, including Warsaw, were governed by PO politicians or with PO support. Only one out of 16 regions (Subcarpathian Region) was controlled by PiS, all other by PO-led coalitions.

This is why regional and local governments were so important for the people. They not only gave optimism that not all institutions and budgets are in hands of nationalist populists but also they could in practical terms implement some of the progressive policies abandoned by the state and promote values so alien for PiS. This is why the autumn 2018 elections were so essential. Politico named them one of six most important European elections to follow in 2018: "What's at stake: About a year before local elections are set to take place, the ruling Law and Justice (PiS) party pushed through controversial electoral reforms in the lower house of parliament that the opposition says were drafted to help boost PiS' electoral chances. PiS says the reforms will make the system more transparent. The measures include changing the way State Election Commission members are selected, limiting mayoral terms to two and abolishing postal voting in local elections." It is hard to disagree with this opinion.

#### Civic coalition

To be able to beat PiS a new political alliance was created, namely the Civil Coalition (KO; Koalicja Obywatelska). It was an alliance of two centrist parties, the big Civic Platform and smaller Nowoczesna. Both parties come from the same centrist root of Polish politics. PO is the party of power, which governed Poland for 8 years and has dominated regional politics. It is a pragmatic party with conservative, liberal and social wings. On the other side, Nowoczesna is a liberal start-up, created only in 2015 in opposition to disappointment with PO's inactivity. Both parties are linked by values and had many common points in their manifestos. Therefore the coalition was rather easy to form. But it was not only the democratic platform that connected these two. There was also a very pragmatic reason. The electoral law in Poland uses the d'Hondt method of allocating seats with 5% threshold for parties and 8% for coalitions. It is preferable for the winner and big parties in general. Bearing in mind that the electoral districts are rather small, and in many of them there is only 5 seats to allocate, the effective threshold is much higher, even 15% in some of the regions. In such constituencies Nowoczesna, that was polling before the elections around 5%, could pass the threshold but win only a few seats in the whole country. Such a scenario would have benefited PiS who could have won additional mandates. It was safer to build a stronger alliance where Nowoczesna votes could translate in to a dozen or so of seats in regional assemblies, and much more in other councils.

The Civic Coalition was joined by the left-wing leader Barbara Nowacka and her newly established Polish Iniciative association (iPL). She became one of three faces of the Coalition, next to Grzegorz Schetyna (PO) and Katarzyna Lubnauer (Nowoczesna). The main focus of the Civic Coalition's campaign was protection of freedom and decentralization in Poland. Also, with the support of Nowacka Nowoczesna could mobilize women voters which was crucial in shifting majorities.

On October 21st Polish people elected their local and regional representatives who will lead the communities for next five years (it was fours in previous terms). The election results are very difficult to label as a clear victory of the government or a clear victory of the opposition. They are also difficult to compare with the 2015 general elections since in many places races fully focused on local problems, with local parties and important local figures running. The only results that are kind of a national indicator are elections to 16 regional assemblies. And here the results were as follows:

- PiS (Law and Justice): 34,29%
- KO (Civic Platform & Nowoczesna's Civik Coalition): 27,1%

- PSL (Peoplish People's Party; agrarian): 12,13%
- SLD (Left Democratic Alliance): 6,56%
- Kukiz'15 (antiestablishment): 5,65%
- BS (Independent Local Politics; local party significant mostly in Lowe Silesia): 5,3%
- Wolność (ultraconservative libertarian, eurosceptic): 1,6%
- Razem (radical left): 1,58%

PiS kept its leader's position, Civic Coalition was a runner off and PSL third. Even though PSL lost half of its voters (four years ago its result was over 23% of votes), more people voted for KO and PSL together than for PiS which was one of the most optimistic conclusion for the 2019-20 electoral marathon.

In terms of seats (in all 16 regional assemblies together) the results are as follows:

- PiS- 254 seats
- KO- 194 seats
- PSL- 70 seats
- BS- 15 seats
- SLD- 11 seats
- German Minority- 5 seats
- Regional lists- 3 seats

It can be summarized that the Civic Coalition was a successful project. If Civic Platform and Nowoczesna were running separately they would lose some 40 seats nationwide, which could have given PiS majority in a 4-5 additional regions. Because of the alliance Nowoczesna won 31 seats compared to 11 seats of SLD and zero seats of Kukiz'15. The latter example is very symptomatic – a party that got almost 6% of votes will not have a single representative.

PiS won in nine regions and KO in seven. PiS won in the East and KO in the West. Lower Sielsia being the only exception of a western voivodship conquered by Kaczyński's party. PiS will have absolute majority in six regions, KO in coalition with PSL and SLD in eight of them. Eventually, PiS also built a coalition with the BS in Lower Silesia and corrupted one of the KO council members to get the majority in Silesia.

The centrist opposition mobilized its core supporters in cities winning key mayoral races. The Coalition was particularly buoyed by its easy victory in Warsaw, the most prestigious contest which developed into a major strategic battleground between the government and opposition and set the tone for the campaign more generally. Here the KO contender Rafał Trzaskowski won with 56% of the vote in spite of the hyper-active campaign run by deputy justice minister Patryk Jaki (PiS). Jaki got only 28% of votes.

After the second round of voting organized on November 4th in 649 municipalities where none of the candidates got more than 50% of votes, it can be summarized that cites have a great chance to keep being bastions of freedom in Poland. Only 5 out of 107 biggest ones is will be ruled by PiS. The national populists lost 5 of them and now the biggest in their hand is Chełm, a town of 63.000 inhabitants.

The turn-out in the first round reached 55% and it was the highest in the history of Polish local elections. They normally note a higher turnout in provincial towns and countryside, where PiS enjoys

strong support. This time, however, many voters in cities appeared to have been mobilized by the fact that these elections were a kind of a referendum in favor or against the populist government.

The mobilization of liberal voters was also a consequence of the last seven days of PiS campaign. It looked like Jarosław Kaczyński and his team panicked seeing bad polls and tried to mobilize their core voters, but moved the opposition instead. Just before the election silence PiS released a new clip showing how Poland would look like in 2020 should the opposition come to power and push a pro-immigrant agenda. Violence, rioting on the streets and the total dissolution of Polish society was what the ad envisaged. The advertisement was met with disbelief, even from the far right. Urban voters simply wondered what the refugee crisis in the Mediterranean, and its images from 2015, had to do with local elections. Additionally the topic of Polexit appeared just before the voting because of the justice minister. Zbigniew Ziobro asked the Constitutional Tribunal whether Polish judges had the right to refer queries on the interpretation of EU law to the European Court of Justice. KO argued that undermining the EU treaties in this way could be a precursor to de facto Polexit. The discussion was further ignited when, on the final day of campaigning, the European Court of Justice issued a preliminary injunction ordering the immediate suspension of the Supreme Court law's early retirement provisions until it could hear the Commission's case.

And for Nowoczesna? For the liberals it was the first ever regional and municipal race. And it was very successful. Nowoczesna débuted in regional assemblies with 31 councilors, which gives it fourth position in the country, after PiS, PO and PSL. Katarzyna Lubnauer's party's result should be also seen compared with SLD and Kukiz'15 so two parties that got slightly better results in 2015 general election than the liberal start-up. Now SLD will have three times less councilors than Nowoczesna, and Kukiz'15 will remain with no representation on the regional level. 31 seats will give Nowoczesna the power to participate in regional coalitions in more than half of voivodships.

The success of Nowoczesna is even more visible in big cities. In Warsaw's city council for instance Nowoczesna is third biggest party and Paweł Rabiej became deputy mayor of the Poland's capital city. Similarly, good result of Nowoczesna city council candidates will result with liberal deputy mayors in various locations, including Poznań, or smaller Kalisz.

Nowoczesna candidates became mayors in a few cities and towns. The biggest success is Jacek Sutryk's victory in the first round in Wrocław, fifth largest Polish city, or Mariusz Wołosz in Bytom, city in Silesia of 180.000 inhabitants. One of the leaders of Nowoczesna Youth became the youngest mayors in Poland, namely 27-years old Paweł Czuliński.

#### Liberal agenda in the campaign

As mentioned above for Nowoczesna it was not particularly difficult to enter the Coalition with PO because of the common principles as regarding the democracy and decentralization both parties share. Yet there is also the other side of the coin. Beyond the fundamental part of the manifestos both parties are quite different. Civic Platform belongs to the European People's Party (EPP) and is a typical big-tent party (or volkspartei). It is a pragmatic party that can be placed in the center or center-right of the political spectrum. It unites practical politicians, including those who used to be members of SLD and PiS. Such composition makes it difficult for PO to take bold stances on difficult issues. PO is much better in administering than leading. On the other hand, Nowoczesna was created as an offer for voters who had been disappointed with flatness of PO, both on socio-cultural and

economic level. Nowoczesna succeeded in 2015 election with a comprehensive liberal platform and continued to be the progressive voice in the Sejm. Nowoczesna was very vocal on topics that PO could not take any decision on, e.g. the same sex civil partnership or entering the Euro zone. These differences made it difficult for some Nowoczesna members to accept the alliance with a more conservative older sister.

But this obstacle was to be overcome and hundreds of Nowoczesna candidates run from the Coalition lists. Their greatest challenge was how to mark their presence on the lists and how to stress their liberal values. The problem with the latter one in 2018 elections was twofold. First, it was very difficult to use the topic of economic liberalism in local elections. Local authorities do not have many competences on taxation, etc., and the economic agenda on this level was pretty much the same as PO's. Second, the topics chosen and the approach applied couldn't break the coherence of the coalition and therefore bring attacks from the right-wing media.

One of the most important ways to stand out on the common lists was with cultural liberal agenda, namely women's rights, LGBT+ rights, IVF and the separation of the state and church.

#### Women's rights

Poland is home to some of the most restrictive abortion laws in Europe. In Poland, the procedure is only permitted if the mother's health is at risk, there's a fetal abnormality, or the pregnancy results from rape or incest. Even then, it is difficult to find a doctor who will perform the procedure and many Polish women cross the border with Germany or the Czech Republic to seek help (even more use underground clinics in Poland). In 2016 PiS's majority pushed by the Catholic Church in the parliament almost passed a full ban of abortion. But then the law collapsed as senior politicians from PiS backed away from it after a parliamentary committee urged MPs to vote it down following mass protests. About 30.000 people, many dressed in black, gathered in wretched weather in Warsaw's Old Town, and many more in dozens of locations around the country, chanting among others "We want doctors, not missionaries!"

Later PiS — after a few weeks of silence — brought the debate on the abortion ban back on the parliamentary agenda. The new proposed legislation would allow procedures in cases where the mother's life was at risk or the pregnancy resulted from a crime, but would ban abortions of fetuses with congenital disorders. This proposal is a citizens' initiative, led by one group called Stop Abortion, which says 96% of all terminations carried out in the country in 2016, were on fetuses showing abnormalities, many of them diagnosed with Down's Syndrome. Ca. 55.000 people took part in the protest as part of "Black Friday" in Warsaw, and similar demonstrations were organized all over the country. For the first time the protesters gathered at the seat of the Roman Catholic leaders, before marching to the Sejm and later moving on to the HQ of PiS. Finally, the proposal was approved by Parliament's Justice and Human Rights Commission, but has not been proceeded further.

"Black Protests" was a breakthrough for many social activists, especially female. Many people for the first time realized that women's rights are human rights. Nils Muižnieks, of the Council of Europe human rights group said preventing women from accessing safe and legal abortion care "jeopardizes their human rights". And this could not be accepted.

In summer 2016 PiS limited women's access to the morning-after pill. The new law turns emergency contraception into a prescription drug. Women and girls 15 and over will now need to make an

appointment with a doctor. The Dutch liberal MEP, Sophie in 't Veld, said the new measure was a violation of shared European values. "The current populist national-conservative Polish government is enforcing a sexual counter-revolution, against the health interests and wishes of Polish women and girls," she said.

Some of the feminist activists joined Nowoczesna after the protests and some were nominated as Nowoczesna candidates on the Coalition lists. Nowoczesna was reliable for many women since it has been always seen as a "female party". At the time it was led by a women and another women, Kamila Gasiuk-Pihowicz, was chairing the Group in the parliament. Katarzyna Lubnauer while touring Poland in the campaign was repeating everywhere a slogan "Women will blow this government!". During the opening KO convention Nowoczesna's leader said: "Women will win these elections. We, women, have proven what's the power of our determination and solidarity. We, Polish women, have shown that we can unite and beat our enemies, even those who seem invincible. We were standing side by side on the streets and in front of the Sejm, during the Black Protest we won our battle for freedom, for women rights, for human rights, for rights of Polish women and men!"

Nowoczesna has prepared a special election package for women. It was presented by Monika Rosa MP, Marek Szolc, secretary of Nowoczesna in Warsaw and Aleksandra Śniegocka-Goździk, back then women rights activists. Both Szolc and Śniegocka-Goździk are today representing Nowoczesna in the Warsaw City Council.

The program for women consisted of three pillars. The first one was titles "Healthy and Informed Women". It included free 24/7 access to gynecologist for all women, especially those with disabilities, new perinatal care standards, and HPV vaccinations. They may look like regular, non-political issues but in Poland they are highly politicized and associated with the progressives.

This is especially true if it comes to the access to gynecologist. The public gynecologist services are not highly appreciated by Polish women. But the biggest problem is in the case of emergencies, like sexual violence. There are not many practices that are open round the clock. In most of the smaller towns there are none. The problem is even bigger because of the conscience clause. Poland's "conscience clause" under article 39 of the Doctor and Dentist Professions Act is a particular concern. Medical personnel may decline to perform a medical procedure on the grounds that it conflicts with their personal values or beliefs. This is especially true if it comes to gynecologists and abortion. The law states that personnel must refer a woman to an alternate doctor or facility where she has a real possibility of obtaining services, but local women's groups report that such referrals are often not made. This is why Nowoczesna found so important to have such 24/7 access to ideology and religion-free medical services.

Conservatives' reluctance toward solutions that would help protect women's health is often connected with their urge to control women's lives and women's bodies. This cannot be accepted by any liberal or progressive force. This is also the reason why conservatives are against Nowoczesna's postulate to introduce free HPV vaccinations for teenage boys and girls. The right-wingers are afraid of a more liberated sexual life of Polish women and would rather risk their health than do anything that could look like their encouragement for more sexual freedom.

The second pillar of the program was titled "Women Safe in the City" and it foresaw a complex support for victims of domestic violence, cooperation between municipalities and NGOs and establishment of urban equal status spokespeople in all cities. Since coming to power in 2015, the PiS

government has targeted women's rights groups through raids and de-funding, often with little warning and no clear rationale. This year it was confirmed by the Human Rights Watch (HRW) report. This included also organizations who were working with victims of domestic violence. The symbol of such policy was shutting down a hot-line for victims. Because it was run by a women's rights NGO it lost all state subsidies, and abused mothers and wives lost the only help they relied on. The hot line was restored but such attitude towards women's safety couldn't be tolerated and Nowoczesna called for more active municipalities in the field abandoned by the central administration.

The last pillar of the program was titled "Equal Opportunities" and included building a new network of nurseries and kindergartens, support for women with disabilities, singing European Charter for Equality of Women and Men in Local Life. The Charter is both a political document and a practical instrument. It encourages local and regional governments to make a public commitment to equality and to implement the principles listed in the Charter. It proposes concrete methods by equality of women and men can be pursued in different fields of competences: political participation, employment, public services, urban planning, etc. Today, over 1600 local and regional governments in 32 European countries have signed the Charter.

This pillar grew out of necessity to increase women's activity in the labor market. Poland has very low professional activity indicator. And current government has approved many new solutions that would prevent even more women from finding a job and would push many of them away from labor market. One of such solutions was lowering the retirement age for women from 67 to 60. The other one is the symbolic "Family 500+" project. It is the flagship social project of PiS government, which in 2015 gave every family the equivalent of EUR 120 for every child after the second, regardless of income. And ahead of parliamentary elections in November, PiS has promised to extend "Family 500+" to cover all children. It is very costly and criticized by many experts since it has not changed the demographic situation as it should have. Women in less-educated groups are withdrawing from the labor market because of "500+". It is said that as many as 100.000 women could have become inactive because of the program. These women will not have later the right to pension; will depend on social benefits and their husbands' support. Nowoczesna wants to connect such children benefits with employment. The liberals would reshape the program so that it would not create incentives to stay home. To encourage women to join the labor market long term plans, systemic changes and big investments are needed. Of course such holistic vision is more difficult to offer and execute, and it's easier to give new immediate benefits, but liberals must plan in a broader perspective of women financial and social independence that safeguards the rights, now and in the future. Kindergartens and nurseries are one of the most important liberal instruments to reach that goal, next to the construction of the tax system and parental insurance, and one that local government could do.

Women's agenda presented by Nowoczesna was visible and differentiated the liberals among the Coalition candidates. Women issues became one of the key topics of 2018 campaign and translated into big female voters' mobilization and big number of women elected to council on all levels. It became especially clear for the Nowoczesna candidates. For example in Warsaw half of Nowoczesna representatives in the city council are women and the same goes for district councils and the Mazovian regional assembly.

#### **IVF**

IVF is a topic closely connected to the above discussed women rights, and especially reproductive rights, but since it's a broader topic and one that was crucial for Nowoczesna's campaign I will dedicate it this separate section.

IVF stands for in vitro ("in glass") fertilization. It's one of the more widely known types of assisted reproductive technology. IVF works by using a combination of medicines and surgical procedures to help sperm fertilize an egg, and help the fertilized egg implant in a uterus. The creator of the in vitro fertilization therapy, Robert Geoffrey Edwards, was awarded a Nobel Prize in 2010.

Most countries in the EU have some sort of state program to fund IVF for infertile couples. Poland passed such legislation regulating the procedure only in 2015, the last EU state to do so. Poland has one of the lowest fertility rates in the EU, which means that, barring a change in the number of children being born, the country will face a sharp decline in population and increasing costs of caring for elderly people. The procedure had been available for years but public funding only since 2013. The state program, implemented by the PO-PSL government, led to births of over 3.000 children, with about 17.000 couples undergoing treatment. The program cost about PLN 110 million (EUR 24 million) in 2013-2015 and was extended to last until the end of 2019 at an expected cost of about PLN 300 million.

