The Europeanization of the ECE Social Democracy

The case of HSP in an ECE context

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Introduction

The Europeanization of the Social Democratic Parties in the new member states has reached a turning point with the entry; and especially with the coming elections to the European Parliament in June 2004. At the same time, in their domestic development the Social Construction of Democracy is high on the agenda in East Central Europe (ECE) after a long decade of political and economic transformation when they are already in the stage of democratic consolidation and EU accession. The ECE countries have arrived at a crossroad, since parallel with the EU accession they have to decide what kind of public sector they will create from the scratch and how the new democratic state will be built. This paper focuses on the present situation of the Hungarian Social Democracy in an ECE context in order to discover the connection between social interests and political parties in the Europeanization process. It tries to combine the bottom up and top down approaches by presenting the activities of the leftist party elites to solve social problems and represent societal interests on one side, and by describing the forms and intensity of popular pressure from below on the other.

The formation of the ECE parties, indeed, has been to a great extent an elite-dominated process and the political-party elites have used several forms of political
marketing to attract support from among the populations without a real, meaningful social responsiveness. It is equally true that the ECE parties - at least in rhetoric and mostly before the elections - have tried to follow the demands of their constituencies, so they have had to pursue to some extent social interests-driven politics. But the main party formation principle in ECE has been the Europeanization as a tremendous pressure by the West European party types on the emerging proto-parties: only those have survived that could fit into the pre-existing party-types with an “EU license”, i.e. have received an “accreditation” from the West. For the Hungarian Left the only alternative has been to become a “Europeanized Left with close ties to SI and PES” and all the other party alternatives have failed - marginalized or disappeared.

Consequently, at political level the paper covers first the issues related to problem how the Hungarian Socialist Party can follow the major transformations in the Western Social Democracy, including the social-democratic concept of state. This can be shown through its role in solving the problems of “welfare systemic change” in general and in its response to the challenge of the elections to the European Parliament as a mobilization of its electoral base in particular. Second, this paper focuses on the changes in the external role versus the internal structure of the HSP with a contrast between external and internal Europeanization, regarding also the painful road from politics to policy, i.e. from ideologically driven political battles to the concrete policy-making processes. The paper concludes that although the Hungarian Social Democracy has made special efforts to solve the problem of the losers of systemic change and the EU accession, still this series of challenges have created hard times for the Hungarian Left that have been very similar everywhere in ECE pointing to the difficult start of Social Democracy in the westernmost “East”, in Central Europe. The final conclusion is that all these contradictions can be summarized in the EU representation paradox of the ECE societies and polities that has been particularly strong in Hungary.

The birth pangs of the new Social Democracy in Hungary

There is no need for a long presentation of the Hungarian Left and its major party, the Hungarian Socialist Party, since it has been so often analyzed that it may be one of the best known parties for the international political science in ECE. Its early emergence in October 1989 made HSP, instead of becoming a loser, into a strong
actor in systemic change. At the same time it was overloaded by the technocratic and pragmatic tradition of the reformers in the 1980s. The HSP was in fact the only case of institutional and membership discontinuity among the so called successor parties, since the former party – Hungarian Socialist Workers Party – was legally dissolved and only about 20,000 members out of 800,000 members of HSWP became HSP members, joined by the new members of equal size (20,000). Thus it developed a membership between 35,000 and 40,000 with a decreasing number of former members. Despite its relatively small size the HSP has had still the biggest membership of an organized party in Hungary. The HSP may be considered a minimal size people’s party, representing at least a quarter of all social strata, still with an overrepresentation of urban and educated masses. Hungary has developed a bipolar party system in which the HSP represents the centre-left side and Fidesz (Hungarian Civic Alliance) the centre-right side of the political spectrum. Due to the increasing party polarization the HSP has enjoyed a stable mass support about two million voters out of eight million that means that it has regularly been supported by at least about 35 percent of active citizens. Its electoral success depends on its attraction for the voters in the centre that has given twice (in 1994 and 2002) a governing majority to the party.¹