But the program did not last that long. It was ended in 2016 by the ministry of health. Konstanty Radziwiłł, the minister at the time, said that the program is too expensive; Poland cannot afford it and it must be cut. "The in vitro procedure is not the only method that can be used when it comes to treating infertility," he added. It was clear for everybody that this was another decision imposed by the Catholic Church. Teachings of the church say IVF is sinful and prohibit it. Poland's bishops preach that freezing of embryos, which is often done during the IVF process, amounts to freezing of human beings, a claim rejected by the World Health Organization. Archbishop Andrzej Dzięga said IVF rules in Poland were criminal. And what was offered instead? The papal-inspired NaProTechnology and other strategies for family planning endorsed by the church. The government spent PLN 100 million on a program based on this pseudo-scientific methods that have no academic recognition, and simply do not work. Additional EUR 3 million were spent into a controversial public campaign encouraging citizens to "breed like rabbits". At the same time right-wing MPs pushed forward an act limiting IVF in Poland only for married couples.

Nowoczesna was protecting liberal standards of the IVF procedures and state financing thereof since it entered the Sejm. The party identified really quickly IVF as its own key issue and developed a long-term campaign. Since it was obvious that the PiS majority would not allow any changes in the national legislation, the campaign targeted local authorities. Even though the health protection falls within the scope of the central government there had been single cities that implemented their own IVF program knowing that the governmental one is not sufficient. And they inspired Nowoczesna to repeat this solution all over the country.

Nowoczesna MPs and local activists started the IVF campaign long before the local elections were called. This way they built their profile and prepared the ground for personal campaigns to city councils. Since Nowoczesna was created only in 2015, hence after the 2014 local and regional elections, it did not have any representation in councils, with exception of a dozen of council

members, from other parties or independents, who joined Nowoczesna during the term. Absence in the councils forced the liberals to find another solution to push its proposal through. And they used a mechanism of local citizens' initiative that gives a right to a group of citizens to propose projects to the council

The program was drafted by experts. In its basic version it contained PLN 5.000 (EUR 1.200) per couple to subsidize their IVF treatment. The number of procedures subsidized by a city was to be determined by their authorities and costs in the biggest Polish cities were estimated between PLN 300.000 and one million (EUR 70.000 and 240.000). Local party members supported by pro-IVF associations started collecting signatures (e.g. in Kraków 4.000 signatures) and proposed local IVF programs in various Polish cities. Bydgoszcz was the first one. Łódź, Katowice, Kalisz, Olsztyn, Wrocław and many others followed.

For Nowoczesna IVF became an important emotional factor to position PO as a conservative force in the Coalition. In most of the city councils the citizens' initiative could be approved only with support of PO. In some of the cities, like Wrocław, local liberal leaders were directly asking council members about their opinion on the IVF proposal to prove that Nowoczesna is the only progressive force. In most of the cases the initiatives were rejected. There were only a few cities, like Ostrów Wielkopolski and Szczecinek, which adopted local IVF schemes. Łódź, the third biggest Polish city, was the first one to react after the government cut funds with its own program. It's worth mentioning that also Łódź Region adopted a pilot program for the whole voivodship. To sum up, the entire campaign was a big success of Nowoczesna that has promoted IVF as its own topic, firmly opposing all conservative arguments of the church and right-wing parties.

After forming the KO it became obvious that IVF is so important for the smaller coalition partner and significant for the society that it became a part of a common program in many cities. In other words, Nowoczesna convinced PO that they should fight together for reproductive rights and to reverse demographic trends, and not to be afraid of the counter reaction of the conservatives. In some of the cities local IVF programs were in the center of the electoral discussion. In Warsaw this big debate, surprisingly for most observers, change mind of the PiS mayor candidate Patryk Jaki. Jaki is a young yet a very conservative politician who had to wear a mask of a moderate right-winger to have any chances to succeed in the open-minded capital of Poland. Jaki, who is against abortion (he himself has a child with Down syndrome), unexpectedly to many PiS followers supported IVF. He said that if the city council voted financing IVF from the taxpayers' money, he would himself approve it. He added, "I will not agree that IVF is an immoral procedure." Days and weeks passed, and there was no official reaction from the episcopate, which seemed afraid to criticize a PiS candidate. This is an emblematic example of how Nowoczesna's consequent position and open fight for its beliefs shifted Poland's political landscape into a tiny bit more liberal one.

#### LGBT+

The situation of LGBT+ people in Poland has never been enviable. Similarly to the whole region of Eastern Europe, the fight for LGBT+ people's rights started only after 1989, so 20 years after the revolution initiated in the USA. Nevertheless, legally, in Poland not much has been done in the last thirty years.

According to the Annual Review by ILGA-Europe the situation in Poland is really bad. In the 2019 edition Poland occupied 39th position in Europe and only Latvia is doing worse in the EU. Some progress could have been observed in the areas of LGBT+ anti-discrimination in employment and housing, but that's it. According to ILGA the most urgent changes are: (1) Adopting legal measures to recognize and protect same-sex couples, such as civil unions or registered partnerships and marriage; (2) Introducing hate crime and hate speech laws that explicitly cover all bias-motivated crimes based on SOGISC (sexual orientation, gender identity, sex characteristics) grounds; (3) Amending the Antidiscrimination Act, to ensure protection from discrimination based on sexual orientation, gender identity and sex characteristic (SOGISC) grounds in the field of employment, education, health and access to goods and services.

But none of these can be expected any time soon. The current government has always been hostile towards sexual minorities. The LGBT+ is, just like "gender", described as foreign, Western ideology. In a very Putin-style rhetoric LGBT+ people are treated as something alien, with no right to belong to the community, to the nation. But it was not only words, it was also actions. In 2016 due to the changes in Gender Accordance Act and the fact that homophobic and transphobic statements were once again made by public figures Poland dropped significantly in LGBT+ rights indexes. At the same time, judges working on court cases involving violent attacks continued to ignore the bias motivation in their sentencing. Former minister of education Anna Zalewska was diligently fighting against so called "Rainbow Fridays", campaign to ensure the safety and well-being of LGBT+ students.

On the other side Nowoczesna has been seen as the representation of the LGBT+ community in the parliament. Being the most progressive of parliamentary groupings Nowoczesna had clear stances on minority issues. It was already true at the beginning of the term when both the party and the group were lead by Ryszard Petru and became obvious for everybody when Katarzyna Lubnauer took over the party leadership in 2017. Nowoczesna since the beginning had two faces of its LGBT+ agenda. Monika Rosa is the most active MP in this field. And Paweł Rabiej, board member of the party, who came out in a TV interview in September 2016 and has been changing image of a gay person in Polish society.

Monika Rosa wrote with LGBT+ organizations a draft of civil partnership law. "It is not our job to tell people how to live their lives" – she acknowledged, talking about the bill – "No one has a divine, moral, human or any other right to decide which adults can start a family, love each other and have children and which do not". Additionally, she sponsored an amendment to the criminal code that would penalize homophobic hate speech. So far Poland has failed to address some gaps in hate crime policy; the situation has got worse since the new conservative government came to power. Currently, Polish law recognizes only racist and xenophobic hate crimes. International organizations recommend that the law should treat homophobic crimes the same way it treats racism, namely that the punishment should be more severe.

Paweł Rabiej became Nowoczesna's candidate for mayor of Warsaw. After signing the Coalition Rabiej supported PO candidate, Rafał Trzaskowski, and became his running mate to eventually get appointed deputy mayor. Rabiej's important and visible role in the campaign also positioned Nowoczesna as a progressive party that puts its money where its mouth is. And Rabiej was not the only one. In these elections for the first time we saw numerous openly gay candidates, many of them from Nowoczesna. A queer monthly magazine "Replika" presented their profiles in its online version and published a few interviews with the most outstanding ones.

Nowoczesna members announced their "rainbow program" in some of the cities, including Warsaw and Katowice. In the latter one a group of liberal candidates prepared a special declaration together with the local LGBT+ association "Tęczówka". The declaration was divided in three parts. First titled "Safe City" that included psychological and legal assistance for victims of homophobia, sheltered accommodation with integration programs, establishment of a network of school whistleblowers, and anti-discrimination trainings for public employees, including policemen. Second titled "Open City" that consisted of creation of a new equal rights council and equal rights spokesperson in the city hall, financial support for LGBT+ cultural activities, and adaptation of the City Diversity Declaration obliging all city institutions to promote open society and tolerance. Third titled "Smarter City" that focused on education: sexual and anti-discrimination classes in public schools, support for principals and teachers in anti-discrimination activities, cooperation between NGOs and city administration.

Once again, for Nowoczesna having a progressive agenda for minorities was an important point to mark its separate nature. Liberal candidates could produce their own platforms for LGBT+ community without looking at their coalition partners. It is important to underline that the Civic Coalition as such did not have any LGBT+ agenda. What is more, the Coalition did not sign a comprehensive declaration prepared by the equal marriage advocacy group "Miłość Nie Wyklucza" together with three other organizations, namely Campaign Against Homophobia (KPH), Lambda Warszawa and Trans-Fuzja. The most visible Coalition's candidates, especially Rafał Trzaskowski, were constantly challenged by the minority groups for not willing to endorse their program. Nowoczesna could get across better with its own LGBT+ declarations.

Nowoczesna and far-left Razem were most probably the only political parties present at all Equality Marches (Pride Parades) that were organized in Poland in 2018 election year, including the difficult ones in conservative cities and regions. Nowoczesna MPs and candidates were present and supporting the minorities in locations like Rzeszów and Częstochowa. The latter one was especially controversial since Częstochowa is home to Jasna Góra, Poland's most important place of catholic cult where the icon of Black Madonna is visited every year by millions of pilgrims.

During the 1st Equality March there, two participants were carrying a rainbow flag depicting the Polish state symbol, a white eagle. After receiving a complaint from one of the counter-demonstrators, the minister of interior, tweeted about the case, stating that there will be a formal investigation. The district prosecutor launched a formal investigation into a possible crime of slandering Polish symbols. Monika Rosa volunteered to witness in favor of the accused activist. She also intervened when the voivode of the Lublin Region tried to block the Pride in the biggest city of Eastern Poland and called LGBT "aberration, deviation and denaturalization". Nowoczesna sued the PiS official for using hate speech and called for his removal.

Also, during the campaign Nowoczesna declared that it would start working together with the KPH on an anti-conversion therapies act. Although the WHO removed homosexuality from its list of mental disorders in 1990, some Polish institutions still offer conversion therapies. They are mostly linked to the church and their plan includes group prayer and playing football. This may look ridiculous but such long-term treatments with pseudo-psychologists have negative effects including depression, guilt, anxiety and suicidal thoughts. The UN has urged the Polish government to delegalize conversion therapy for LGBT+ people. "There's a good reason why the United Nations call such pseudotherapies torture. In Poland there is no law that would ban such quackery and it's high

time it was changed," commented later KPH's Mirosława Makuchowska. The announcement was another clear signal that Nowoczesna cares about the minorities and is going to fight for their rights on the central and local level.

#### Separation of the state and church

Officially Poland is a secular state. Unofficially, both major political parties- PiS and PO- are connected with the church and conservative, but to different extent. They were both formed from the same stem - right-wing AWS coalition in the late 90s. Today it looks impossible but when both PiS and PO were created they were seen natural partners and campaigned to form a joint government. Today such a coalition would be impossible, since both parties drifted so far apart. But their connection with the church remained and there is no major political force that is willing to limit the powerful position of the church in all aspects of political life of the nation. It should be also mentioned that Polish institutional church has two different faces, a more moderate one with archbishops Wojciech Polak (primate), Kazimierz Nycz or Grzegorz Ryś and a conservative one with archbishops Marek Jędraszewski, Henryk Hoser or Leszek Głódź. The first fraction was closer to PO and its symbol is "Tygodnik Powszechny" weekly and the second one, that's in power now, is supporting PiS and is symbolized by the ultra-conservative media empire of Tadeusz Rydzyk with "Radio Maryja" as its most influential tool.

The latter priest not only has the radio, but also a TV station, daily newspaper, private university, mobile network and now is building a big museum and investing in geothermal energy, all that with state backup. SOEs support his media enthusiastically and generously. Many ministries (including the foreign affairs!) subsidize his diverse businesses with millions of zlotys per year. His luxury life, expensive cars and gigantic projects meet with opposition of public opinion, including those who identify themselves as Christians. But he's unstoppable since PiS needs the support of his media to win elections. Jarosław Kaczyński is a regular guest at the station in Toruń. Other PiS politicians can do a lot not to lose Rydzyk's political blessing. A few MPs and MEPs are known as his protégés, including a former speaker of the radio, and safeguard his interests in the Sejm and the EP.

But there is much more than that. Church has a special legal position in Poland based on the Constitution of the Republic and the concordat. Religious education classes are taught as electives but in practical term many pupils cannot opt out and there is no alternative ethics classes provided. The curricula and the textbooks are subject to approval by the church side. The state supports the Catholic Church in Poland with the amount of ca. PLN 500 million (EUR 120 million) annually. Ecclesiastical legal persons in Poland are exempt from some taxes. Criminal Code punishes for "wounding of religious feelings".

And this government supports the church everywhere it can. For example PiS has practically made it impossible to sell farmland - you need to find a farmer living in the same county that will promise to cultivate the land for next 10 years. The only exception? The Catholic Church, which became kind of the state monopoly real estate agency for farmers. Another one? Only church can freely chop off old trees that normal citizens would need get a permit for. After the church pushed for religion to be made a formal school subject on par with other subjects, like biology or mathematics, the government changed the curriculum in this lines almost immediately.

But it's a self-propelled mechanism, a spiral of dependency. That support from the pulpit helped PiS to win its parliamentary majority in 2015, with some priests, especially in rural parishes, openly calling for worshippers to vote for the right wing.

Nowoczesna has been always in favor of a secular state. Katarzyna Lubnauer, current party chairwomen, entered in 2015 national politics as one of the leaders of the "Secular School" movement, which aimed at cutting state funding to religious education classes in public schools across Poland. It secured 100.000 signatures in support of an amendment to the relevant legislation. Katarzyna Lubnauer kept on being the party's face in its fight for the separation of state and church, and Adam Szłapka, party's Secretary General, became recognizable as a fearless tracker of business scandal at the interface between the church and public administration. Nowoczesna opted for liquidation of Church Fund and in favor of the church income tax. It wasn't clear for many how such postulates for the secular state can be translated into the language of local politics. But it was actually very easy. The pushing presence of the church on the local level was very visible and for many citizens even more annoying than on the national level. In many cities, towns and villages priests are present at all public events. They open them, get time to speak, get time to bless. They are often involved in taking the most important political decisions for local communities. This is something Nowoczesna wanted to change. Liberal candidates were campaigning for prohibition of displaying religious symbols in offices and local authorities' seats (self-government authorities, public schools, nurseries and hospitals) and fully secular local events.

Nowoczesna called for a full professional audit of all benefits that local authorities had given to the church. All citizens should be aware of how much land was donated, how many buildings were given with huge discounts, how much subsidies were granted to the parishes and ecclesiastical businesses. Local communities deserve such knowledge and transparency to understand better connections and dynamics between the church and local authorities. Since nothing is for free.

"Secular School" stayed in party manifesto not only as a demand for stopping state funding for religion classes but also for establishing clear rules of religion's presence in schools and its removal from report cards. Local authorities can't change the way the schools are financed but they can do a lot as schools owners. First of all they influence how the school timetable is built and adapt it for needs of kids who don't attend religion (placing religion classes at the beginning or the end of the daily schedule and not in the middle what forces the no-attendees to wait in school corridors). The local government can also secure the ethics classes for those who are not willing to attend religion. Local authorities can also influence what teachers are hired and how schools look like. Bearing in mind that the ministry of education does nothing in this matter, local authorities can do a lot.

One last demand from Nowoczesna was to establish regional councils for victims of church pedophilia. Even though the elections happened months before the launch of two reports on church pedophilia (by an NGO and by the episcopate ) and the premiere of a Tell No One documentary that got public opinion's attention, the topic was important for liberal voters. Poland has had to reckon recently with revelations about clergy who molested children. The state and the church did not do anything to support the victims, contrarily, many of the bishops were helping the perpetrators and moving them from one parish to another (to work with children). Nowoczesna saw that this should be another sphere of activity that regional authorities must substitute the central government, and it's a moral obligation of the local community to provide assistance to victims and punish criminals of the cloth.

Separation of state and church is one the core liberal ideas. In countries like Poland, where this model does not work due to a dens network of relations between clergymen and politicians, there is a big demand from a significant part of the electorate to fight for it. Respect for churches shouldn't mean accepting their political engagement and liberals cannot give in to the blackmail and must protest when getting called "anti-Polish" for advocating basic standards of European state. The 2018 campaign proved that it's possible to campaign for a secular state without attacking the religion itself and its believers. And the latter ones more and more often support liberal ideas.

#### **Post-elections developments**

Local elections proved to be a great opportunity to promote liberal values. By choosing cultural liberal matters Nowoczesna candidates could position themselves on the common Coalition lists, differentiate and succeed. What is more, all these topics were natural for liberal candidates, were not derived from surveys or focus groups, but came directly from the cornerstone of liberalism. Of course, the campaign itself and presentation of the topics respected results of professional precampaign research but authenticity of the candidates talking about they really believe in was a big advantage.

The election results showed that there is space for liberalism in Poland. Nowoczesna candidates achieved success and now they influence local and regional politics all over the country. And it's very important what happened after the elections. Smaller Nowoczesna has clearly influenced policies of its bigger coalition partner. Bland Civic Platform has been permanently exposed on liberal ideas of newly elected council members. And it should be noticed, that Nowoczesna council members were almost all very new in politics. They came from NGOs, business or academia and brought new energy and enthusiasm, so alien to their incumbent colleagues. Many of the liberal ideas were adopted by the Coalition en masse. In other words, program of the junior partner became also the program of the senior partner.

And how it looked in real life? Much has changed in the area of women's right, especially in big cities. Warsaw is leading most of the changes. Warsaw mayor Rafał Trzaskowski defined women's rights as one of his top priorities in this 5-years term. He has established Women Rights Spokesperson who will write a long-term strategy and initiate and monitor equal rights policies of the city. Particular tasks of the spokesperson will be to raise standards of health services, employment and protection of domestic violence victims. Trzaskowski will also establish Warsaw Women's Council to consult all city activities from the equal rights perspective. Additionally, a "Chain of Support" for domestic violence victims will be created to enhance skills of public employees and to increase awareness about the issue. The "Blue Line" for victims will be better subsidized from the municipal budget. Warsaw will also introduce in 2019 a program of free HPV vaccinations at clinics with no conscious clause. New mayor have also said that he wants the City Council to approve European charter for equality of women and men in local life. Nowoczesna's deputy mayor Paweł Rabiej is responsible for a big program of increasing number of places in Warsaw kindergartens and nurseries (by 5000 this year) so that every single young Varsovian has a right for public preschool education and day care, and every women has a right to stay professionally active. Some of the solutions have been also implemented in other cities. In most of the cases liberal council members were their driving forces. In Kraków it is Nowoczesna's Nina Gabryś who leads the Equal Treatment Council.