The ECE parties have gone through the three periods of the social movements, “forum” parties as umbrella organizations and parliamentarization. It is also well known that the ECE parties can be described according to the two axes of Left and Right, and Europeanization and Nation-centrism (or Traditionalism). This typology gives us four basic types of the ECE parties: Europeanized Left and Europeanized Right, and Nation-centric Left and Nation-centric Right. The HSP belongs to the Europeanized Left but Fidesz has been moving from the position of the Europeanized Right more and more to that of the Nation-centric Right (Lewis, 2003). Following their general ideological orientations, the ECE parties joined their Party Internationals in the nineties. Furthermore, the stages of democratic transition and democratic consolidation have to be distinguished. These stages of internal development by and large coincide with those of Europeanization as stages of association and accession. The association period demanded only a general Europeanization from parties and governments, the present accession period presupposes a detailed Europeanization as an acceptance of the full body of acquis communautaire. This new task overloads
their capacity and produces a performance crisis for the ECE parties, which will be finally analyzed as the EU representation paradox.²

The birth pangs of the HSP or the new Hungarian Social Democracy can be summarized in the following social and political processes: (1) the emerging social crisis in democratic transition causing political demobilization and the trap of materialist needs for the HSP; (2) the protracted social crisis in the nineties provoked an urgent need of “welfare systemic change”; (3) this general problem has been aggravated for HSP by a special problem of “poverty” of communication. It means that the HSP has not been able to reach the poor, or in general terms its “natural” social base. Just to the contrary, the more educated, more urban and more situated have voted for HSP, since it has not elaborated a proper discourse for the marginal, country-side and uneducated people. All these problems are rather common for the ECE Left and producing series birth pangs for the new Social Democracy that I try to analyze briefly and mostly in the Hungarian case.³

The Western analysts usually start from two assumptions in discussing the ECE Social Democracy: “Obviously, the building of capitalism is not a genuinely social-democratic task. However, modern, Western social democracy has made its peace with modern capitalism to whose shaping it has largely contributed. In the transition countries, social democrats had the opportunity to create capitalism with a human face from the scratch.” (Crook et al., 2002: 17). The first assumption is too rigid in using the term “capitalism” that was – although in very distorted form - the “past” of the ECE countries until the late forties. It came back again, in another distorted form, in the late eighties. Building capitalism may not be the best term to describe the return to market economy with its dire social consequences in the relatively backward, semi-peripheral ECE countries. If this is so then the case of Spain, Portugal and Greece was very similar in the seventies and eighties. The second assumption is that social democrats had the opportunity the create capitalism with a human face. Supposedly this is a reference to the ideal Western social democratic model like Denmark. It is an even more fragile argument and, moreover, this is a dangerous illusion. The “existing capitalism” in ECE has, in fact, an “inhuman face”, hence one could raise even the responsibility of the ECE social democrats for not taking the opportunity to “build” a better capitalism. It is particularly important that the PES has regularly emphasized the importance of the “economic and social governance in the Union”, even for the EU Constitution (Amato, 2003).
Actually, the socio-economic and political development in ECE has not been unilinear but full of cyclical moves in all respects. In addition, it has not been dominated by domestic factors and actors but by the dual challenge of Europeanization and globalization. Simply said, the role of external factors and actors has been so overwhelming that the maneuvering room for the domestic actors, including social democrats, has been minimal. In the democratization process, first of all at its beginning, the ECE societies and states have been very weak to resist the outside pressure. Nor the actors have had clear ideas about the process and the alternatives. Yet the weakness of states and missing preparedness of domestic actors have not been the main reasons for producing capitalism with an “inhuman face” in ECE countries. It has been the tremendous outside pressure that has left a very small elbow room to manage the course of domestic developments. Still there have been some alternatives for domestic actors, therefore the development of the ECE countries has not followed the same path. However, there have been no basic differences among them, just some versions of “inhuman” capitalism.

Otherwise, the Western social democrats who have analyzed the actions of the ECE social democrats have pointed out with justification that the ECE social democrats have made a big effort towards the “final goal” of transition, i.e. towards some kind of welfare state: “The final goal of transition (the type of economy, society, welfare state) has been hardly clear during the first years of transition, though probably clearer among the left who preferred a European welfare state than among the right who oscillated between Thatcherism, neo-liberalism, economic nationalism, social conservatisum and religious concepts of society. The preferences of voters in Central and Eastern Europe have generally been in favour of less inequality but they have had no clear strategies about how to achieve that goal.” (Crook et al, 2002: 17). It is true that there has been a big difference between Left and Right concerning the strategy for transition, yet the simple fact has not been mentioned that the ECE Right has received much more assistance from the West than the ECE Left from its counterpart. Referring the voters’ preferences is a very dangerous argument because it raises the spectre of populism, the dead ally of democratization, since the standard of living had to be decreased anyway in the years of economic crisis management and it was impossible to manage the crisis management with a popular approval or wide popular support. Furthermore, this argument goes against the proper statement that “even in apparently fast reforming countries, like Hungary or the Czech Republic,
social-democratic parties had to implement sometimes harsh policies in order to establish capitalism because their conservative or liberal predecessors had failed to do the job.” (Crook et al, 2002: 17).