After the elections IVF programs were approved by numerous cities and towns, including big ones like Wrocław, Szczecin or Bydgoszcz but also smaller towns like Radomsko. In many others council members and experts are working to adopt such schemes. Warsaw has expanded its own program and added in 2019 additional PLN 1 million to its budget, that will sum up at PLN 10 million for the 2017-2019 scheme.

The change is even more visible if it comes to the LGBT+ rights. For the first time Warsaw's mayor gave patronage and opened Warsaw Equality Parade. Some 50.000 people marched, danced and sang waving colorful flags and banners led by, among others, Trzaskowski and Rabiej. It was a huge step forwards compared to 2005, when mayor Lech Kaczyński (PiS) banned the Pride, but also compared to 12 years in office of former mayor Hanna Gronkiewicz-Waltz (conservative wing of PO) who did not want to participate in the event. After a huge conservative wave of criticism for marching under the rainbow flag Trzaskowski twitted: "Not everyone has to march in an equality parade, but everyone should respect the rights of minority groups.(...) This has nothing to with whether one is leftist or liberal or conservative," he added.

Mayor of Poznań, Jacek Jaśkowiak, mayor of Bydgoszcz, Rafał Bruski, and mayor of Płock, Andrzej Nowakowski (all KO) also gave patronages to their local marches. Unfortunately, some of the KO mayors decided to ban the march (for security reasons), this included Rzeszów, Kielce and Gniezno. In all cases the court overturned their decision.

The most important change in area of protection of LGBT+ rights happened also in Warsaw and resonated nationally, setting up the tone of the EP campaign and beyond. In March 2019 Rafał Trzaskowski signed the first ever LGBT+ Declaration in central-eastern Europe. It was also the first document recognizing LGBT+ rights in Poland. "Warsaw is a city for everyone that does not discriminate against anyone. Warsaw for everyone is a place where everyone feels safe and absolutely everyone can count on support regardless of sex, color, religion, origin, sexual orientation or views," said Trzaskowski.

The document drafted with NGOs, with huge effort and lobbying contribution of Marek Szolc, Nowoczesna outed city councilor. The Declaration was inspired by Barcelona's strategy for work with the LGBT+ community but also by Polish examples. Gdańsk for instance has a policy called Model for Equal Treatment which includes LGBT+ persons. Łódź, one of the biggest cities in Poland, has general anti-discrimination local law that's currently being translated into a city wide anti-discrimination program.

The new 12-point LGBT+ Declaration promises improvements in security, education, culture, sport, administration and employment. It follows EU and UN human rights principles, the Constitution of the Republic of Poland, and national law. Proposed actions range from providing shelter for teenagers rejected by their families, to anti-discrimination and sex education in schools.

Warsaw's newly appointed Coordinating Director for Culture and Social Communication, Aldona Machnowska-Góra said: "Local governments can change the social situation of LGBT+ persons by taking action to improve their safety, provide psychological support, and educate and inspire sympathy in society. What we have no control over is their legal situation, as this is something for the Polish government to handle. (...) Varsovians of all sexes need to feel safe in our City, and their creativity and potential should not be limited, also when it comes to art. They should be respected and accepted regardless of their gender identity, sexual orientation, religion, or skin colour," she

concluded. The next step, as promised in the declaration, is an open call for the position of spokesperson for LGBT community. He or she will coordinate the implementation of the declaration.

With European and national elections looming, Warsaw's declaration has sparked a backlash from the ruling party and the Catholic Church, who warn of threats to the "traditional family". Jarosław Kaczyński appealed to its base when it slammed the declaration calling it an "attack on children". Those opposed also claim that LGBT+ people are a threat to society due to "high HIV infection rates," and the head of the Regional Education Board in the city of Kraków (PiS) has labelled the LGBT+ education initiative as "promoting paedophilia." Paweł Rabiej, deputy mayor of Warsaw, was especially attacked due to his sexual orientation and support for equal marriage.

The LGBT+ became one of two most important emotional topics of the EP campaign that started only three months after the regional elections. The other one was the issue of the church, particularly the pedophilia. If it comes to the separation of state and church not much has been done by the new local authorities. At least not much has been reported. But most of expected changes, like gradual removal of priests from secular events, adjustments in curricula or new policy on real estate donations, have happened and will happen silently, without much publicity, not to displease the church-goers.

In the EP campaign the government framed the anti-PiS European Coalition (coalition of PO, Nowoczesna, SLD, PSL and the Greens) as the ultra-liberal choice, far from the Polish tradition and regular Polish people. The European Coalition was presented as defenders of libertarian behaviors, sexualization of children, promoters of pedophilia, and enemies of the church, of Polish heroic history and real culture. It was especially difficult for the PSL, a conservative agrarian party, which competed with PiS for the same voters. It is commented that many of PSL voters didn't go to vote at all, and contributed to landslide victory of Kaczyński in European elections.

Additionally, for Nowoczesna it was very difficult to protect its image as the most progressive choice since in early 2019 a new party was born. Wiosna (Spring) was established by a well known LGBT+ rights activist, first outed MP in the Polish parliament ever (who represented the Palikot Movement ) and former mayor of a mid-size town Słupsk, Robert Biedroń. Biedroń presented himself as a flesh and blood progressive. He was very authentic as a defender of human rights and enemy of the institutional church. As a new comer, and leader of an extra-parliamentary party, he could be more radical in cultural liberalism than Nowoczesna who had to work in the Sejm and compromise building coalitions to get support for its drafts from other groups. Biedroń did not limit himself to advocate only civic partnership, he also called for marriage equality (with adoption). He could attack bishops with language that Nowoczesna could not afford. On the other side, Biedroń did not really talk much about his socialist economic ideas opening up his party for all kinds of progressives. With all these advantages and money from enthusiastic supporters Wiosna successfully fought for Nowoczesna electorate.

Wiosna scored 6% in the EP elections and has 3 MEPs. Nowoczesna did not win a single seat. Katarzyna Lubanuer's party got really bad places on the European Coalition lists in all of the 13 electoral districts to the EP. It was practically impossible for them to win a mandate. It can be seen as a political punishment by the big coalition partner for Nowoczesna's success in the regional elections mixed with the intention to hide the most liberal candidates who could stick out to much in this more conservative block with PSL. Nowoczesna was a victim of its own success and incisive profile.

#### Conclusions

In 2018 Nowoczesna proved that local and regional elections are also a great opportunity to promote liberal values. This start up party entered the parliament in 2015, securing over one million votes, with a fully liberal manifesto. After three troublesome years of permanent crisis management, when the grouping reached a bottom in polls, the unambiguously progressive offer saved the party from complete disappearing, paved the way to city, county and regional councils and gave oxygen for further fight. The key to this success was identification of liberal topics that were relevant at the local level. They were tightly connected with current public national debate and demands of the liberal part of the opposition supporters. But what's crucial, they were translated into the language of local sphere of authority. In other words, these liberal postulates were possible to implement by local authorities, what matters a lot for voters who expect that local elections are about local issues and fixing problems that are the closest to where they live.

The party's campaign team decided to focus on cultural liberal issues: women's rights, including access to IVF, LGBT+ rights and the separation of the state and church. All these topics were at the same time – according to the polls – significant for opposition voters and present in media. All these topics were also divisional and controversial. Thus it was easy to build an emotional campaign around them. Human rights, freedom of expression, freedom of speech, freedom of deciding about one's body, efficient educational system for children and secular state where any faith can control public authorities – all these are core liberal values that Nowoczesna put them on its standards, and wanted to protect and promote. On the other side, according to this story, there was submission of women's rights to decide about their bodies, ideologically and religiously inspired limitations of right to love and freedom to pursue personal happiness, hate speech and discrimination. The choice was easy.

It can't be forgotten that PiS was the enemy of the liberals but their biggest competitors were other candidates on the Coalition lists. Nowoczesna candidates were mostly debutants in politics who had to compete on the lists with very experienced council members, mayors, former MPs, etc. In such extremely competitive race, especially for candidates who were not leading their lists, only active, visible personal campaign that stressed liberal identity could bring success, and a mandate. Liberal agenda was something that differentiate Nowoczesna representatives from their colleagues from the Coalition. Voters got a very clear message: If you want to vote for progressive vision of your city/region, find a Nowoczesna candidate on the Coalition lists. And choosing smaller left wing parties or local urban activists' movements was a risky decision since with the d'Hondt system of distributing seats and many small voting districts they could not win any seats helping PiS to win power in more locations.

Such a strategy paid off. Not only Katarzyna Lubnauer's activity contributed to mobilizing more women to vote, but also over 200 Nowoczesna candidates were elected. And they could participate in local government, taking also some executive positions and important roles in the councils (e.g. Marcin Gołaszewski became the speaker of the Łódź Council), and implement a liberal porgram. After the 2018 elections it became clear that protection of women's rights or LGBT+ rights is also the local authorities' obligation. Something that was not so obvious before. Mayors and city councils took active roles and elaborated new programs directed at improving the situations of minorities and expanding freedom of expression in the public sphere. There have been first visible changes in areas of education, employment, child care. But also many important symbolic gestures, like active support for local Prides parades.

Because of Nowoczesna some liberal values were endorsed by its bigger and more influential partner, Civic Platform. Activism and enthusiasm of Nowoczesna candidates and newly elected council members forced PO in many cities to abandon fear of cultural controversies and fill the ideological void with some progressive values. The entire Coalition was labeled by its conservative enemies as liberal now. On one hand it was a good thing that could helpe promoting liberal values in the society. On the other hand it did not work well in the EP elections since the progressive agenda was not internalized by more conservative PO members and voters.

In 2018 the Civic Coalition defended the cities. They stayed in hands of the democratic forces, were not dominated by PiS. Cities, especially the biggest ones, will remain islands of freedom in the conservative, nationalistic and populist see of Jarosław Kaczyński and his company. The presence of liberals in the local councils and local government will help to protect the cities and develop them to become even more free, open and democratic.

### Administrative barriers in Slovenia: challenges and opportunities at national and local level

#### by Deian Rayšeli, Marko Ropret and Aleksander Aristovnik

#### Introduction

Small and medium-sized enterprises (SMEs) play a key role in the Slovenian economy, as they represent the engine of growth and job creation. In Slovenia, SMEs represent almost the whole population of enterprises providing over 72% of employment and nearly 63% of value added (European Commission, 2017). However, in comparison with the large enterprises, SMEs often have worse performance, which is reflected in lower profitability, higher staff turnover, lower rate of survival etc. The latter can be partly attributed to the existence of several barriers enterprises are facing in Slovenia and other EU member countries. Economic literature highlights various barriers that SMEs are facing, whereby administrative obstacles and their removal are of great importance, especially in terms of improving the business environment and achieving greater competitiveness of the economy.

The business environment is nowadays characterized by volatility, uncertainty, complexity and ambiguity, all bringing challenges to business operations. It is often associated with several unnecessary administrative barriers imposed by extensive, ever-changing and inconsistent legislation. In the literature, it is highlighted that economies with better legislation grow faster.<sup>2</sup> In terms of improving the business environment and becoming more economically competitive, lowering administrative barriers is one of the main prerequisites.<sup>3</sup> Compliance with all relevant legislation is becoming increasingly complex. The extensive legal regulation and lengthy administrative procedures adopted in recent years due to Europeanization and globalization processes are ever more burdensome on enterprises. As emphasized by Segarra-Blasco et al., global processes, strong international competition, social, economic and political changes and the diffusion of information technology in the twenty-first century require public sector reform, mainly the modernization and mobilization of all forms of resources to improve individual and organizational effectiveness and efficiency. Institutions define the routines, rules and laws which are important regulating the interactions between individuals, groups and organizations.<sup>5</sup> The legal and administrative frameworks both define the quality of a country's public governance and strongly influence SMEs investment decisions, competitiveness and growth. Moreover, this influences the time-to-market, and the probability of a product's market success.<sup>6</sup> In this context, it is particularly important that relationships between government and enterprises are adapted so as to enable the easing of such barriers and complementary cooperation

<sup>&</sup>lt;sup>6</sup> World Economic Forum (WEF). (2015). Global competitiveness report 2015–2016. Geneva: World Economic Forum.



<sup>&</sup>lt;sup>1</sup> European Parliament. (2016). Barriers to SME growth in Europe. Strasbourg: European Parliament.

<sup>&</sup>lt;sup>2</sup> Djankov, S., McLiesh, C., & Ramalho, R.M. (2006). Regulation and growth. Economics Letters, 92(3), 395-401.

<sup>&</sup>lt;sup>3</sup> Aristovnik, A., & Obadić, A. (2015). The impact and efficiency of public administration excellence on fostering SMEs in EU countries. Amfiteatru economic, 17(39), 761-774.

<sup>&</sup>lt;sup>4</sup> Segarra-Blasco, A., Garcia-Quevedo, J., & Teruel-Carrizosa, M. (2008). Barriers to Innovation and Public Policy in Catalonian. International Entrepreneurship and Management Journal, 4(4), 431–451.

<sup>&</sup>lt;sup>5</sup> Edquist, C. (2001). The Systems of Innovation Approach and Innovation Policy: An account of the state of the art. In DRUID Conference, Aalborg: 12–15.

The remaining sections of this chapter are organized as follows. In the next section, the theoretical background is presented with the focus on the concept of administrative barriers and defining SMEs. The following section illustrates Slovenia through national and regional perspective. In the next section, data and methodology are described. Then, a presentation of the study's main results follows. In the conclusions, the main findings are summarised and discussed.

#### Theoretical background

#### The concept of administrative barriers

By definition, an administrative barrier is everything that unjustifiably hampers business operations of enterprises. In general, it covers all costs arising from unnecessary administrative obligations that enterprises must fulfil due to the legislation. Administrative barrier represents an administrative burden, which is not strictly necessary for the achievement of the public interest, not rationally justified and can be removed without any damage to the public interest. In literature, it is established that administrative barriers arising from existing legislation and regulations hinder the private sector's performance, especially SMEs.<sup>8</sup> Namely, compared to large enterprises, SMEs often do not have sufficient human and financial capability, to help them cope with administrative barriers. Most EU member countries therefore seek to reduce bureaucracy as this can create a better business environment for SMEs. 10 However, reducing bureaucracy is not only based on the adoption of high-quality regulation but also on the good functioning of public institutions since it can reduce administrative costs in terms of compliance with legal obligations, negative impacting SMEs' productivity.<sup>11</sup> According to a European Commission assessment, administrative costs in the EU represent about 3.5% of GDP, while in Slovenia they are some 4.1% of GDP. 12 It is therefore crucial to lower administrative costs or the unnecessary obligations they impose, especially for SMEs. Extreme bureaucracy disproportionately burdens SMEs, establishing both incentives and opportunities for bribery and corruption. The quality of public administration is also an important driver of a country's competitiveness. Interestingly, in the Global Competitiveness Report 2017-1018 (GCR 2017-2018) Slovenia ranks 48th among 137 countries included. 13 Yet, despite its seemingly good position, it is positioned only 118th in terms of the burden of government regulation and 40th for the time to start a business. In particular, inefficient government bureaucracy is stressed in the report as a highly problematic factor for doing business, representing the 2nd biggest obstacle.

Ministry of the Interior. (2013). Enotna metodologija za merjenje stroškov, ki jih zakonodaja povzroča subjektom. Ljubljana: Ministry of the Interior.

<sup>&</sup>lt;sup>8</sup> Milavec, U., & Klun, M. (2011). Familiarity with Measures to Reduce Administrative Burdens in the Public and Private Sector in Slovenia. Uprava, 11(1), pp. 7-23.

<sup>&</sup>lt;sup>9</sup> Ministry of Economic Development and Technology. (2009). Usposabljanje eVEM – Pogoji za opravljanje dejavnosti. Ljubljana: Ministry of Economic Development and Technology.

<sup>&</sup>lt;sup>10</sup> Aristovnik, A., & Obadić, A. (2015). The impact and efficiency of public administration excellence on fostering SMEs in EU countries. Amfiteatru economic, 17(39), 761-774.

<sup>&</sup>lt;sup>11</sup> Slabe-Erker, R., & Klun, M. (2012). The contribution of institutional quality to lowering company compliance costs. African Journal of Business Management, 6(8), 3111-3119.

<sup>&</sup>lt;sup>12</sup> European Commission. (2006). Merjenje administrativnih stroškov in zmanjšanje administrativnih obremenitev v Evropski uniji. Brussels: European Commission.

<sup>&</sup>lt;sup>13</sup> World Economic Forum (WEF). (2017). Global competitiveness report 2017–2018. Geneva: World Economic Forum.

In the context of evaluation of the administrative barriers, it is important to consider that SMEs are a heterogeneous group of enterprises, which can affect perception of administrative barriers. 14 The main reason behind different perception of administrative barriers is that a significant proportion of SMEs use outsourced services, especially for administrative activities associated with taxes and financial reporting. 15 For example, enterprises with lower turnover are generally smaller than the ones with higher turnover and are generally lacking in financial resources in order to employ accordingly skilled personnel. Therefore, the use of outsourced services seems to be the best alternative for these enterprises. By contrast, enterprises with higher turnover have more financial resources available and therefore they can afford to perform financial, accounting and other reporting functions internally with their own respective department. Besides SME size and turnover<sup>16</sup>, also the age can have an impact on the extent of the use of outsourced services or time spent to meet the obligations of the public administration. Namely, younger enterprises, even after they have built their own competencies, rely largely on external accountants and maintain relationships with them.<sup>17</sup> Moreover, younger enterprises, which are generally in the initial stage of development and looking for their opportunity in business, are often confronted with a lack of the knowledge of regulatory requirements. Therefore, it is expected that younger enterprises cope with the administrative barriers externally using the outsourced services. By contrast, it is expected that older enterprises cope with the administrative barriers internally within their own responsible departments. The aforementioned differences of different groups of SMEs can consequently lead to a different perception of administrative barriers in different administrative fields. The legal and administrative framework also defines various administrative procedures and reporting obligations, which may differ based on legal form of an enterprise (i.e. private limited company, public limited company, limited partnership, private unlimited company, economic interest grouping, and sole proprietorship). Moreover, the nature of sector in which enterprises operate, also calls for different obligations, concerning work safety, transparency, reporting standards and permits. For example, enterprises within the primary sector are presumably more frequently dealing with inspections and building permits.

#### **Defining SMEs**

Enterprises vary in their size, yet the size both at EU level as well as at at the national level is defined, based on the number of employees, annual turnover and balance sheet total of the enterprise. With the help of these three criteria, the enterprises are classified as micro, small, medium or large sized. the first definition of SMEs at EU level was introduced in The Commission Recommendation 69/280 / EC on 3 April 1996. In the above recommendation, SMEs were defined as enterprises with less than 250 employees and an annual turnover which does not exceed EUR 40 million or an annual balance sheet total which does not exceed EUR 27 million. In order to distinguish between small enterprises

<sup>&</sup>lt;sup>14</sup> Obadić, A., Aristovnik, A., & Ravšelj, D. (2017). Analysis of Administrative Barriers for SMEs in the Field of Labour Market Regulation. In 5th Annual Spain Business Research Conference.

<sup>&</sup>lt;sup>15</sup> Ravšelj, D., & Aristovnik, A. (2018). Administrative Barriers for SMEs in the Field of Tax Compliance and Financial and Accounting Reporting: Evidence from Slovenia. Problemy Zarządzania, (1/2018 (73), t. 2), 75-90.

<sup>&</sup>lt;sup>16</sup> United Nations Conference on Trade and Development (UNCTAD). (2000). Promoting Transparency And Financial Disclosure: Accounting By Small And Medium-Sized Enterprises. Geneva: United Nations Conference on Trade and Development.

<sup>&</sup>lt;sup>17</sup> Association of Chartered Certified Accountants (ACCA). (2013). Accountants for small business. London: Association of Chartered Certified Accountants.

 $<sup>^{18}</sup>$  Official Journal of the European Union, L 107

and SMEs, small enterprises were defined as those enterprises that have less than 50 employees and their annual turnover does not exceed EUR 7 million or their annual balance sheet total does not exceed EUR 5 million. For the needs of separating between micro enterprises and SMEs, the micro enterprise is defined as a company with fewer than 10 employees. Criteria for annual turnover and annual balance sheet for micro enterprises were not defined in this recommendation

The definition of small and medium-sized enterprises was amended at the EU level in 2003 with a Recommendation Commission Decision 2003/361 / EC on 6 May 2003 concerning the definition of SMEs, which entered into force on 1 January 2005. The definition of SMEs has been modified to reflect the general progress and address certain barriers faced by SMEs. The recommendation thus defines SMEs as enterprises employing less than 250 persons and having an annual turnover not exceeding EUR 50 million and / or an annual balance sheet total not exceeding 43 million EUR. Within the category of small and medium-sized enterprises, a small company is defined as a company, which employs fewer than 50 persons and records an annual turnover and / or annual balance sheet total which does not exceed EUR 10 million. Within this category, the micro - enterprise is defined as a company that employs fewer than 10 persons and whose annual turnover and / or annual balance sheet total does not exceed EUR 2 million.

#### Slovenia through national and regional perspective

Like many other EU member countries, Slovenia is subject to a number of administrative barriers in terms of extensive, ever-changing and inconsistent legislation, which cause inconvenience in daily SMEs' business operations. Therefore, reduction of administrative barriers, simplification of administrative procedures and preparation of better regulation are often considered as key elements for improving a competitive economy and a just society. The complexity issues of complex legislation are often the main subject of political and social debates. Namely, the main problem in Slovenia is that many administrative areas are radically changed almost every year in terms of legislation, whereby many of these changes have been made without any serious considerations and analysis. Consequently, such legislative solutions are markedly vague and loose and thus create certain risks for business environment. All risks of such legislation are ultimately taken by private sector. Namely, strong and well-established legal frameworks in certain administrative area offers often only a "beautiful facade" of legal certainty and predictability, whereby the company, due to the complexity of legislation, actually has far less options for adequate protection of its interests and rights.<sup>20</sup> The aforementioned legislative issues in Slovenia are also reflected in Figure 1, which shows the number of applicable laws and regulations in Slovenia by years.

<sup>&</sup>lt;sup>19</sup> Official Journal of the European Union, L 124

<sup>&</sup>lt;sup>20</sup> Makovec, U. (2017). 800 zakonov in 19 tisoč podzakonskih predpisov: "Več ko je predpisov, manj se jih izvaja". Available at: https://siol.net/novice/slovenija/825-zakonov-in-19-005-podzakonskih-predpisov-vec-ko-je-predpisov-manj-se-jih-izvaja-434712.

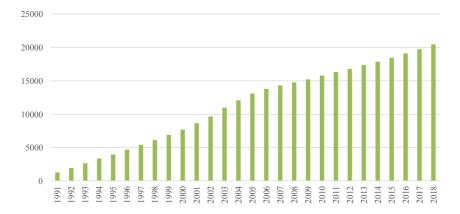


Figure 1 Number of applicable laws and regulations in Slovenia by years (state on 31.12.), source: Tax, Financial and Legal
Portal. 2019.

The Figure 1 reveals that in 1991, the number of applicable laws and regulations in Slovenia amounted to 1,233. Throughout the entire period 1991-2018, the extent of legislation has been increasing significantly. In 2018, the number of applicable laws and regulations in Slovenia amounted to 20,471, which is approximately 16.1 as much as in 1991 (Slovenian independence) and approximately 1.7 as much as in 2004 (Slovenian EU membership). In this context, the membership of Slovenia in the EU is often considered as an excuse for legal complexity, since it is believed that the EU membership is the main reason for too many applicable laws and regulations in Slovenia. However, the excuse that the EU dictates the adoption of most laws and regulations is extremely misleading, since EU directives only bind a member state to pursue general objectives. In this context, it is important to bear in mind that also the EU as a whole, has different administrative areas, which are overly bureaucratized implying that applicable laws and regulations do not achieve the desired effects. Still, this is not the main reason for legislative complexity in a certain member country such as Slovenia, since EU member states are allowed much more in drafting national laws and regulations than Slovenia dares to do in the legislative processes.<sup>21</sup> Accordingly, the presented legislative issues calls for the introduction of appropriate liberal economic policy reforms aiming to reduce administrative barriers, simplify administrative procedures and prepare better regulation.

The heterogeneity between EU member countries and regions arises many challenges as regards administrative barrier areas and implications. Although Slovenia is a relatively small EU country, it is divided into 12 statistical regions (NUTS-3 level). They are considered as administrative entities created for legal and statistical purposes. Statistical regions are grouped into two cohesion regions (NUTS-2 level). The aforementioned regional division of Slovenia is illustrated in Figure 2.

<sup>&</sup>lt;sup>21</sup> Makovec, U. (2017). 800 zakonov in 19 tisoč podzakonskih predpisov: "Več ko je predpisov, manj se jih izvaja". Available at: https://siol.net/novice/slovenija/825-zakonov-in-19-005-podzakonskih-predpisov-vec-ko-je-predpisov-manj-se-jih-izvaja-434712.



Figure 2 Slovenian statistical (NUTS-3) and cohesion (NUTS-2) regions, source: SORS, 2019.

Eastern Slovenia (SI01) includes the following statistical regions:

- Mura (SI011)
- Drava (SI012)
- Carinthia (SI013)
- Savinja (SI014)
- Central Sava (SI015)
- Lower Sava (SI016)
- Southeast Slovenia (SI017)
- Littoral-Inner Carniola (SI018)

Western Slovenia (SIO2) includes the following statistical regions:

- Central Slovenia (SI021)
- Upper Carniola (SI022)
- Gorizia (SI023)
- Coastal-Karst (SI024).

The Cohesion Region's decision-making body is the Cohesion Development Council. Each Cohesion Region has five representatives appointed by the CoR in the Cohesion Development Council. The Cohesion Development Council participates in decision-making and gives prior consent to the content and implementation of EU programs that affect the development of the cohesion region, and performs other development-related tasks agreed by the municipalities and the state. The Ministry of Economic Development and Technology carries out professional and administrative-technical tasks for the development council of the cohesion region. The law also stipulates that, when implementing EU programs or parts thereof that are implemented only within one or another cohesion region, the management function is, as a rule, delegated to a unit of the Ministry of

Economic Development and Technology in the cohesion region.<sup>22</sup> Within the framework of regional policy the ministry promotes the development of social entrepreneurship, co-operative society and economic democracy. Over the last sixteen years, the differences between the two large Slovenian regions in terms of GDP per capita have increased. GDP per capita in Eastern Slovenia equals 70% of GDP per capita in Western Slovenia.<sup>23</sup> Consequently, systematic regulation of the field is underway (amendments to the legislation in the field of social economy - social entrepreneurship and cooperatives - law on social entrepreneurship, register of social enterprises, establishment of a government council for social entrepreneurship, strategy of social economy). Systemic improvements and measures in this area shall enable faster development of forms of social entrepreneurship, cooperatives and economic democracy, as well as new employment in the sector.

Based on the literature review, it can be assumed that regional characteristics play a vital role in the perception of administrative barriers. The latter; however, may differ depending on the regions taken into consideration. Therefore, the aim of this chapter is to determine the differences in SMEs' administrative barriers perception within characteristic cohesion regions in Slovenia. Therefore, the main research hypothesis states that there exist significant differences in the perception of administrative barriers among SME groups depending on demographic determinants of the national and local environment.

#### Data and methodology

The data for the research was collected using a questionnaire. The content of questionnaire was formed by the academia experts in the economic and legal fields together with the recommendations from the practitioners, i.e. representatives of the Chamber of Craft and Small Business of Slovenia as well as entrepreneurs. It contains 39 questions, of which one is of an open type and covers different key fields, where SMEs can face administrative barriers. The respondents could leave certain questions blank if the content was not applicable to them. The questionnaire was distributed via two paths, namely through the web and field survey. The web survey was anonymous, while the field survey was not. In order to gain a suitable response rate, the research team collaborated with representatives of Slovenian initiative "Stop the bureaucracy" and the Chamber of Craft and Small Business of Slovenia. The web survey has been running in the period between 7. 11. 2016 and 8. 3. 2017 and promoted via: (1) Stop the bureaucracy web portal and its official Facebook site, and (2) e-mail sent to the members of the Chamber of Craft and Small Business of Slovenia. It was done by using an online application form "EnKlikAnketa". Since the web survey resulted in 273 responses only, it has been accompanied with the field survey, which has been running from 8. 1. 2017 to 29. 4. 2017. In order to enable generalization of the results to all Slovenian SMEs, two criteria have been followed in the selection of enterprises included in the field survey: regional base and legal status. The field survey resulted in 652 responses. Altogether, 925 questionnaire survey replies has been received, of which 807 were fully completed.

According to administrative barrier definition, all administrative areas where business operations of enterprises are potentially hampered, were encompassed: sectoral regulation, employment, payment of duties, financial and accounting reports, inspections, building permits and enterprise

<sup>&</sup>lt;sup>22</sup> The Ministry of Economic Development and Technology. (2019). Delovanje razvojnih svetov kohezijskih regij. Ljubljana: The Ministry of Economic Development and Technology. <sup>23</sup> OECD. (2019). Regions and Cities at a Glance 2018 –SLOVENIA. Paris: OECD.

status. Firm performance was referred to as the firm's internal and external success, taking into account the resource-based view of the firm, which argues that performance depends mainly on a firm's resources and infrastructure.<sup>24</sup> However, it is also a complex and multidimensional phenomenon.<sup>25</sup> Therefore, we encompassed numerous administrative barrier performance implications: additional time, additional financial resources, frequent regulatory changes, excessive number of different procedures, additional personal communication, excessive number of different documents, outsourcing/additional assistance needed.

Based on the data from questionnaire, the following variables have been created:

- administrative barrier areas (number (0-3) of administrative barriers within an administrative area):
  - o sectoral regulation
  - employment
  - o payment of duties
  - o financial and accounting reports
  - o inspections
  - o building permits
  - enterprise status
- administrative barrier performance implications (number (0-5) of main administrative areas, affected by an implication):
  - o additional time
  - o additional financial resources
  - o frequent regulatory changes
  - o excessive number of different procedures
  - o additional personal communication
  - o excessive number of different documents
  - o outsourcing/additional assistance needed

In order to determine the differences in administrative barriers perception within the regions Eastern and Western Slovenia, the independent samples t-test was used, one per each of the two populations (i.e. regions) being compared. The underlying mathematics is comparable, to that of regression analysis, and the choice of which type of test to use is based on study design, not on the advantages of one or other technique. <sup>26</sup> If we are interested evaluating several aspects of the data (e.g., strength of relationship, variance explained) secondary to the overall significance, regression analysis is recommendable. <sup>27</sup>

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<sup>&</sup>lt;sup>24</sup> Hooley, G., & Greenley, G. (2005). The resource underpinnings of competitive positions. Journal of Strategic Marketing. 13(2), 93–116.

Merrilees, B., Rundle-Thiele, S., & Lye, A (2011). Marketing capabilities: Antecedents and implications for B2B SME performance. Industrial Marketing Management, 40(3), 368-375.

<sup>&</sup>lt;sup>25</sup> Pasanen, M. (2003). In search of factors affecting SME performance. Kuopio: University of Kuopio.

<sup>&</sup>lt;sup>26</sup> Kemp, S.M., & Kemp, S. (2004). Business Statistics Demystified, McGraw-Hill, New York.

<sup>&</sup>lt;sup>27</sup> Ropret, M., Fatur, P., Rodman, K., & Likar, B., 2012. Factors of successful innovation in services and a performance comparison with manufacturing sector. International Journal of Innovation and Learning, 12(4), 379-401.

#### **Results**

The results of the statistical analysis are presented within Table 1. The table includes data on the descriptive statistics (sample size (N), mean (AVG), standard deviation (SD)), covering administrative barrier areas (A1. Sectoral regulation, A2. Employment, A3. Payment of duties, A4. Financial and accounting reports, A5. Inspections, A6. Building permits, A7. Enterprise status) and administrative barrier implications (I1. Additional time, I2. Additional financial resources, I3. Frequent regulatory changes, I4. Excessive number of different procedures, I5. Additional personal communication, I6. Excessive number of different documents, I7. Outsourcing/additional assistance needed). This data is provided for the whole national sample of SMEs and the subsamples, covering both cohesion regions (Eastern Slovenia and Western Slovenia). Also, the results of an independent samples t-test, performed on both cohesion regions are included, so as to provide an information about the significance of differences in mean values (2-tailed test). Next, an in-depth presentation of the results follows.

Based on the results of the analysis on the national level, following findings can be summarised:

- For administrative barrier areas, sectoral regulation (A1, AVG = 2.42), building permits (A6, AVG = 2.41) and inspections (A5, AVG = 2.30) stand out as the most burdensome. At the same time, enterprise status changes (A7, AVG = 2.01) achieved the lowest mean value.
- As concerns administrative barrier performance implications, excessive number of different documents (I6, AVG = 2.11), additional time needed (I1, AVG = 2.01) and frequent regulatory changes (I3, AVG = 1.80) were described as most problematic. Surprisingly, a very low mean value was identified for the needed additional personal communication (I5, AVG = 0.55).
- Based on the calculated standard deviations for the entire sample, indications exist that
  heterogeneous enterprise groups may exist with regard to the perception of administrative
  barrier areas and implications (A3, A4, A7, I1, I3, I7 and other variables). Consequently, an
  analysis on regional level may reveal even more interesting patterns and specifics as regards
  the aforementioned perception aspects.

Variable		National aspect			Regiona Eastern	al asp Slovenia	ect -	Regional aspect - Western Slovenia			Independent samples t-test
		N	AVG	SD	N	AVG	SD	N	AVG	SD	P-value
A1. Sectoral regulation (0-3)	R AREAS	794	2.42	0.76	272	2.52	0.73	522	2.36	0.76	0.006*
A2. Employment (0-3)		797	2.26	0.80	273	2.34	0.82	524	2.22	0.78	0.039*
A3. Payment of duties (0-3)		807	2.10	0.84	274	2.15	0.84	533	2.07	0.84	0.188
A4. Financial and accounting reports (0-3)		819	2.16	0.83	281	2.24	0.83	538	2.12	0.83	0.038*
A5. Inspections (0-3)		766	2.30	0.82	264	2.45	0.76	502	2.22	0.83	0.000*
A6. Building permits (0-3)		437	2.41	0.82	177	2.47	0.80	260	2.37	0.83	0.230
A7. Enterprise status (0-3)		413	2.01	0.89	154	2.01	0.91	259	2.02	0.88	0.978
I1. Additional time (0-5)	BARRI ER	697	2.01	1.54	246	2.02	1.57	451	2.00	1.53	0.845

I2. Additional financial	697	1.30	1.32	246	1.41	1.39	451	1.24	1.27	0.112
resources (0-5)	697	1.30	1.32	246	1.41	1.39	451	1.24	1.27	0.112
I3. Frequent regulatory changes (0-5)	697	1.80	1.49	246	2.00	1.56	451	1.70	1.45	0.012*
I4. Excessive number of different procedures (0-5)	697	1.70	1.36	246	1.84	1.43	451	1.62	1.31	0.035*
I5. Additional personal communication (0-5)	697	0.55	0.85	246	0.48	0.81	451	0.59	0.87	0.097
I6. Excessive number of different documents (0-5)	697	2.10	1.47	246	2.28	1.49	451	2.00	1.46	0.017*
I7. Outsourcing/additional assistance needed (0-5)	697	1.76	1.53	246	1.57	1.57	451	1.87	1.50	0.013*

Table 1 The results of the statistical analysis, Note: \* indicates significance of the results at 95% level (P ≤ 0.05)., source:

Authors' calculations.

Based on the results of the analysis on the regional level (Eastern Slovenia), following specifics can be summarised:

- For administrative barrier areas, sectoral regulation (A1, AVG = 2.52), building permits (A6, AVG = 2.47) and inspections (A5, AVG = 2.45) stand out as the most burdensome. At the same time, enterprise status changes (A7, AVG = 2.01) achieved the lowest mean value.
- As concerns administrative barrier performance implications, excessive number of different documents (I6, AVG = 2.28), additional time needed (I1, AVG = 2.02) and frequent regulatory changes (I3, AVG = 2.0) were described as most problematic. Surprisingly, a very low mean value was identified for the needed additional personal communication (I5, AVG = 0.48).