This has been, indeed, the real trap situation for the ECE Social Democracy. The ECE Right has not been able and ready for socio-economic crisis management and it has deepened the crisis with its counter-productive policies, even more, it has moved toward social and national populism to win elections. The ECE Left has to face the job of crisis management and at the same time the ensuing loss of popularity as an “award” for the good but severe crisis management. The Hungarian and the Polish leftist governments did a good job in crisis management in the mid-nineties and created the conditions for the sustainable economic growth but their surgical operations were too painful for the populations and they failed at the next elections. Before, during and after the crisis management, in fact, the “disappointed population reacted angrily” and popular satisfaction with the market economy and democracy drastically declined in the nineties (Crook et al, 2002: 18). However, one has to see and analyze this process as a paradox, since in order to attain the long term goal of systemic change in political, economic and social consolidation this popular dissatisfaction has been inevitable despite the fact that this has meant an almost unbearable burden for a leftist party. The only real question is when and how this transition comes to an end and here the EU accession comes in as a hope: “The greatest hope and fastest chance of solving the dilemma, however, still lies with the accession to the EU.” (Crook et al, 2002:18). To the issue of second crisis and the new trap of materialist needs emerging from the EU accession and the Europeanization of the ECE social-democratic parties I will return later.

Nonetheless, when discussing the positive perspectives one should not forget about two diverging social processes. First, the high unemployment may be, in fact it has proven to be, transitory. It has been a generational affair and/or connected with the re-arrangement of the economic structure between industry and services as well as between state and private sectors. Second, however, the high polarization of wealth and income will be a long term phenomenon, with a risk of becoming the deep structure of the ECE societies “for ever”. The high social polarization has produced some kind of social model alien to the Social Construction of Democracy and against any effort of the ECE Social Democracy to complete the political and economic transformation with a social one, with the so called welfare systemic change. The
growing electoral abstention in ECE has been connected with these “social costs of transition”, in which the social deprivation of the losers coincided with their political “dis-empowerment”. The socially deprived strata or those temporarily or permanently disadvantaged by economic transformations have been less organized and more deprived politically than their counterparts in the West. It has been a fatal blow to the Social Democracy in ECE because its potential constituency, and the virtual or actual allies, has been marginalized and/or disoriented and discouraged. Thus, the ECE social-democrats have been confronted with the unsolved problems of social costs of transition and have been unable to pursue a genuine leftist socio-economic program for many years, until the late nineties when the national economies recovered and some efforts could be started for the social recovery as well.

The collapse of the former regime was accompanied with a deep social crisis but the systemic change has produced a new one. In fact, beyond this, the entire process was overloaded by a special – so far hardly noticed – contradiction. The actual exclusion of the impoverished masses from politics has been the price paid for the survival of democratization in order to avoid the danger of populism (see Greskovits, 1998). The whole controversial nature of democratic transition originates from the fact that all ECE countries, including Hungary, underwent a transformation recession losing about one quarter of their GDP. It resulted in large-scale impoverishment and increasing social inequality, in an alarming degree of social dislocation and in a big deterioration of the standard of living. Despite its relatively better position, the social and economic crisis in the nineties shook Hungary as well and it could not avoid the process of deep social dis-integration either. Exclusion, subordination and non-recognition characterize the first phase of democratization even in the most advanced Central European countries. Simply said, as a result of economic exclusion (large unemployment) and social fragmentation (polarization and marginalization of social strata) there has been a huge contrast in the political transformation between the dis-empowerment of the losers and the empowerment of the winners. Political recognition and social inclusion have been still largely missing in the Central European young democracies where the exclusion and subordination of the losers have been the rule. The Social Construction of Democracy has not only been delayed but it was deeply disturbed and distorted even in Hungary by these successful political and economic processes consolidating the base for democracy. The most important issue is that successful democratic transition in Hungary has
created some new contradictions that have presented the major obstacle to the further democratization. Formulated in a simplified way, the removal of the economic deficit created a serious social deficit and the new problem is how to cope with this new deficit. Moreover, early democratization led to the political demobilization of the masses. The new agenda is how to mobilize and empower them now, at the stage of early consolidation that gives a special task to the ECE Social Democracy. In general, these issues have also been discussed as the “social costs of transition” and the “political costs of transition” (on the winner-loser issue in general see Tang, 2000).