Based on the results of the analysis on the regional level (Western Slovenia), following specifics can be summarised:

- For administrative barrier areas, building permits (A6, AVG = 2.37), sectoral regulation (A1, AVG = 2.36), inspections (A5, AVG = 2.22) and employment (A2, AVG = 2.22) stand out as the most burdensome. At the same time, enterprise status changes (A7, AVG = 2.02) achieved the lowest mean value.
- As concerns administrative barrier performance implications, additional time needed (I1, AVG = 2.00), excessive number of different documents (I6, AVG = 2.00) and outsourcing/additional assistance needed (I7, AVG = 1.87) were described as most problematic. The lowest mean value was identified for the needed additional personal communication (I5, AVG = 0.59).

Following with the comparative aspect of administrative barrier areas as regards both cohesion regions, significant differences can be observed:

- The administrative barrier area of sectoral regulation (A1, P = 0.006) is achieving significantly higher values in Eastern Slovenia.
- Similar was identified for the administrative barrier area of employment (A2, P = 0.039), where Eastern Slovenia is demonstrating a significant lag.

- In addition, Eastern Slovenia demonstrates the *administrative barrier area* of financial and accounting reports (A4, P = 0.038) as significantly more troublesome.
- Finally, the administrative barrier area of inspections (A5, P = 0.000) prove significantly more challenging in Eastern Slovenia.

Comparing administrative barrier implications between Eastern and Western Slovenia, following significant differences are demonstrated:

- The administrative barrier implication of frequent regulatory changes (I3, P = 0.012) exposes as significantly more negative influence in Eastern Slovenia.
- The findings are similar concerning administrative barrier implication of excessive number of different procedures (I4, P = 0.035), which is stressed as significantly more worrying in Eastern Slovenia.
- Also, administrative barrier implication of excessive number of different documents (I6, P = 0.017) is significantly more bothersome in Eastern Slovenia.
- Interestingly, administrative barrier implication outsourcing/additional assistance needed (17, P = 0.013) proves to be significantly more problematic in Western Slovenia.

Based on the above results of the statistical analyses, we can summarise that significant differences exist in the perception of administrative barriers among both cohesion regions, particularly to the disadvantage of Eastern Slovenia. Consequently, the main hypothesis of this study, which predicted significant differences in the perception of administrative barriers among the two studied regions, can be confirmed.

#### **Conclusions**

The business environment is nowadays characterized by volatility, uncertainty, complexity and ambiguity, all bringing challenges to business operations. It is often associated with several unnecessary administrative barriers imposed by extensive, ever-changing and inconsistent legislation. In this context, the most problematic fact is that SMEs are most affected by administrative barriers. Consequently, the imperative to remove administrative barriers is vital for further advancing SMEs performance, which can ultimately be reflected in the greater competitiveness of the Slovenian economy as these enterprises represents almost the whole population of enterprises in Slovenia. However, because of the heterogeneity of the SME population, there may be also more vulnerable groups of SMEs, which perceive administrative barriers in a different way than other groups of SMEs. Accordingly, this chapter was aimed to determine the differences in administrative barriers perception within characteristic SME groups (e.g. SMEs according to size, legal form, sector and age).

The results of the statistical analysis confirm the main hypothesis of this chapter that there are significant differences in the perception of administrative barriers among Eastern and Western Slovenia. Concerning the aspect of administrative barrier areas, Eastern Slovenia was emphasized as significantly more problematic in most administrative barrier areas, including sectorial regulation, employment, financial and accounting reports and inspections. Negative implications of such barriers can be found particularly in frequent regulatory changes, the excessive number of different procedures, and excessive number of different documents. Consequently, ensuring a more balanced and targeted "territorial development", leading to a more liberal and less burdensome regional development represents a significant challenge for policymaking. As regards the state's capacity, it is

of course challenging to overcome all the regional deficiencies, yet many could be reduced by properly defining the relationship between the state and the numerous municipalities' needs, reflected also within the financing system, which should be followed by the reform of the state administration that would regulate the individual responsibilities. For regions with high levels of social exclusion, it is particularly important to stimulate the introductions of high-tech companies, characterised by higher education workers. Also, in addition to the European regional development, it will be necessary to ensure the integral means of the state budget, and above all to work more systematically and in the long term on project planning. Also Slovenia's frequency in the numbers of amendments and administrative procedures themselves proves to act as a brake on the business operations. According to Global Competitiveness Report 2017-2018 (GCR 2017-2018) Slovenia ranks 48th overall, while only 118th in terms of the burden of government regulation and 40th for the time to start a business. Inefficient government bureaucracy is stressed in the report as a highly problematic factor for doing business, representing the 2nd biggest obstacle. Consequently, the imperative to move from overregulation to liberalization is vital for the state in further advancing SME competitiveness.

Yet, the limited national financial resources also underline the importance of international efforts, particularly those of the European cohesion policy. European cohesion policy remains key in the EU budget, despite the proposal to reduce the volume of funding by eleven percent due to Brexit and new challenges.<sup>32</sup> The latter is formally aimed at all regions and cities in the European Union to support job creation, business competitiveness, economic growth, sustainable development and improving the quality of life of citizens.<sup>33</sup> Cohesion policy supports European solidarity, since most of the funds are earmarked for less developed European countries and regions to catch up as soon as possible and to reduce the economic, social and territorial disparities that persist in the EU. The Commission already proposed €3.45 billion of Cohesion Policy support for investments in skills, in environmental, transport and energy infrastructure, as well as in research and development to strengthen competitiveness from 2021 to 2027.Yet, not only the overall investments, but also the proper structure must be more precisely considered. It is exactly targeting investments on specific areas of relative regional need that has a significant and autonomous effect on growth.<sup>34</sup>

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<sup>&</sup>lt;sup>28</sup> Kosmač, G. (2018). So kohezijska sredstva uspešna pri odpravljanju zaostanka manj razvitih regij? Available at: https://www.rtvslo.si/gospodarstvo/so-kohezijska-sredstva-uspesna-pri-odpravljanju-zaostanka-manj-razvitih-regij/474066.

Bulatović, K. (2017). Regionalni zaostanek vzhodne Slovenije je očiten. Available at https://www.delo.si/novice/slovenija/regionalni-zaostanek-vzhodne-slovenije-je-ociten.html.

<sup>&</sup>lt;sup>30</sup> Lesjak Tušek, P. (2018). Regije in kohezija: Bitka med interesi vzhoda in zahoda. Available at: https://www.vecer.com/regije-in-kohezija-bitka-med-interesi-vzhoda-in-zahoda-6588233.

<sup>&</sup>lt;sup>31</sup> Ropret, M., Aristovnik, A., & Ravšelj, D. (2018). The Perception of Administrative Barriers and Their Implications for SMEs' Performance: Evidence from Slovenia. Zagreb International Review of Economics & Business, 21(SCI), 55-68.

<sup>&</sup>lt;sup>3232</sup> Lesjak Tušek, P. (2018). Regije in kohezija: Bitka med interesi vzhoda in zahoda. Available at: https://www.vecer.com/regije-in-kohezija-bitka-med-interesi-vzhoda-in-zahoda-6588233.

<sup>&</sup>lt;sup>33</sup> Republic of Slovenia. (2019). Cohesion by 2020. Available at: https://www.eu-skladi.si/?set\_language=en.

<sup>&</sup>lt;sup>34</sup> Di Cataldo, M., & Monastiriotis, V. (2018). Regional needs, regional targeting and regional growth: an assessment of EU Cohesion Policy in UK regions. Regional Studies, 1-13.

In specifically addressing the need for public administration studies relating to reducing administrative barriers in Slovenia (Koprić, 2012; Kovač, 2015),35 the scientific contribution of this chapter is demonstrated in our original methodology of a comprehensive evaluation of administrative barriers, tailored to different geographical regions. Also, in line with Slovenia's Vision 2050 and the Slovenian Development Strategy 2030, <sup>36</sup> institutional efficiency improvements will arise from the identified means for more efficient public administration and public consumption, reduction of the heavy regulatory burden and the protracted administrative and judicial procedures. Based on these results, unexploited potential in Slovenia is indicated by eradicating such administrative barriers, while important differences in the challenges the different regions face are revealed. Thus, it is shown that what is most promising for addressing their impact as an administrative barrier is to adopt an in-depth approach that targets specific regional needs, which should be facilitated by a definition of guidelines for responsible policymakers to foster the removal of such barriers. Moreover, the chapter supports efficiency, effectiveness and innovation, all integral components of the EU's development strategy Europe 2020 and related emerging strategies, which see these elements as important drivers of economic growth and social well-being in member states and EU altogether.

<sup>&</sup>lt;sup>35</sup> Koprić, I. (2012). Managing Public Affairs in South Eastern Europe: Muddled Governance. In A. M. Bissessar (ed.). Governance: Is it for everyone? Nova Science Publisher: Hauppauge.

Kovač, P. (2015). Developing New Governance Models and Administrative Practices in Central and Eastern Europe. In Kovač, P., & Gajduschek, G. (Eds). Contemporary Governance Models and Practices in Central and Eastern Europe. Selected Papers from the 22nd NISPAcee Annual Conference, May 22–24, 2014, Budapest, Hungary.

<sup>&</sup>lt;sup>36</sup> Government Office for Development and European Cohesion Policy. (2017). Slovenian Development Strategy 2030. Government of the Republic of Slovenia: Ljubljana.

# Liberalism on the local level in Hungary

### by Andrea Virág, Virág Bagi, Sára Baló and Soma Sárkány

In Hungary liberalism is deemed as an urban phenomenon, in 1990 the liberal SZDSZ party, which was established in the communist era of Hungary in 1988, as a democratic opposition party, was the strongest party in Budapest and other Hungarian cities after the municipal elections. While the party dissolved in 2014 and de facto seized to exist politically in 2010, liberal mayors remained incumbent later as well. With the emergence of the Momentum local residents have once again the option to vote for liberal candidates at the municipal election, while the oppositional primary election in 2019 in Budapest gave opportunity to draft a liberal political agenda as well. In this chapter we focus on liberalism on the local level in Hungary. First we assess the election results of the liberal SZDSZ party between 1990 and 2006. After that the chapter analyses the recipe of success of still incumbent liberal mayors. The third part compares the election results of SZDSZ at the 2006 general election and Momentum party's results at the 2019 European Parliamentary election. Here our aim is to reveal whether the two liberal parties have the same support in Hungarian counties. The last part of the chapter presents the 2019 oppositional primaries in Budapest and in one district of the capital.

# The municipal election results of the liberal SZDSZ party, 1990-2006

From 1990 to 2010 Hungary had a double-ballot voting system and three different types at the local level depending on the population of the given settlement. The first type applied to villages and towns with a population under 10 thousand, where the inhabitants "could elect local representatives in accordance with the number of inhabitants of the village" and mayors were elected directly. Towns with more than 10 thousand inhabitants could vote for constituency candidates and party lists and the mayors were elected by elective representatives. The third case pertained to the capital, where electors got three ballot lists and "they could vote directly for the candidate in the given constituency, (party) list of the district and the (party) list of the capital's assembly. The district mayors and Budapest's city mayor were elected by the bodies of self-governement representatives."<sup>37</sup>

In 1990 SZDSZ had its best results in Budapest, the capital city of Hungary and the worst in smaller settlements. In towns with less than 10 thousand inhabitants SZDSZ received 4% of local representative mandates, while independent candidates got 71.2% and the right-wing governing parties (MDF and FKgP) earned 4.3% and 6.2% respectively. 1.9% of mayors belonged to SZDSZ, which was strikingly less than the 82.9% share of independent mayors. FKgP received 3.7%, while MDF got 2.3%. (Baló-Lipovecz, 1991) The shocking success of independents had been rising through the years under review, supposedly because of the disinterest of the parties in small towns. Moreover political parties wasn't organised in these settlements.<sup>38</sup>

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<sup>&</sup>lt;sup>37</sup> Tóth, Zoltán (1991). Önkormányzati választások 1990. [Municipal elections 1990] In Magyarország politikai évkönyve 1990. [Yearbook of Hungarian politics 1990] Sándor Kurtán, Péter Sándor, László Vass (Ed.). Ökonómiai Alapítvány Economix RT.: Budapest.

<sup>&</sup>lt;sup>38</sup> S. Szabó, Péter (2003). Pécsi politikai tanulmányok I. [Pécs political studies I.] [E-reader version]. Retrieved from: https://www.tankonyvtar.hu/en/tartalom/tamop425/0050\_03\_politika\_1/ch02s03.html

SZDSZ earned 20.7% of the party list votes in towns with more than 10 thousand inhabitants preceding MDF (18.3%), FKgP (7.8%) and todays governing party Fidesz (15.3%). The party became first at the constituency candidate level too, they received 17.2% of the mandates and 16.9% in a coalition with Fidesz. In Budapest SZDSZ had fifteen mayors independently and two more in coalition with Fidesz, out of the twenty-two districts. The conservative Lord Mayor between 2010 and 2019, István Tarlós was one of them. SZDSZ could win even the position of Lord Mayor, their candidate, Gábor Demszky kept it from 1990 to 2010. The capital's assembly had a liberal majority with SZDSZ earning twenty-five mandates out of eighty-eight and they received 34.7% of the votes.<sup>39</sup>

In 1994 SZDSZ had the best results in the capital just like during the previous municipal elections. In towns with less than 10 thousand inhabitants 1.9% of the directly elected mayors were affiliated with SZDSZ, while independent candidates earned 79.27% of votes. The governing party, Hungarian Socialist Party (MSZP) received 4.85%, most of the right-wing parties like FKgP, KDNP and MDF earned approximately 1%-1.5%. This was the first year when the mayors were elected directly (S. Szabó, 2003). In towns with more than 10 thousand inhabitants SZDSZ was able to acquire 14.38% of the mayoral votes, overpowering independents (12.16%) and right-wing parties. The governing party was the most popular in these towns with their 21.35%.

On the one hand, Budapest had a liberal Lord Mayor in the person of SZDSZ's Gábor Demszky, but on the other hand the assembly had a socialist majority (30.03%). SZDSZ earned 26.83% of the mandates, even less than the Fidesz-KDNP-MDF coalition, which received 27.03% (Tóth, 1995). Out of twenty-two districts SZDSZ could only won four independently, two in coalition with the governing socialist party and three in a coalition with KDNP, Fidesz and MDF. These results were far worse than the previous elections'. 41

In 1998 right-wing party, Fidesz won the parliamentary elections and gained more power even at the local level, while in the same time SZDSZ lost many of its voters, although maintaining its position in the office of Lord Mayor. The party's popularity decreased in the parliamentary elections from 19.73% to 6.22%. As in the previous elections, SZDSZ's results in the towns with less than 10 thousand inhabitants were worse than in bigger settlements. The party received 0.73% of the mayoral votes, Fidesz 2.23%, FKgP 2.54%, but the most succesful party was MSZP with 2.7%. Independent candidates got 81.73% of the votes. In towns with more than 10 thousand inhabitants SZDSZ got better results, it earned 5.8% of the votes, almost as much as Fidesz (6.28%). MSZP became the strongest party in these settlements too, with 19.24% of the votes. Independents received only 14.4%. In the capital's districts SZDSZ could only won one mayor mandate independently and other seven in coalition with MSZP. In the assembly the party received 25.19% of the votes, finishing after MSZP (27.5%) and Fidesz-MDF coalition (31.51%).

<sup>&</sup>lt;sup>39</sup> Baló, György & Lipovecz, Iván (Eds.). (1991). Tények könyve '91. [Book of facts] Ráció Kiadó Kft.: Budapest.

<sup>&</sup>lt;sup>40</sup> Tóth, Zoltán (1995). A helyi önkormányzati és kisebbségi képviselők, polgármesterek, főpolgármester, továbbá a fővárosi, megyei közgyűlések 1994. évi választásának összesíttett adatai az Országos Választási Bizottság jelentése alapján. [Aggregate data on local government and minority representatives, mayors, lord mayor, and general assembly elections in 1994 based on the report of the National Electoral Committee] In Magyarország politikai évkönyve 1994. [Yearbook of Hungarian politics 1994] Sándor Kurtán, Péter Sándor, László Vass (Ed.). Ökonómiai Alapítvány Economix RT.: Budapest.

<sup>&</sup>lt;sup>41</sup> 1994. évi önkormányzati képviselő választás. [1994 municipal election] (1994. 12. 11.) Retrieved November 8, 2019. from: https://valtor.valasztas.hu/valtort/jsp/tm2.jsp?EA=11

In 2002, the popularity of SZDSZ decreased more in the parliamentary elections (from 6.22% to 4.92%), and in the local level as well. It can be clearly seen in the county assembly's composition: out of Hungary's nineteen counties SZDSZ could attain assembly mandates in ten counties independently, but without a majority in each of them. In coalition with governing party MSZP it had mandates in two counties. In the capital's assembly SZDSZ held its position, the party received 23.17% of the votes, becoming third after MSZP (35.58%) and the Fidesz- MDF-MKDSZ coalition (31.25%). This means that SZDSZ received sixteen mandates out of sixty-six. During the mayoral elections SZDSZ did not have any winners independently but in coalition with MSZP they won in eleven districts out of twenty-two. The Lord Mayor of Budapest became Gábor Demszky for the third time with 46.7% of the votes. In the capital of the votes of the votes.

In 2006 SZDSZ kept the level of its popularity during the parliamentary elections (5.18%) and started the municipal elections in coalition with governing party MSZP. 44 It resulted in a small majority in the capital's assembly, where the coalition earned 50% of the votes, SZDSZ alone received only 12.9% of the votes which means the party remarkably weakened. The opposition right-wing parties' coalition, Fidesz-MPSZ and KDNP got 30%. On the other hand, SZDSZ lost its popularity in the districts, Budapest only had two mayors from the party and five others from an SZDSZ-MSZP coalition. The Lord Mayor, for the last time, became SZDSZ's Gábor Demszky – he won with 46.86% of the votes. The second place belonged to Budapest's later Lord Mayor, István Tarlós, who got 45.2%. The liberal party was not really successful in bigger cities, in most of the cases it received approximately 5-15% of the assembly votes, always being in minority against MSZP's and the Fidesz-MPSZ-KDNP's candidates. Summarizing the results, it can be stated that the right-wing parties gained more support in these settlements, while liberals became more and more unpopular. A similar trend could be discovered in the county assemblies too. 45

# **Incumbent liberal mayors after 2010**

Local governments of Hungary have a great range of rulemaking freedom, which is defined by the Fundamental Law of Hungary. <sup>46</sup> Thus, as a mayor of a certain municipality, one can do a lot for locals, because he has the freedom to do so. In the followings, the chapter examines incumbent liberal mayors after 2010 in Hungary, to understand what they have created on the basis of this freedom that made them popular and successful enough to stay in power for long periods. There are six incumbent liberal mayors after 2010 in Hungary. One of them is the mayor of Budaörs, which is in the area of Budapest, and five are mayors in the countryside.