The trap of materialist needs means basically that the drastic reductions of incomes produced a return to the basic “materialist” needs in the nineties and the post-materialist period, which began to some extent in the late eighties, had been postponed. Altogether, as mentioned above, in ECE there were two parallel processes in the nineties: the drastic reduction of real incomes on the one hand and increasing social and regional polarization on the other. Real incomes decreased by about thirty per cent compared to the 1989 level, and have returned to that level only in the early 2000s. By this time social polarization has been completed, a wide gap emerged between the lowest and highest income brackets, since it has increased in a decade from 1:3 to 1:10. The decline of incomes was accompanied by a drastic reduction in public services: A near collapse of the public sector threatened the ECE countries in the early nineties. Under permanent budgetary pressure public services were drastically reduced, in some cases completely abandoned. This reduction had two consequences in the nineties. Its direct consequence was not only a decrease of the delivery of public services and the erosion of the maintenance of public institutions, but an important and even more shocking consequence was the drastic reduction of salaries and wages of all public employees. Instead of a general emphasis on the emergence of a middle class, as the slogan of the new democratic society has demanded, there was a very marked process of declassification of the middle class (for instance teachers and doctors) in the nineties with only a small recovery in the 2000s. The disintegration of the formerly large middle-income strata has produced an upper class of successful entrepreneurs and those professionals who have moved from public sector to private economy. All in all, by the mid-nineties it resulted in the exclusion of large groups of professionals, including most civil servants, from the emerging middle class and the recent reintegration has been slow and uncertain. The
final result has been the demobilization of voters generated by the economic and social exclusion from the productive world.

The demobilization of the masses was in some ways a conscious process in the early nineties by parties and politicians eager to avoid populism. But this was even more an unintended result of economic and social marginalization discussed above. In both ways it has generated an “unstructured political market” with a low membership density for the parties (Beyme, 2001: 139, 153). The two major institutional aspects of demobilization have been in the world of civic associations and industrial relations. First, there has been a pervasive lack of both civil organizations representing various losers’ groups, and channels, other than voting in elections, for civil control over state policies in general. Second, the trade unions were de-legitimized and marginalized, so the interests of employees remained mostly underrepresented at both national and shop floor levels. The trade unions were struck by the rapid de-industrialization and declining wages and, since they could not cope with the problems of unemployment and impoverishment; they have lost their membership to a great extent. The reform of the trade unions originated from the communist system has been lagging behind and the newly organized trade unions have usually not been proper partners for the ECE Social Democracy. Actually, de-politicization has been much wider than the electoral demobilization. People have turned away from politics in ECE because they have felt that politics has not dealt with their real problems that is has shown a very low level of “social responsiveness”.

The external and internal Europeanization of the ECE parties

So far little attention has been paid to the participation of the ECE parties in the European party system. This process has its idiosyncrasies as a contrast to the former extensions: “With each earlier enlargement, the EU has taken on a country whose political families are recognisably the same as those in the existing member states. By contrast, not all East European countries show signs of developing party systems that centre around Christian and Social Democrats, Conservatives and Liberals as the dominant political forces.” (Hix, 1997: 3). First, the real question is whether one can say something common about the parties in Central and Eastern Europe at all, since the term “post-communist” countries has become an empty shell
and by now sweeping over-generalizations have lost their validity. Second, the ECE parties with all their infantile disease, certainly, “are centered” on the major party families of the West and have formally joined them. As Geoffrey Pridham has pointed out in several works, the “transnational party linkages” have played a vital role in the development of the ECE parties, leading to a “party-political convergence in Europe” (see Pridham, 2000).