<sup>&</sup>lt;sup>42</sup> Rytkó, Emília (2003). Adatok és tények a 2002. évi országgyűlési és önkormányzati választásokról. [Facts and figures on the 2002 parliamentary and local elections] In Magyarország politikai évkönyve 2002. [Yearbook of Hungarian politics 2002] Sándor Kurtán, Péter Sándor, László Vass (Ed.). Demokrácia Kutatások Magyar Központja Alapítvány: Budapest.

<sup>&</sup>lt;sup>43</sup> Önkormányzati általános választások: 2002. [Municipal elections: 2002] (2002. 10. 20.) Retrieved November 8, 2019, from: https://static.valasztas.hu/onkval2002/so02/ered\_ind.htm

<sup>&</sup>lt;sup>44</sup> Önkormányzati választások: 2006. [Municipal elections: 2006] (2006. 11. 22.) Retrieved November 8, 2019, from: https://static.valasztas.hu/onkval2006/hu/10/10\_0.html

<sup>&</sup>lt;sup>45</sup> Szoboszlai, György (2007). A kormányzó pártok sikere és kudarca: parlamenti és önkormányzati választások 2006-ban. [Success and failure of ruling parties: parliamentary and municipal elections in 2006] In Magyarország politikai évkönyve 2006. [Yearbook of Hungarian politics 2006] Péter Sándor, László Vass, Ágnes Tolnai (Ed.). Demokrácia Kutatások Magyar Központja Alapítvány: Budapest.

<sup>&</sup>lt;sup>46</sup> The Fundamental Law of Hungary, retrieved November 8, 2019, from: https://www.kormany.hu/download/f/3e/61000/TheFundamentalLawofHungary\_20180629\_FIN.pdf

Tamás Wittinghof has been the mayor of Budaörs since the democratic transformation. In his first cycle of reigning, he developed the newly-capitalist economy of the area in order to create a higher income out of taxes for the city and to pay all its depts. He succeeded with that to such an extent that in 2004 significant developments could began in the city based on the makings created by corporate taxes. In the following two years, the main road of the city has been renewed, as well as the main square of the city and its city hall. An ambulance centre and elderly home has been built, social tenement flats were created and a health centre was established. After these, outdoor parks, sport grounds and play-fields were created, and the social care system became universal in Budaörs. Wittinghof, as an active member of the opposition in Hungary, stands up against the government's restrictions of the local governments financial and decision maker autonomy. He has also raised his voice against the centralization of education, which is a governmental goal since 2013, and is very often criticized by teachers and teacher associations.

Ferenc Wekler is a mayor of a beautiful small village in the Mecsek Mountains, called Mecseknádasd. The village attracts lots of tourists with its various sights, which is financially beneficial for innovation. With its 1497 habitants, it also has social care centre, a senior centre for the elderly, school, kindergarten and day nursery, which is unusual in Hungary with such few habitants. As wine production is a common source of income in the area, wine makers have a local association, called Grape and Wine Makers Association of Mecseknádasd.<sup>49</sup>

István Sértő Radics is the mayor of a small, ethnically diverse village in Szatmár county, called Uszka. He has been in his position since 1994. He was elected shortly after the democratic transition. He is also a practicing doctor. <sup>50</sup> He made major improvements in the quality of life in the village, as he created work opportunities and encouraged different ethnic groups to get in contact with each other in order to forget their prejudices. His work has been mentioned as the "miracle of Uszka". At the beginning of his work, only a few people had jobs in Uszka, and the habitants were not properly educated, just a couple of them had finished high school. By now, everyone has an income and two people from the village have got university degrees. Sértő Radics had created the opportunities that made these achievements possible by applying for and winning tenders, with positive discrimination in the village, and with zero tolerance towards antisocial behaviour. There are also Bible classes and Services every week for the Christian habitants. <sup>51</sup>

György Baky is the mayor of a small village called Bakonybél. The village is located in the famous Bakony mountains on the countryside. During his reign, a big astronomical centre has been established in Bakonybél, which is a touristic sight as well as a possibility for the villagers to spend

<sup>&</sup>lt;sup>51</sup> Herman Ottó Institute Webpage, retrieved November 11, 2019 from http://www.hermanottointezet.hu/node/427010



<sup>&</sup>lt;sup>47</sup> Tamás Wittinghof's Personal Page, Retrieved November 8, 2019, from: http://www.wittinghofftamas.hu/

<sup>&</sup>lt;sup>48</sup> Népszava. (2018, March 10). Wittinghoff Tamás: rosszabb mentális állapotban vagyunk, mint 28 éve. [Tamás Wittinghoff: We are in a worse mental state than 28 years ago.] Retrieved November 8, 2019, from https://nepszava.hu/1154857\_wittinghoff-tamas-rosszabb-mentalis-allapotban-vagyunk-mint-28-eve.

<sup>&</sup>lt;sup>49</sup> Nvzs. (2019, April 9). Wittinghoff Tamás: a kormányt nem érdekli, hogy mit írnak a budaörsi tanárok. [Tamás Wittinghoff: The government is not interested in what Budaörs teachers write] Retrieved November 8, 2019, from https://hirklikk.hu/kozelet/wittinghoff-tamas-a-kormanyt-nem-erdekli-hogy-mit-irnak-a-budaorsi-tanarok/349178.

<sup>&</sup>lt;sup>50</sup> Cservenyák, K. (2018, June 5). Aki csodát tett Uszkában. [Who have made magic in Uszka] Retrieved November 11, 2019, from https://szabolcsihir.hu/helyben-jaro/2018/06/aki-csodat-tett-uszkaban.

their free time with an interesting activity. For children, a so-called "forest school" was also created, which is a camp for the youth to learn about nature. In the local museum – which is directed by György Baky, the mayor – families, teachers and people with disabilities can get tickets for free. There are frequent cultural events in the village as well. <sup>52</sup> Baky has also contributed to the touristic improvements in the area, with co-creating new accommodation opportunities for visitors.

Besence is a small Eastern-Hungarian village in one of Hungary's poorest counties, Baranya. It's mayor is József Ignácz, a politician with Roma ethnic background. In Besence, the vast majority of habitants belongs to the Roma ethnicity.<sup>53</sup> Ignácz made his village famous with winning a tender for a tennis program. In the program, a tennis court was built in Besence, and a tennis trainer teaches the people of Besence for tennis playing. In a village with 126 habitants this was a great opportunity for socializing and beating isolation and meaninglessness among many people without jobs. A Hungarian documentary film (Besence Open) was made about the program. Through another tender, the village also got a bio gardening opportunity for the villagers to create their own food.<sup>54</sup> The mayor is very communicative and open-minded with the villagers, communicates with them regarding his goals and visions, and also their problems. In cooperation with another Roma mayor, who is affiliated with the Fidesz party, they had created the network of Roma mayors. This was a very important act, as these mayors felt that governmental politics regarding Roma people was ineffective and harmful, therefore they have decided to stand up for the protection of Roma people.<sup>55</sup>

Béla Nagy is the mayor of Medgyesegyháza, a town in south-east Hungary. He was elected six times since 1990, (he took a "rest period" between 2010 and 2014). His popularity can be explained with the transparency of local decisions, and the developments that are serving the better quality of life for habitants. Through his actions he pays attention to the public health of the town, which is a much neglected but extremely important topic in Hungary, and especially in the Hungarian countryside. The recently built running field and opened gym are important opportunities for people to do exercises without having to pay for it. Physical activity is one of the most important steps to prevent the main health problems which many Hungarian people are dealing with, namely circulatory diseases, depression and diabetes. Loneliness is also a frequent problem in Hungary and in Europe in general. It is especially common amongst elderly people. There is a club for the elderly in Medgyesegyháza, to prevent the isolation of older people. There are also three working organizations in the town, one for children, one for young people and one for families. The first two associations are creating sport activities and programs for skill development and the better knowing

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<sup>&</sup>lt;sup>52</sup> Museum of Bakonybél webpage, retrieved November 11, 2019 from http://www.museum.hu/muzeum/1272/Tajhaz - Bakonybel/info

<sup>&</sup>lt;sup>53</sup> Kereszturi, Á. (2011, May 12). Hatalmas csillag. [Huge star] Retrieved November 11, 2019, from https://www.origo.hu/tudomany/20110511-pannon-csillagda-latogatokozpont-bakonybelben-csillagaszati-es-urtudomanyi-ismeretterjeszto-kozpont-keszul.html.

<sup>&</sup>lt;sup>54</sup> Maradunk itt - Cseh Tamás-emlékest Bakonybélben. [We stay here – Tamás Cseh memorial night in Bakonybél] (2011, June 22). Retrieved November 11, 2019, from http://valasz.hu/kultura/maradunk-itt-cseh-tamas-emlekest-bakonybelben-38809.

<sup>55</sup> Besence Open, documentary film, retrieved November 11, 2019, from

https://www.youtube.com/watch?v=oT9ZGAU1ico

<sup>&</sup>lt;sup>56</sup> Origo. (2015, May 29). Ez lesz abból, ha összeáll egy liberális és egy fideszes cigány. [This comes then a liberal and Fidesz affiliated gipsy cooperates] Retrieved November 11, 2019, from https://www.origo.hu/itthon/20150528-roma-cigany-polgarmester.html.

of nature. The third one works for the well-being of families and small children.<sup>57</sup> Béla Nagy has won many tenders for the village, to build roads and to support local youth for example. The budget of the village for each year until 2016 is available on its website as a data of general interest.<sup>58</sup>

# Election results of the Momentum party at the 2019 EP elections

The 2019 European parliamentary elections results in Hungary significantly rearranged power relations amongst Hungarian liberal and left-wing opposition parties. While it is uncertain if these are long-term changes on the political palette, these changes have affected what behaviour opposition parties choose during the preparation for the upcoming 2019 municipal elections and how high demands they make for the cooperation negotiations. One of the winners of this rearrangement was the centrist-liberal Momentum Movement, which – after being unable to surpass the five percent threshold in the 2018 parliamentary elections – got 9.93% of the national votes on the May elections (and 17.35% of the votes in the capital city of Budapest) thus getting two seats for their MEP candidates in the European Parliament.

The main reasons of Momentum's success are yet to be discovered or confirmed. This chapter aims to analyse whether the party managed to earn the support of former liberal voters or they mostly gained voters by other reasons. Since the fall of the Alliance of Free Democrats (SZDSZ) there were practically no significant liberal parties in Hungary. Even though Momentum represents a new political generation and there are no overlaps between its politicians and the last thirty years' political elite, it is still highly possible that the party got popular in traditionally liberal voter groups and "strongholds". In this chapter, we wish to compare the 2019 EP election results of Momentum to the 2006 parliamentary election results of SZDSZ (the last election where the liberal party surpassed the threshold). We will examine the results in the 19 counties (the main administrative divisions of the country) and the capital. SZDSZ's voter base were located in urban areas, particularly in Budapest, therefore we should expect to see the latter being the most important stronghold for Momentum as well.

First of all, we must look at the county results of the parties in their respective elections. In the case of the 2019 EP election, every party may present a single national list, for which votes can be cast from across the whole country. Nevertheless, voting results are still recorded (and available) on the county-level as well. In the old parliamentary electoral system, which was used in the 2006 election, parties also had to present twenty regional lists (one for each county and the capital), and votes only could be cast for these, as the national list was shorter and used only for the distribution of compensation seats. As a result, we have to compare the regional results of the 2019 national list of Momentum to the results of the 2006 regional lists of SZDSZ.

Looking at the results, it is clear that Momentum indeed reached its best results in Budapest by getting almost 1.5 as much percentage of the votes cast as in any other county. It is also important to note that Momentum got 9.93% of the national votes, while SZDSZ only got 6.50% on the national level, and Momentum "beat" the latter in all of the counties as well. Furthermore, the distribution of

<sup>&</sup>lt;sup>58</sup> Such, T. (2011, December 24) Ja, a motoros polgármester! [Yup, the mayor on the bike] Retrieved November 11, 2019, from http://hir6.hu/cikk/116987/ja\_a\_motoros\_polgarmester



<sup>&</sup>lt;sup>57</sup> Medgyesegyháza official page, retrieved November 11, 2019, from https://www.medgyesegyhaza.hu/

regional results also differs somewhat. While Momentum reached good results in the capital and counties like Pest (a county with large urban areas surrounding Budapest), Baranya (which could be described as a "swing-county") and similarly to its national results, got approximately 1.5 times the vote percentage of SZDSZ, some counties show noticeably smaller or larger differences. In Csongrád, a county with a strong left-wing voter base (its capital town, Szeged being the seat of the only constituency outside of Budapest, which was won by a socialist candidate in the 2018 parliamentary elections), Momentum gained almost twice as good result, as the free democrats, and in Hajdú-Bihar, a county traditionally dominated by Fidesz, Momentum's vote percentage was more than double of SZDSZ's. Meanwhile, in some counties, like Nógrád and Jász-Nagykun-Szolnok Momentum barely beat the free democrats, gaining less the one percent more of the votes cast in the former county.

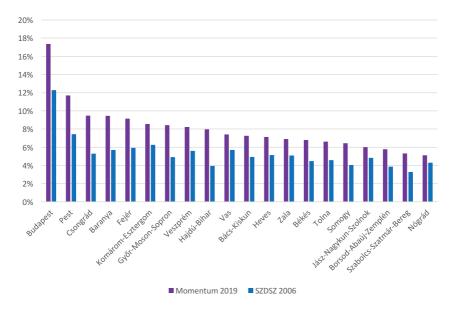


Figure 3 Support of Momentum in 2019 and SZDSZ in 2006 by county, source: https://www.valasztas.hu/

To further examine the possible similarities and differences between the two voting patterns we must look at the distribution of the number of party-list votes cast for the given party in each county in the respective election. Both Momentum and SZDSZ got approximately 35% of their votes from Budapest: this further confirms the high level of similarity in respect of the capital. However, there's a visible difference in the number of votes from Pest county, where Momentum not only managed to get a bigger percentage of the votes than SZDSZ, as seen before (15.43% and 12.96% respectively), but to gain significantly more votes in an election where the voter turnout was much lower. A similar tendency is shown in Győr-Moson-Sopron (one of the strongholds of Fidesz) and the aforementioned Csongrád and Hajdú-Bihar.

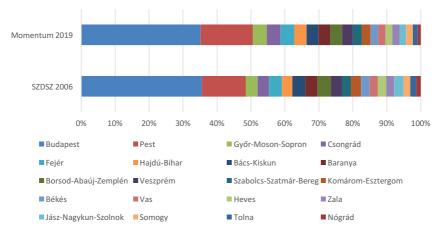


Figure 4 Distribution of votes cast for Momentum in 2019 and for SZDSZ in 2006 among counties, source: https://www.valasztas.hu/

## **Primary elections in Budapest**

After lengthy preparation, the first pre-election of Hungarian political history was organized by MSZP, Párbeszéd, Demokratikus Koalíció (DK) and Szolidaritás at the end of January and early February in 2019. The purpose of the first round of the Mayor's pre-election was to select a left-wing mayor candidate within the opposition. DK, who had not yet nominated candidate, secured his support for the first round winner. Participants in the pre-election were Csaba Horváth (MSZP's capital representative, former Mayor of District II, former Deputy Mayor) and Gergely Karácsony (Mayor of District XIV, former Parliamentary Representative of the LMP and Párbeszéd, MSZP-Párbeszéd's prime ministerial candidate). Candidates could begin collecting recommendations from December 27, 2018, and voters wishing to vote online had to register as well. Voters could vote between January 28 and February 3, 2019 in designated party offices and tents set up at seven busy locations in the city, as well as on the Internet. Of the 34,214 votes cast in the first round of the pre-election, 27,598 were given to Gergely Karácsony (80.9%) and 6,535 to Csaba Horváth (19.1%). The preelection was also directly influenced by the European Parliament elections on 26 May. In addition to the Demokratikus Koalíció's 16.05% and Momentum's 9.93%, the weak performance of the MSZP-Párbeszéd, Jobbik and the LMP has changed the balance of power within the opposition. This was the direct reason Momentum launched its own candidate, and DK also announced that it would support Olga Kálmán in the pre-election instead of Gergely Karácsony.

Following the first round of the pre-election, the MSZP stood behind the victorious Gergely Karácsony, so the Mayor of District XIV established himself as a joint candidate for Socialists (MSZP), Párbeszéd and Szolidaritás. Although the Demokratikus Koalíció also secured support for its winner in the first round, the DK decided to support Kálmán Olga, a television anchor, who had been invited by Klára Dobrev's MEP but determined to be an independent candidate after the European parliamentary election, which strengthened the party. Momentum, which more electoral support than expected at the EP election, nominated the District XIII chairman of the party, Gábor Kerpel-Fronius for the second round of pre-selection.

In terms of its basic aims and directions, the three candidates' programs overlap significantly. In all three candidate programs, the emphasis was on protecting the environment, stopping the rise in housing costs, modernizing and improving public transport. This shows the problems that the then incumbent mayor, István Tarlós and the Fidesz township have not been able to solve since 2010, or which occurred in Budapest during this period (the decline of local government, air pollution, the surge of housing and apartment prices, the decline of public transport) can be clearly identified. At the same time, the background of the candidates and the values of the parties that support them were strongly reflected in urban policy.

Of the three programs, critique of István Tarlós and the Fidesz administration was the most prominent in Olga Kálmán's vision, called Right for Budapest. In this respect it was similar to program of Csaba Horváth, who started in the first round of the pre-election, and his program has been called "Free Budapest, Now!" (Following the EP election, DK, among other things, pushed back Gergely Karácsony, arguing that a more warlike candidate is needed according to the party.) The former television anchor's program prioritized the importance of free press and culture. Beyond the list of goals, however, Olga Kálmán's program focused less on the longer-term vision of Budapest and more on mood-enhancing actions such as air-conditioning the metro line 3 or on-call pharmacies.