The dominant approach on the impact of the EU on the national party systems may be called the “limited impact” school developed by Peter Mair (Mair, 2000). This approach has recently appeared in some other papers discussing “parties resisting change” in Europeanization (Raunio, 2003). Paul Lewis extends this approach to the ECE parties (Lewis, 2003: 6) and discusses more the indirect impact of the Europeanization on the ECE parties. In my view, the reason for this interpretation lies in the missing distinction between the external and internal Europeanization of the ECE parties, since the Europeanization has been very “direct” or hard on one side, and very “indirect” or soft on the other. I understand by external Europeanization an elite-based process through which contacts with and/or membership in the international party organizations have emerged and the ECE parties’ programmes, values, public discourses have changed accordingly. The internal Europeanization would be a process reaching and transforming the membership, the constituency of the ECE parties and their relationship to the civil society through which the internal party organizations and popular beliefs change accordingly. Concerning the external Europeanization, the categorization developed by James Sloam can be very helpful, since he distinguishes ideational transfer networks for ideas and electoral programmes, policy transfer networks for policy alternatives produced by the epistemic communities to solve certain problems and information networks between Western and ECE parties (Sloam, 2003: 22-24). These networks have been very active, indeed, and through them the external Europeanization has proceeded quickly and it has reshaped the ECE Social-Democratic parties in their outward-oriented workings.5

The contrast between external and internal Europeanization of the ECE parties can be explained as a “push and pull” effect. For the ECE parties the EU accession is a must, first of all for the Left, since all their political actions have also been propelled by their desire to get accepted by, and integrated to, the EU Social Democracy. Nonetheless, this push effect has been counter-balanced by a pull effect, since there
has been a worry about the second generation of losers in the European integration through a “cheap enlargement” (Michaele Schreyer). The social-democratic analysts see these “hopes and fears”. They note that the EU accession will increase inequalities not only among social strata but among the richer and poorer regions as well. The analysts present this issue as a paradox: “Social democrats have been the strongest advocates of accession in many countries. (…) Why did social democrats support EU membership in spite of the costs and partial drawbacks for their own clientele?” Their answer is correct but not complete: “Joining the EU will narrow the range of options among the possible varieties of capitalism to be established in Central and Eastern Europe substantially. That basically is a desirable outcome for social democrats in the applicant countries as the options compatible with EU membership tend to be social democratic in a wider sense, i.e. they are based on the European ‘social model’ as expressed and defined by the Treaties of the EU and the acquis communautaire, including the European Social Charter and the Charter of Human and Civil Rights.” (Crook et al, 2002: 22-23). The attractivity of the European social model is beyond any doubt but, in addition, the ECE countries need the EU also as an engine for the economic growth as well as a safeguard for the further democratization. Hopefully, the social price for the EU membership that has been paid in a mid-term period - calculating with a five year period of relative troubles and disappointment - will be compensated in the long term by getting closer to the European social model. However, this price paid by some social strata will turn into a political price paid almost exclusively by the ECE Social Democracy, since it presents for the ECE populations a second trap of the materialist needs with a second generation of losers. The ECE social democratic parties have been sandwiched between the EU requirements for adjustment and the popular disappointment caused by this adjustment.

Conversely, although the ECE leftist parties have been closely tied to the Western counterparts, still their domestic party developments have been diverging from the Western highways to a great extent. One has to see also the categories of mass parties, peoples’ parties and/or cadre parties against this background of the above described painful social transition. My hypothesis is that the ECE social-democratic parties fall into the category of “small peoples’ parties”, which includes a contradiction between the relatively small size of the party membership and the all-representative character of the party, since these parties comprise all social strata to
some extent. The newly emerging ECE parties are usually only cadre parties, i.e. collections of office seekers. People do not join parties in ECE, not just because of the political demobilization but first of all because they are busy with the everyday burden of adjustment to the new realities, so simply they do not have time and energy for the party business. The result is the “senilization” of party memberships as the domination of senior citizens among the members of all parties. It seems so that the ECE social-democratic parties have escaped this trap of senilization, since they have attracted more members than the other parties and from all social strata. There has been a prejudice that the relatively bigger membership is due to the successor character of these parties, but the only real mass parties are the unreformed ruling parties (as the Czech Communist Party or its sister parties in the Balkans). In fact, the reformed parties have a relatively small membership with a large and increasing percentage of the new recruits. There has been a membership paradox as well, with the over-representation of more educated and higher income strata in both membership and constituency for the ECE social-democratic parties, combined with an under-representation in the less educated and lower income brackets.  

Nowadays the elaboration of a genuine social-democratic program in ECE has become necessary in order to represent those who are silent politically and to invite them back to politics as partners. This is the future dimension of the party-society relationship as the task of social inclusion or cohesion with the re-integration of losers to society. It has been re-enforced by the EU accession both negatively and positively, since this process creates new losers but offers an opportunity as well for the social cohesion through the sustained economic growth and the EU requirements. Democratization and marketization have been very successful processes in ECE, yet there is still a long way to go for the recovery of the standard of living and for a real “participatory revolution” or “deliberative democracy”. By the early 2000s the disintegration, segmentation, or fragmentation and social exclusion, described above, have created an obstacle to social integration and political recognition. Thus, the “national re-unification” has been left for the newly elected social-democratic governments. Hence, Eastern Enlargement has to be seen as a two-sided process of integration both inside and outside. The dual challenge of globalization and Europeanization makes this domestic integration more difficult for ECE. In the mid-nineties, at the time of the first leftist governments, the drastic economic crisis management was the most urgent task. Now, sustainable economic growth since 1996
has created some economic preconditions for “systemic change in welfare”. The patient decade is over in ECE and now people demand the catching up with the EU in wages and salaries as well. The Medgyessy government (2002-2006) has realized that it has to “unify” Hungary through involving a large majority of the population into the economic, social, and political activities. It has declared itself “the government of the national centre” to indicate its efforts for a large-scale program of “re-unification” of the country by solving the new social crisis and re-integrating people to the “nation” or “society”.7

Paradoxically, the serious treatment of Euro-issues in the ECE parliaments was hindered in the nineties not so much by the anti-European parties but by a too vague commitment of the parliamentary parties to Europeanization, since they had no definitely outlined Europeanization policies, programmes or profiles of their own in the concrete terms of the EU policy universe. Just a few marginal parties produced anti-European ideas and sentiments, and even some markedly populist parties in the ECE parliaments usually avoided direct confrontation with Europeanization. These small, extreme rightwing populist parties found various indirect forms and ways to communicate their resistance against European integration, in most cases by reinterpreting “Europe” according to their own tastes. Otherwise, there was a vague and nebulous consent about Europeanization that did not allow, directly and publicly, for articulating anti-European ideas and interests. However, the situation changed during the accession negotiations and in the course of preparation for the referendums about accession, since anti-European voices might have been heard more loudly. The clear cases of both hard and soft party-based Euroscepticism can be described in the late nineties in all candidate states (Taggart and Szczerbiak, 2001: 20, in a more detailed way Taggart and Szczerbiak, 2003).

The real turning point came in the late nineties when the soft party-based Euroscepticism appeared in its strong form at the governing right-wing parties in Hungary and elsewhere: “Soft Euroscepticism is taken up by two parties in the governing coalition, FIDESZ as the major party and the Smallholders Party as the junior partner. FIDESZ’s leader, premier Victor Orban, has increasingly adopted ‘national interest’ Euroscepticism.” (Taggart and Szczerbiak, 2001: 18). It means that even the more consolidated conservative parties have recently made a populist turn or presented some Euro-skeptic ideas: “By the late 1990s, however, the lack of real debate, and the perception that these countries were kowtowing to an exploitative EU,
began to create the opportunities for more populist leaders to arise and succeed, even where populism had earlier been discredited. Thus, in its rightward shift, Viktor Orban’s Fidesz in Hungary exploited popular discontent and blamed the EU. Similarly, former Czech prime minister Vaclav Klaus, once ousted from power, turned to Euro-skepticism as a way to regain popularity, speaking out the EU’s ‘creeping silent unification of the continent’. In Poland, finally, a fourth of the seats in the fall 2001 elections have been claimed by anti-Union parties” (Grzymala-Busse and Innes, 2003:69).

The emerging ECE parties tried to demobilize civil society associations in the early nineties. Consequently, there has been a sharp contrast between the ECE young democracies and the Western developments concerning the participatory revolution from the very beginning of the ECE party developments. There was already a drastic decline of social and political participation in ECE, right after the early mobilization phase of systemic change and even by now the participatory revolution has not been yet completed. This contrast between “East” and West, as the rise and decline of participation in ECE, offers the key to understanding the weaknesses of political representation in ECE. A short summary of these weaknesses is sufficient here, indicating its reasons in a historical sequence. First, the “missing middle” is the traditional weakness of meso-politics with its intermediary organizations and social actors in ECE. It was reinforced by state socialism and it is still one of the most important characteristics of ECE democratization. Second, there has been a demobilization of masses and social movements by the new power elites in the party formation process. The lack of political organizations for the meaningful participation later on has caused a further shock to participatory behaviour. Third, the “over-particization”, that is, the quasi monopolization of the political scene by the parties has created an alienation from politics and low trust in the new democratic institutions, and it has kept its long standing effects (see Ulram and Plasser, 2001).