In his "Budapest for All" program, Gergely Karácsony emphasized ecological and social policy. There was a specific chapter on air pollution and its solution, and also combating climate change, but the chapters on urban development and transport also included environmental protection. The promise made by Gergely Karácsony during the pre-election campaign included the creation of a large forest in Budapest and a green corridor extending across much of the capital, suggesting that green thinking is at the heart of Karácsony's vision for the capital. For the MSZP-Párbeszéd candidate, the left-wing messages appeared, among other things, in proposals for a solution to the housing crisis and in the idea of a special tax on real estate worth over HUF 500 million, in order to tax the Orbán friendly oligarchs.

Momentum had already announced its Budapest 2.0 program prior to the announcement of Gábor Kerpel-Fronius as mayor. In the document, the party declared that their Budapest program was not written exclusively for the 2019 local elections. Of the three Budapest programs, Momentum's was the least politician: although it identified the problems of the capital, it did not name István Tarlós and Fidesz as responsible, and the position of the municipality of the capital was less prominent in the program. On the other hand, he dealt extensively with topics of particular interest to young people, such as emigration, housing, the situation of universities and colleges in Budapest, the Erzsébetváros party district or even robotization.

The most important change between the first and second rounds of pre-selection was the possibility to register online. The civil society organization aHang's IT staff have set up a system in which client gatekeepers have been able to pre-register with the help of AVDH (document authentication traced back to identification). Of course, pre-voters had the opportunity to personally register to vote online.

The election was preceded by collecting recommendations. Candidates had to collect 2000 recommendations between 5 and 17 June. A total of 9 sheets were collected for the recommendation, but eventually three candidates, Gergely Karácsony, Olga Kálmán and Gábor Kerpel-Fronius, collected the required recommendation, each with 2500-3000 pieces. Voters had the

opportunity to cast their votes between June 20 and June 26 online or personally at 15 tents set up various locations throughout the city. Thus, in the second round voting was no longer possible in the former 27 party offices, which reduced the possibility of party influence, but at the same time predicted that the turnout would be lower than expected. Nevertheless, this ultimately did not materialize.

Coordinating and operating organizations were important elements of the pre-election infrastructure. The Civil Választási Bizottság (CVB, Civil Election Commission) was established on May 22 and was composed of candidates, opposition political parties (MSZP, Párbeszéd, DK, Jobbik, Momentum, LMP, Szolidaritás) and NGOs. On behalf of the CVB, only its president, György Magyar, was authorized to make a statement. The work and technical conditions of the pre-selection volunteers were coordinated by the aHang civil society organization, which has previously been involved as a facilitator in supporting civic initiatives such as home care.

Although the two-rounds of the mayoral election were initially explained by the parties involved in the first round as candidates for the left and in the second for candidates of other forces in the democratic opposition, this interpretation was lost in two respects. Notwithstanding, after the first round of the pre-election, DK supported the victorious Gergely Karácsony, the party, in view of its over-expectations of the European elections, chose to support its own candidate, namely Olga Kálmán. This move has caused a crisis of confidence between Gergely Karácsony and his supporters and the DK. As a result, two left-wing forces - the MSZP-Párbeszéd alliance and the DK - were nominated in the second round of the pre-election.

Media interest also increased compared to the first round. According to the Google News database, there were 95 articles on pre-selection in the online media between June 5 (the start of collecting recommendations) and June 28. A total of three public debates were held between the three candidates: the YouTube channel Partizán and later aHang organized live and online debates, and for the third time through the independent ATV the debate was broadcast nationally. Pre-election has become such a political event that experts in the pro-government press have dealt with it, of course, in a high-minded way denying the importance of pre-election or with experts were questioned about the possibility of data theft. Participation in the pre-election generated an extraordinary media presence, so that after the EP elections Momentum and DK were able to further strengthen their position within the opposition, giving the former public a new politician, Gábor Kerpel-Fronius. The MSZP and the Párbeszéd stabilized their position, primarily through a positive outcome for them, while the position of Jobbik and LMP, who were left out of pre-election, continued to weaken.

Finally, 68,363 people participated in the pre-election, thus meeting the eligibility criteria. Indeed, the candidates and their nominees agreed that if the number of participants reached 50,000, they would accept the pre-selection winner as a common candidate. This number was double the number of first round participants, and mobilization was even more successful in the second round. This is due to the real stake in the pre-election after the European elections with the appearance of new candidates, namely Olga Kálmán and Gábor Kerpel-Fronius. According to aHang, even on the last day, between 8 AM and 12 PM, it received over 5,585 votes. The strongest day was the penultimate day, when 13,854 voted. Not surprisingly, most of the votes were cast at busy public transport hubs. Online voting was not outstanding, 3,944 voters using this opportunity. Voter turnout was 5.2%

compared to all voters in the capital, better than the 4.32% turnout in the second round of the 2017 French left-wing primary election.<sup>59</sup> When compared to the EP election results of parties participating in the Civil Választási Bizottság (CVB), we get a turnout of 19%, and when compared to the total opposition result in the capital of 2014, it was 22.65%.

Like the first round, Gergely Karácsony, a candidate for MSZP, Párbeszéd and Szolidaritás, won the second round of the pre-election with 33,356 votes (48.8%). Olga Kálmán, a candidate for the Demokratikus Koalíció (DK), received 25,903 votes, 36.7% of the total. Gábor Kerpel-Fronius gained 14.3% with 9,792 votes. There is a clear difference between first and second place, but the two losing candidates also achieved a nice, acceptable result. Thus, Karácsony achieved a similar result in this pre-election to Antal Csárdi, LMP candidate in 2014, at the mayoral election.

#### Conclusions

In conclusion we can state that liberal parties and politicians in contemporary Hungary have less success than the years after the system change. Although SZDSZ could never receive the majority of the votes in the parliamentary elections, in the beginning it was popular in the capital city and could maintain the position of Lord Mayor. Since 2006 right-wing parties became more and more successful at local level, overshadowing liberals. In 2014 SZDSZ officially dissolved, albeit several of its members remained in Hungary's politics. At local level the successful mayors mostly can be found in settlements with less than 10 thousand inhabitants, as independent candidates.

It seems like a pattern for these liberal mayors is to create opportunities for people to spend their free time with meaningful activities. As choosing life activity preferences individually is a liberal principle, liberal mayors have created multiple opportunities to choose from in their villages or districts. These can also be useful for each area's economic growth, as these opportunities are often business ideas as well. In ethnically diverse villages, these opportunities are also encouraging ethnical integration and personal relationships between ethnic groups. Liberal mayors are taking chances to win tenders to create better living circumstances for locals, and possibilities for meaningful communal and individual free time activities. Open and direct communication with locals is also a common habit among liberal mayors. They often discuss problems and opportunities with habitants. This practice involves everyone in decision making and creates a community-like environment among people. All in all, the assessment of the work of Hungarian incumbent liberal mayors after 2010 demonstrates that they were concentrating on the most important issues regarding the health, the well-being and the financial situation of locals, doing so through democratic and also productive leadership.

While some former liberal mayors continue to be in office, we are not able to say a clear answer to whether the origin of Momentum's voter base is that of the former Alliance of Free Democrats or not. It is obvious that there are many overlaps, and we can safely assume that many of the former SZDSZ voters turned to Momentum, after not having a potent liberal party to vote for more than a decade. The results of Budapest and those of many of the counties support this concept of liberal voting pattern continuity. On the other hand, in counties where there are big differences between Momentum and SZDSZ, there might be many recent or not-so-recent local reasons for this, as these

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<sup>&</sup>lt;sup>59</sup> Samuel Laurent (2017.01.23). Primaire de la gauche: pourquoi le doute persiste sur les chiffers du scrutin. Le monde.

counties have little-to-no similarities regarding geographic region, political affiliation or history of personal changes in politics. It is also worth noting, that Momentum reached a much better result in the EP election in 2019, than SZDSZ in 2006.

Many researches show, and analysts assume that Momentum is highly popular and over-represented in support amongst younger generations — most of whom were not able to vote in the time of SZDSZ and probably did not follow party politics yet. Furthermore, we must not forget the "centrist" characteristic of the party, which made it able to gain both right-wing and left-wing voters, who were unsatisfied with the state of politics in Hungary or simply wanted new faces in national politics by being critical to both the government parties and the "old left" and embracing progressive and patriotic ideas at the same time. A good example for this is how Momentum possibly managed to gain the support of estranged Jobbik voters, while maintaining mostly liberal policy concepts.

With its 2019 European Parliamentary election success, Momentum gained a chance to prove itself as a self-sufficient and competitive party. The next challenge was the local elections, which – besides being deemed to be a crucial event in the development of the Hungarian political system for the next few years – was a possibility for Momentum to strengthen its position as the second strongest opposition party in Hungary. As the results of the municipal election demonstrated, the party was able to obtain a stable voter base, and increase its popularity in new social groups, while remaining loyal to its root principles.

During the primary election in Budapest before the 2019 municipal election the liberal Momentum's candidate gained less than 15% of the votes. However, the primary election contributed to the success of the opposition. Effective primary election means that the opposition parties involved have a stable candidate with democratic credentials. It represents a stronger legitimacy and a stronger position vis-à-vis the party elites than if the opposition delegations had been selected in closed doors negotiations. The primary election demonstrated that there were committed opposition voters in the capital, for whom the most important aspect of support was the candidate's ability to succeed against the incumbent Fidesz supported mayor and not partisanship. At the same time, the primary elections also provided a sense of success for opposition voters. Until the fall election, there was be no election that could break this optimism. Also, participation in the primary election also showed that opposition parties were willing to take risks for success.

# Reinventing Liberalism: The Case of Austria

### by Robert Braun

### Austria and liberalism

Austria has a historically ambivalent relationship to traditional political liberalism and ideas of progress. The complex nature of her history, its unresolved traumas and unrealized ambitions lie at the heart of the nation's conflictous relationship with her past and its ambiguous self-image. This is coupled with historical ethnic pressures originating in the Habsburg past, multiple and competing cultural influences evolving over centuries and a complicated political memory of the long twentieth century. The political identity of the country was formed in larger socio-political process amidst social, historical and political challenges of a multi-ethnic and multi-layered society.

Derived from the term 'Ostarichi' and created to differentiate from the emerging German empire, Austria came to refer to the ruling family of Habsburg (called Casa Austria). The multiethnic empire was held together by the crown, the Catholic Church and, mainly, the imperial bureaucracy. A more general feeling of national belonging together, a version of Austrians constituting an imagined national community with its limited, sovereign and common spirit, was lacking in times when national identities and liberal politics emerged in Europe.

From a birds eye perspective present political setups, originating in disturbed national sentiments involving social elites, political parties and their voters, seem to continue being entrapped in conflicts that stem from the nationalist quest of German unification by more conservative social groups and a modernist, progressive agenda pushed by urban intellectual elites. Describing the political psychology informing main trends related to liberal ideas, deep feelings from the period of unification battles are still embedded in Austrian society. This makes an open, post-national and liberal agenda to be seen as dangerous. Romanticized ideas of "Heimat" still represent a sometimes hidden, sometimes openly antagonistic juxtaposing of an idealized, nativist peaceful natural homeland with an "imported" and "alien" modernism intertwined with the industrial revolution and associated with social turmoil, human greed, and a soiled homeland. The powerful German concept of the "homeland" or "place of origin" is a manifestation of a deeply conservative notion of an unspoiled environment that extends also to related ideas such a culture, language, and tradition. This is represented by conservative and openly socially anti-liberal political establishments like the christian-conservative People's Party (ÖVP) and the far right Freedom Party (FPÖ), partly in concert with the Church that still has a major influence in present day Austrian political life. It is the "Heimat" concept that has been and still is in many ways seen to be under attack by the liberals.

Regionalism or localism, embedded in the provinces and provincial consciousness, is argued to represent constituent elements out of which a non-monarchic Austrian identity or Austrian identities are made: landscapes, buildings, local traditions, and the constant institutions of the provinces that not only antedate Habsburg Austria but also provide the historical and institutional substrata for today's federal provinces. Local, regional or provincial identity never has appeared to be part of the 'Austrian identity problem': inhabitants have a sound sense of place and tradition – a combination of common sense and established local narratives. This is closely connected to a more conservative social and political agenda – again not conducive of an open, liberal and progressive political agenda. From a political identity perspective that may inform the emergence of a more liberal local position,

problems arise when the inhabitants of the Lander were confronted with being something more than provincial, such as "Austrian." From this perspective, the problem of Austrian/European identity emerges when one moves from fundamentally intact local or regional forms of identity onto higher levels of generalization, abstraction, or institutionalization: how the parts of Austria are related to a larger Austrian or European whole which, in turn, has frequently assumed an intermediate position between the constituent parts of Austria and broader institutions or concepts, such as the "House of Austria", "Germany", or "German culture."

Against this backdrop a modern liberal political movement appeared as a response to the reemergence of an openly nationalist agenda that challenged the then existing and well established
political-institutional status quo in the late 1980s and early 1990s. As the accession to the European
Union and the re-opening of the national identity issues presented itself on the political agenda, the
old debates gained political traction once again. By the re-emerging far right, then Austrian political
leaders were portrayed as "conspiring with European elites intent on carrying out a sinister
multicultural liberal social agenda" that threatened the country's very fabric.<sup>60</sup> These political
debates were tuned up in volume by the Church opposing such liberal, multicultural political culture
enter into Austrian social and political life. Traditionally, originating from the Habsburg past and the
unique Austrian political development in the 18th and 19th centuries, the Church has an important
role in public life, the political establishment and in economic processes. Once again, this provides
hindrance to a traditional liberal agenda, as separation of Church and State never completely
happened in Austria. The Catholic Church represents an important backbone of the governing
Austrian People's Party (ÖVP).<sup>61</sup>

The prevalence of the "Heimat" notion and concept of the idealized homeland enabled a party like the Austrian Freedom Party (FPÖ), originally with strong liberal ties and economic agenda, to appeal to a large section of the political spectrum by subtly adjusting and broadening its political message at the expense of their liberal past in the early 1990s. This said a liberal party, the Liberal Forum (LIF), was founded in 1993 in protest against the FPÖ's anti-Foreigners' Referendum by politicians from the liberal wing of the FPÖ. Twice, in 1994 and 1995, the liberals made it into parliament; in 1999 they were left out. In 2008, Heidi Schmidt, the founder of the party made one more attempt – and failed. It was at this moment that the LIF founder gained the impression that "a liberal party in this country is apparently undesirable."

Also related to the potentiality of a liberal political formation post-war political elites portrayed the country as a natural bridge-builder between East and West. This was expedient in light of the new geopolitical realities but did little to mend Austria's fragmented identity or its relation to basic liberal ideals of individual liberties, State-Church separation and the like. Austrian political identity, now even beyond political community boarders, continued to be based on "security and order" provided by the State, as opposed to a more liberal civic concept of the public sphere. Discussing these

<sup>&</sup>lt;sup>60</sup> Heinisch, R. (2004). Salvation and villain: the role of Europe in Austrian politics and the rise of the radical right. [Salvation and Villain: The Role of Europe in Austrian Politics and the Rise of the Radical Right]. Politique européenne, 14(3), 165-187. doi:10.3917/poeu.014.0165

<sup>&</sup>lt;sup>61</sup> Plasser, F., Ulram, P., A. , & Sommer, F. (2000). Das österreichische Wahlverhalten. [The Austrian electoral system] Vienna: Signum.

<sup>&</sup>lt;sup>62</sup> Pasquarè, R. (2013). Austrian populism after the victory of the FPÖ in 1999: The political success of the discursive strategy of exclusion. In H. Giusto, D. Kitching, & S. Rizzo (Eds.), The Changing Faces of Populism. Brussels: FEPS.

developments on a more social level, as a neutral country perched between the Eastern/Western blocs, Austria could be Western when it mattered, that is in terms of lifestyle and economic prosperity, but critical of Western capitalism, modernism, and technological progressivism when that was preferable. As the popular saying goes: the Balkan actually begins at the Rennweg, in Vienna. This again may prove to be prohibitive in assisting clear-cut liberal policies emerge on the local or the national level.

Turning to the political system and specific political establishments representing specific constituencies: dating back to the days of the Habsburg Empire, Austrian politics had been dominated by three hostile politics camps and their subcultures (Christian-Conservatives, Social Democrats, German Nationalist). Political and societal fragmentation remained the central insurmountable problem of Austrian democracy prior to World War II. To this the political elites, after the experience of Nazi rule as well as the trauma of war and occupation, responded by constructing a model of national cohesion and political compromise. A system of party-political interelite co-operation known as "Proporz" [proportionality], as well as a version of social corporatism under which all social and economic interests were internalized and resolved through consensus measures, became the pillars of the Austrian model. Political conflict and unrestrained competition were seen as inciting divisiveness that needed to be eliminated or marginalized. This, once again, hindered the emergence of a separate and independent liberal political group or a political agenda that focuses on individual liberties and a more agonistic, rights based procedural political praxis. The FPÖ was forced to stay outside the "Proporz" framework as it remained a political latecomer to the political scene; however it had an ideological base that could be utilized in building a following and a constituency base. Liberals did not have this tradition. Or, better said, what tradition there was for the liberals had been soaked by the ÖVP in terms of economic liberalism and the social democrats (SPÖ) in terms of social inclusion, civic activism and the progressive agenda. The "Proporz" system had also been reinforced by Austria's rapid economic recovery and soaring prosperity as well as the exceptional economic performance during the global economic crisis of the 1970s. This confirmed to many citizens the superiority of the country's socio-political model. According to current research by the SORA Institute, the social climate in Austria is left-wing when it comes to more government, especially the welfare state and redistribution, and right-wing when it comes to refugees and immigrants. For a traditional liberal agenda there seems to be relatively little space in between traditional political establishments supported by the "Proporz", both from organizational and political points of view. Or more precisely, there is relatively little room for an independent liberal party – as the temporary success and failure of the Liberal Forum exemplified. 63

In the early 2000s, however, the Austrian consensus system, and the major political institutions that had supported it, found themselves in a severe crisis of legitimacy. Simultaneously, the country's elites, fearing decreasing economic competitiveness, launched a headlong rush into the newly formed European single market. This, as mentioned earlier, helped FPÖ to emerge as a challenger to the existing "Proporz" system. The electoral need for the (partial) renewal of the political system propelled the FPÖ into government, but also helped new political parties, like the ecology oriented Greens and the liberal NEOS to gain stronger foothold and enter into parliament. Understanding the current Austrian political system it is worth mentioning that in the last ten years the approval of the sentence "It would need a strong leader who does not have to worry about parliament and

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<sup>&</sup>lt;sup>63</sup> Barber, T. (2016, April 26, 2016). The change in political tide buoys Austria's far right. Financial Times.

elections" has risen from ten to 26 per cent as current research by the SORA Institute show. As ex-SPÖ leader and former chancellor Christian Kern said in a discussion of the opposition parties that the left-liberal economic and bourgeois-liberal social agenda had lost its persuasive power in the electorate in a single issue: "the case of migration."