The ECE systemic change began with the mobilization of masses in social movements for a breakthrough of politics as a “movementist” aspect of civil society. But after the breakthrough in democratic transition the parties managed to demobilize them and build up a system with the parties as quasi-monopolistic political actors. Thus, the initial large mobilization did not generate a participative culture as a new tradition in the “movementist” dimension, only in “associationist” dimension, due to the robust evolutive development in the nineties. Participation deficit by
demobilization, however, provokes crisis in representation. It is important to discern the well functioning representation from the representation deficit as its partial failure and from the representation crisis as its complete failure but and these forms correlate closely with those of participation. The distortions in democratic representation are not only the problems of the ECE states, since they have been mentioned in the consolidated democracies as well, most often concerning the EU and its institutions. However, it is true that they come to the surface in the ECE countries in a more acute way. The above distinction between deficit and crisis is, of course, even more important for the new ECE democracies where proper participation and adequate representation is the exception. Therefore, the ensuing deficit or the crisis in representation is the rule, of necessity, since proper participation is missing and the whole system of representation is still in the making. Satisfaction with representative democracy has been very low. It is better to term it as dissatisfaction and frustration. This dissatisfaction appears concerning both the low levels of political efficacy and trust in public institutions, obviously with a close correlation between the two. In addition, this asymmetrical character re-appears within the meso- and micro-politics, since as the middle class organizations are the most developed, so the economically advantaged have a “voice” and the disadvantaged have also remained politically “silent”, and some may have only an “exit” option, again.

Consequently there has only been a half-convergence with the West so far, producing an external versus internal contrast in Europeanization. In addition, there has been a massive resource transfer for the parties on the Right from the West (including the Western church organizations). There has been nothing similar on the Left, although some foundations like the Friedrich Ebert Stiftung have played a very important role in the ECE democratization. The massive resource transfer for the Right from the West has been one of the reasons for the asymmetrical situation in the civil society organizations also in political aspects that created a clear domination of rightist and church-oriented civic associations in the meso- and micro-politics. Strangely enough, the Left is strong “below”, among the population at large, and “above” as a well organized party, but rather weak “in between”, in the organized civil society.

**Conclusion: The new Challenges for the ECE Left in the EU**
The extended competences of the EP and the intensified PES-EPP competition in the EP have led to a genuine transnationalization or Europeanization of elections and to the emergence of the real all-European parties. Compared to the earlier situation by the 2000s “the EP party system has become more consolidated and more competitive as the powers of the EP have increased”. In fact, “The party groups in the EP constitute a highly developed, relatively stable, and reasonably competitive party system. (...) Also, in voting behaviour, the EP parties are highly cohesive and increasingly so.” (Hix et al, 2003: 311, 327). As a result, the ECE Social Democracy has been facing two new challenges in the EU: first the new social-democratic concept of state as “reinventing the state” and second, the cooperation with the PES faction in the European Parliament, a painful march from politics to policy as “reinventing the party”. The task of reinventing the state concerns both the Social Construction of Democracy and the creation of EU-conform institutions. These efforts ran into difficulties again in 2003 with the trap of materialist needs anew, since the recession of world economy has caused serious troubles in the ECE states such as decreasing economic growth and increasing state indebtedness. The “reinventing the party” means a basic change from pragmatism to strategy, from abstract-ideological politics to public policy orientation with an expert capacity-building inside the party. This task overlaps with the preparations of the EP elections, and an efficient membership in PES according to the expectations of the international social democracy.

Responding to the series of challenges, in October 1989 the HSP accepted the program of Socialist International, in 1995 became full member of SI and, finally, in May 2003 of PES as subsequent steps of external Europeanization. Some timid efforts for the internal Europeanization have recently followed these steps, first in March 2003 the HSP congress turned towards ideology, by deciding to write a strategically-oriented program for the next, October 2004 congress. Second, Péter Medgyessy, the non-party member prime-minister of the HSP visited the meeting of social-democratic leaders on Progressive Governance in London in July 2003 at the invitation of Tony Blair. Later, his role in party has been extended to the strategic and programmatic aspects as well. At least a “revolution in terminology” starts echoing some Western efforts but serving specific domestic audiences as the “national centre” to invite the centrist forces to cooperate with the Left. In the same way, the “coalition politics” has been followed by identifying and mobilizing the two major currents of the Hungarian
Left: the “civic Left” with its urban traditions of social tensions and “country-side
Left” (or people’s Left) with its focus on regional-local inequalities. As a result of the
above mentioned efforts, the HSP looks like quite Europeanized from outside in its
contacts with the SI and PES. Yet, it has many weaknesses inside, i.e. concerning its
internal Europeanization, namely in its organization, strategic program and policy-
making capacity. Its main party organization is asymmetrical because its “satellite”
organizations around the party are weak or missing; its strategic program is still not
well elaborated and its theoretical discussion has not yet been integrated in that of the
international Social-Democracy. Finally the expert-base of the HSP for dealing with
policy areas – or with the European policy universe – has not been developed enough.
In such a situation, and with the unsolved problems of welfare systemic change, faces
nowadays the HSP the new challenges of the EU membership, albeit the EU push for
decentralization may help to solve problems of absentist state and missing social and
territorial actors in Hungary.