This said there are other, more ideological factors that hinder liberalism's strong positions in Austria. For the European and Austrian left, economic liberalism or "neoliberalism" is to blame for the austerity politics and the untainted power of corporations, symbolized by the financial crisis. For the European and American right, social liberalism is to blame for the refugee crisis and the consequences thereof. This is then, on the local level, extended to and connected with a loss of familiar conditions, deterioration of more traditional ways of life, and the potential disappearance of the "homeland/Heimat". This is also coupled with the bereavement of feelings of security, economic and cultural wellbeing of the traditional middle-class — the potential constituency of a liberal "middle." Another element in the lack of a liberal constituency is the Holocaust and the extinction of near to 200.000 Jews living in Austria before WW2. While most Jews in the interwar period voted for the Austrian Socialist Party, their political stance and socio-economic worldview was more liberal and voted for the socialists for historical reasons. The lack of a significant Jewish middle class is a serious hindrance for a left-liberal party to gain foothold on the electoral map of the country.

After the historical evaluation of the Austrian political landscape, from a liberal point of view the current political shows similar signs as European and American politics. There is a split between progressive elites represented politically by traditionally left-liberal political establishments and the radicalized right wing voters finding home in traditional Christian-democratic parties moving to the right and far right parties becoming acceptable for more traditional conservative elites. The space is quite limited for new progressives, especially as green parties have the advantage mainstreaming fears of climate change and the 'green' political agenda. This is coupled with the historically rooted anti-liberal sentiments, the remnants of the "Proporz" system especially on the local level, and the "localism" agendas taken up by local parties (which are actually local offsprings of traditional national parties) or the, relatively independent, local politicians of the traditional parties from both the left and the right.

### **New liberalism**

In the last decade, however, a new liberal party emerged on the national scene – NEOS – Das Neue Österreich und Liberales Forum (The New Austria and Liberal Forum). The party openly occupies the space of liberals on the political spectrum: representing neoliberalism with a human face as economic policy and a moderately left-liberal social agenda, coupled with a youthful brand appeal to younger electoral groups. NEOS claims that it is not only a liberal political party but a popular movement, embedded in the centre of the political spectrum. This reflects their largely middle-class composition and policy orientation. Although the party itself is somewhat diffuse and shifting both in terms of members and voters, it does have a strong foothold both on the regional, municipal and by now on the national level.

Early on, NEOS cooperated with and fused with multiple other parties, the JuLis (Young Liberals), which turned into NEOS' youth party JUNOS (Young NEOS), the remainder of the LIF (Liberal Forum) and the OPÖ (Online Party Austria), while also absorbing a part of the Grüne Wirtschaft (Green Economy). The foundational idea of NEOS was supposed to be above ideologies and focus only on

best-practice models from across Europe, but eventually the high concentration of liberals that finally found a home in the party made it inevitable for NEOS to take up the label of liberal party that lead to joining ALDE family.

NEOS' four main political pillars are democracy/federalism, a European integration agenda, liberalizing the economy and a strong focus on education. They also have created multiple groups and open formats to allow both regular citizens and party members to shape their program in all policy fields, which often caused disagreements and internal strife. One of the biggest controversies in the early days was a disagreement on gay marriage. Those in favor won in the end, but the conflict made big waves in the media and damaged the party's image with a potential, mainly young liberal, electorate. This was reinforced by the ÖVP's own attempts to dissuade its voters from voting for NEOS, depicting it as nothing more than a progressive offshoot with no real chance of success or any tangible ideas.

Despite the ÖVP's strong efforts, as well as being excluded from the political debates by the state-owned TV channel ORF, NEOS received considerable coverage from newspapers in the 2013 elections, in part due to the monetary and ideological support of former LIF member and industrial tycoon Hans-Peter Haselsteiner. Furthermore, they expertly used social media and a snowballing among their own contacts and were rewarded with nearly 5%. With this result, NEOS rose in the polls by several per cent per month, nearly reaching 15% by the beginning of 2014. In local elections, NEOS did not receive quite as much attention and support as on the national level, mostly because of their lack of experienced political figures in their rosters and their main focus on urban voters.

The political maturity of the party was also hindered by some political mistakes in the campaigns in the mid 2010s. Now MEP Angelika Mlinar during the 2014 European parliament elections explained that NEOS wanted to break all political and economic taboos, exemplified by the idea that in the spirit of turning to the effectiveness of markets in all areas, including public services - everything could be privatized, including garbage disposal, hospitals and the natural water deposits. Earlier a non-binding referendum launched by the SPÖ in Vienna on water privatization in 2013 had resulted in 87.17% voting to forbid privatization of the water supply. Both Mlinar and the party tried to clarify for years to come that they would never privatize the water supply, but the party never fully shook the image of being privatization-oriented neoliberals.<sup>64</sup> This said, the party achieved considerable electoral success, first in 2013 reaching 5% (232 956 votes), and continuing to climb to 5.2% in 2017 (268 512) and in 2019 reaching 8.1% with 387 124 votes. Similar voter numbers were reached at the European Parliament elections, with 229 781 and 319 024 votes respectively. In 2019 this meant 8.4% in the EP elections – foreshadowing the considerable gain in the snap parliamentary elections in September 2019. The party has, since its inception, reached the best results in region Voralberg, where in the snap election in 2019 the party reached an overall high of 13.54%, coming before SPÖ (The Austrian Socialist Party) and reaching third place after governing ÖVP and the Greens. As discussed earlier these results do not transfer easily to the local level, as in the regional elections held recently (13 October, 2019) after the snap national vote in the end of September, NEOS achieved 8.48% a gain of almost 2% but still behind its national election outcome.

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Reinart, A. (2015). NEOS in Austria – A new Type of Political Party in Europe? Retrieved from http://www.cpg-online.de/2015/03/01/neos-in-austria-a-new-type-of-political-party-in-europe/

However, it is not quite clear where pockets of reserves may lie for the liberals on the national political level in the future. NEOS is entrapped between the economic liberalism of the ÖVP, the social liberalism of the SPÖ, and the progressive activism and climate change agenda of the Greens. While the new NEOS leadership brought about considerable successes for the liberal party, even stabilizing the electoral base seems to be a tall order, let alone finding resources for further growth and the option of entering government. It is yet to be seen what coalition is being formed after the snap elections in September 2019, but results point to the fact that NEOS is not indispensable to form a coalition and many argue that a three party setup (ÖVP-Greens-NEOS) would bring constant strategic alignment of portfolios that are not likely to be manageable. Therefore, NEOS, with its best results ever, is further from entering into coalition than it has been in previous constellations.

# Liberalism on the local level: two examples

While in many quarters of Europe regionalism or localism is seen as a prospective area of strengthening liberal politics, this is also a challenging territory for Austrian liberals. Regional chapters of traditional parties are quite strong and relatively independent, especially in municipal and regional elections to create local programs, alliances and key policies. ÖVP, again, traditionally keeps up the market agenda on the local level, teaming up with local entrepreneurs to represent their interests and forge political alliances. The socialists keep the civil agenda and the activist approach, especially when it comes to social care issues and refugee assistance. The Greens are also becoming more active and embedded on the local level.

Certain changes in local government structures on the regional level also unfavorably impact smaller parties potential involvement in decision-making on a local level. The form of government of a federal state government can in Austria be either a proportional government (all parties represented in the federal state parliament appoint regional councilors according to their strength of mandate, but in fact only the larger parties are considered) or a majority or minority government. This is determined by the respective constitution on the regional level. The formation of a government by proportional representation exists today only in the provinces of Lower Austria, Upper Austria and Vienna. Vorarlberg abolished this system in 1923, followed in 1999 by Tyrol and Salzburg. In Burgenland, the proportional system was abolished in 2014, in Styria in 2015 and in Carinthia in 2017. This said, NEOS and thus explicitly liberal principles in regional government today (since 2018) are only represented in region/state Salzburg. There, a coalition of the ÖVP, the Green Party and NEOS was formed with NEOS taking responsibility for housing, childcare, families, science, adult education, women, equal opportunities, generations and integration portfolios. However, as minority coalition partner, it is yet to be seen how liberal principles may become policy in these areas.

In case we look at representation of liberal socio-political principles — prevalence of personal liberties, a political separation of church and state, a politically active citizenry, inclusive society, future proof policies focusing on education, sustainability and opportunities — these are represented by green and NEOS politicians alike. Both parties are relative newcomers to the political scene in Austria and have (yet) limited roles in local leadership both on municipal and state level. On the local level I will here look at two examples, both firsts. The first Green mayor in Austria, the mayor of Innsbruck, and the first ever mayor by NEOS in a smaller town, Mils near Imst. Both are in Tyrol, not particularly famous for progressive politics. I believe that some important and generalizable conclusions may be drawn from their experiences.

"Good day, I would like to become mayor of Innsbruck," this is how Georg Willi, the now mayor introduced himself to pedestrians in the election campaign in 2018.<sup>65</sup> He is a tall, traditional looking Tyrolean – jeans, rolled up shirt –, an unusual fixture for a green man. His favorite pose is a very unusual for traditional politicians he is best as a listener. In 2018 the Innsbruck Greens won first place in a state capital for the first time in their history with 24 percent of the votes. Willi himself won more than 30 percent in the direct election and later won the runoff against the sitting ÖVP and later independent 'Für Innsbruck' movement mayor Christine Oppitz-Plörer. His success is said to be rooted in his independence: he is a strikingly atypical green. His politics stems from a religious and Church conform perspective: not only has he volunteered as the leader of a church choir, he also argues that "Pope Francis has straightened out my view of the church and I believe the Pope actually drives a really eco-social programme." Willi was largely educated in politics by his father, Josef, who was head of education at the Tyrolean Chamber of Agriculture and one of the first proponent of organic farming to the suspicion of numerous farmers' locally. With Tyrolean stubbornness Josef Willi went on a 14-day hunger strike in front of the parliament building in Vienna at the beginning of the 1990s as, in his view, the agricultural law was not ecological enough. His so, the future mayor, Georg painted the banner for the protest action. While still at school, he proofread his father's brochures. Willi has a history in local green politics - however, not on the liberal side. In 1989, the 30-year-old biology and law student Georg Willi put his university career to risk and entered the Innsbruck municipal election campaign and won a mandate for the conservative United Greens of Austria (VGÖ). At that time the young eco-movement was divided into left-wing alternatives and conservatives. The word in Tyrolean conservative circles was that the leading figures of the green movement are green on the outside and dark red on the inside. And red was a swearword in Tyrol. Willi put the emphasis on the eco-program instead of ideologies: he orchestrated the fusion of the rival Green lists, which together already then accounted for 15 percent of Innsbruck's electorate. At a 1992 unification press conference, young politician Willi dreamed of more and set the task: "together, 20 percent would definitely be possible" - he argued. At the time, he had no idea that even the mayor's office would be within reach. His path led him from the local council to the state parliament and finally to the national council. However, he never lost sight of Innsbruck. Willi's recent success is not only due to his regional fame. In Innsbruck conditions for Greens are particularly favorable: they have already made the leap to first place in national and state elections in 2013. In no other municipality is the proportion of students as high as in Innsbruck. There are 35,000 students per 132,000 inhabitants. People of Innsbruck seem to be satisfied with the development of their city (88 percent praised the quality of life in 2015 according to a study by the Sora Institute), Willi also put a very important problem at the core of his campaign and policy. Housing prices compete with those of the federal capital Vienna, and Innsbruckers also see a need to catch up in questions of transparency and mobility. <sup>66</sup> His mayoral success and strong green policies helped the Green party to be propelled into second place both in Tyrol in general and Innsbruck in the 2019 elections: the Greens have become the second strongest party, overtaking the Social Democrats. They won 21.7 % of the vote in Innsbruck gaining 14.7 % compared to their results in 2017. This clearly helped NEOS as well: they gained 3 % and thus received 10 % of the votes. It is clear that this is due to mainly a

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<sup>&</sup>lt;sup>65</sup> Guber, J. (2018). Georg Willi: Das grüne Urgestein triumphiert in Innsbruck. [The green veteran wins in Innsbruck] Die Presse. Retrieved from https://www.diepresse.com/5410637/georg-willi-das-grune-urgestein-triumphiert-in-innsbruck

ORF. (2018). Willi neuer Bürgermeister von Innsbruck. 06.05.2018. Retrieved from https://tirol.orf.at/v2/news/stories/2911213/

reorganization of the votes on then left-liberal side: the biggest losers are the Social Democrats as from the strongest party in the city in 2017 they slipped to third place losing 10.15% of the votes and with receiving 18.3% of the votes only. On a policy level Willi is strengthening civic involvement through the ecology agenda he pushes, coupled with issues of transparency and accountability. On the party conference after the election, in his interview to the official news agency, he mentioned the potential of NEOS as coalition partner. "We have things in common with NEOS when it comes to the liberal constitutional state and fundamental rights" while the Green party and the liberals diverge on their support neoliberal economic policies. It is also clear that all three main policy agenda points of mayor Willi (and the Green party): the climate question, the social inclusion question and the progressive education question are on the liberal agenda as well.<sup>67</sup>

Also in Tyrol, in Mils near Imst, the first NEOS mayor was elected in 2017. Not because of a new election, but because the then mayor Markus Moser joined NEOS. Moser, who is a civil lawyer, first competed in the independent list in 2010 and won the mayor's chair in the runoff. In the 2016 election, he was elected mayor in the first round with 56 percent of the vote. He, like Georg Willi, comes from a political family — his father had already been mayor for 27 years with a list close to the ÖVP. For Moser the contact with NEOS developed half a year before the elections in 2016. For him, as he said in a number of interviews, it was about independence and future orientation: "I simply noticed that it was difficult to reform the big parties from the inside out. One party always blocks the other on important issues. That's why I decided in favor of renewal. The NEOS simply represent an important point of view for me on important issues such as pensions or education. That's why I want to run in the elections." Again, in a smaller municipality central issues do not revolve around particularly liberal policies, however, more awareness to a liberal social agenda coupled with an open entrepreneurial attitude helps break the prejudices against liberal politics and politicians.

In both examples the liberal policy agenda is coupled with a conservative upbringing, a rootedness in local affairs and a special attention to a traditional local past. While Innsbruck mayor Willi represents an eco-political agenda with civic activism and a focus on social liberties, he also is more conservative in matters of church and respect for the local political establishment. Moser's upbringing also rooted him deeply in the local ÖVP tradition, actually that's where he started his political career. However, in both cases the local rootedness is coupled with a wish and need for renewal and future orientation. This can be the ticket for NEOS and other parties representing a more liberal progressive political position. The traditional political setup: the "Proporz" system and the sharing of power between the major parties have suffered serious drawbacks in Austria, both in local elections and the national level. However, the emergence of (partly) liberal political establishments is yet a restructuring on the political left – most of the gains of the Greens and NEOS are losses of the SPŐ, the Austrian Socialist Party. Therefore the challenge for progressive parties is to tap into more conservative electoral groups. In this a progressive agenda (and branding) may help: younger voters may be open to a progressive agenda presented to them in a language and through media that is

<sup>&</sup>lt;sup>67</sup> Witting, M. (2019, 06.05.2019). Ein Jahr Bürgermeister in Innsbruck: Willi fehlt der große Wurf. [One year mayor in Innsbruck: Willi is missing the big chance] Tiroler Tageszeitung Onlineausgabe. Retrieved from https://www.tt.com/politik/landespolitik/15612374/ein-jahr-buergermeister-in-innsbruck-willi-fehlt-dergrosse-wurf

Rumpold, C. (2017). Markus Moser: Erster "pinker" Bürgermeister. [The first "pink" mayor] (01.02.2017). Retrieved from https://www.kommunalnet.at/news/einzelansicht/markus-moser-erster-pinker-buergermeister.html

within their reach. Another conclusion is that liberal/civic political agendas seem to work only if they are represented by parties/individuals deeply rooted in the local political system, especially within the closely-knit traditional political elites. As the politicians depicted here, or NEOS leaders in Salzburg, have come to power positions only recently, it is yet to be seen whether they, beyond the challenges of managing municipalities effectively and thus gaining credibility for their parties, bring a reorientation in policies also.

### Conclusion

As it was shown, traditional liberalism is not deeply rooted in the Austrian political system. Beyond historical reasons this is also related to the deeply rooted, and for decades very successful, "Proporz" system, an agreement between the traditional political elites (the progressive left and the conservative right). This said, many of the liberal policy agendas were taken up between these two major political sides – economic liberalism traditionally by the right and progressive social liberalism by the left. New political parties challenged the system, however these calls came from the far right (not particularly liberal after the debates related to migration in the mid-80s) and the eco-political left. From a policy perspective there was little room for a liberal party to emerge with a clear and differentiable liberal agenda, both on the national and the local level. NEOS, the liberal party, gradually gained foothold with a progressive image and a strong future orientation, incorporating, beyond traditional liberal policies of lower taxes and emphasis on education, also policy proposals like universal basic income. While this may not be in line with traditional liberal policy, it adds a 21st century flavor to the party that is rewarded by a future electorate, especially as the voting age in Austria is 16 years.

When talking more broadly about liberal policies, while none of the other parties are liberal per se, they all represent elements of a liberal agenda (except for the far right). ÖVP, led by the young and successful chancellor Sebastian Kurz, proved to be quite flexible in certain policy areas. A potential coalition with the Green party on the national level would also bring, beyond ecological issues, more liberal policy to the government: especially related to immigration and refugees. As for the future of a liberal agenda in Austria, a very traditional political culture, little is invented or reinvented; however this may not be a hindrance to liberal policies being represented by all major parties from the conservatives to the progressive left. It is yet to be seen whether NEOS, with an open liberal commitment, will reinvent Austrian liberalism on the local or national level. It first needs to securely establish itself as an indispensible player and a coalition candidate on the regional and national levels. Its current successes clearly help ease the negative overtones connected to liberalism and bring fresh and progressive aura to the party that may appeal to future generations.

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