In Hungary these new challenges have appeared in the sharpest way in ECE, since the Medgyesy government in early 2002 had produced an ambitious program of
welfare systemic change that ran against the negative processes in the world economy
by early summer 2003 and the slowdown of the Hungarian economy has devalued the
government program of welfare systemic change. In addition, there has been a
conflict between the welfare systemic change efforts in Hungary and the recent EU
plans to decrease the solidarity principle and increase the EU competitiveness (see the
Sapir and Tarschys Reports). These circumstances provoked a new tension in
Hungary in the party leadership between the “centrist” government line suggesting a
correction in economic policy to tailor welfare systemic change to the new economic
realities and some “leftist” party leaders demanding to continue the welfare policy as
promised before. Due to the lack of proper decision and without strong leadership
with charisma and capacity of initiating and managing radical change, there was a
troubled situation for some months between June and October 2003 when the
popularity of government dropped 10-15 percent. However, with the completion of
the 2004 budget, the compromise was made, still the case showed again the limits of
welfare systemic change is the new ECE democracies.

The EP elections and the transnational party cooperation create a new situation
for HSP. The Hungarian Right has already begun to cooperate for the June 2004
elections with the EPP leadership. Hence without a similar agreement the electoral
chances of the HSP will be much lower. In spite of the urgent need in Europeanization, there are still some strong negative features in the HSP’s preparation for the EP elections. It is mainly the one-sided concentration on domestic politics, or when turning outside, the lack of language skills and the insufficient knowledge about the European policy universe are the obstacles to the efficient EP participation. In addition, very few MPs have ambitions to become MEPs, it may be so that some losers of the domestic infights will be “exported”. On the other side, there has been a contest for this well-paid job of the MEPs among the lower ranks, with a competition of the in-party interest groups for the seats on the list based on a false understanding of the regional, gender etc. proportional representativeness. As a result, with the “EU penetration” the split between the small EU-oriented party group and the domestically oriented majority-party can be foreseen, a conflict through which yet the internal Europeanization slowly begins. Moreover, Europeanization of politics has taken place between the PES and the HSP, but not yet in the policy dimension, although strong policy cooperation by the member-parties is also expected by the PES in the EP that will be a painful exercise for the ECE parties, including the HSP.

This is a short history of the Hungarian chapter with permanent changes, with new and new challenges for the ECE Social Democracy. The ECE parties have still lagging behind in the internal Europeanization, yet they have changed a lot in this long decade. Again there are hard times ahead for the ECE Social-democratic parties due to the new conflicts generated by the EU accession. Basically, the EU representation paradox is that the national elites support EU integration more assertively than their populations, which is one side of the democratic deficit. In ECE the pro-European leftist parties support the EU membership even more than the national elites as a whole. Consequently, they will confront the difficulties and disappointments of the EU accession more than the Euro-sceptic centre-right parties but at the same time they can benefit more from the EU membership than their competitors. The main issue is that now people see and accept benefits of the EU membership for the country but they hardly see these benefits for themselves. With the European social model the ECE populations may get closer and quicker to the Social Construction of Democracy and this is a big historical chance of the ECE Social Democracy. The Western Social-democracy has strongly influenced the development of the ECE sister parties so far. They still have responsibility for assisting the ECE social-democratic parties in their further social-democratization and
Europeanization. The further assistance is in their best interest because in the 2004 EP elections the ECE sister parties’ contribution to the strength of the PES faction in the European Parliament can be decisive. For the common success, further institution and policy transfer is needed to the ECE social-democratic parties from the West to complete their institutional reforms as an internal Europeanization.

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1 I have written a series of papers on the HSP (see Ágh, 2002) describing the major features of the party and summarising the relevant literature that I do not repeat here just indicate in great outlines. See also Crook et al, 2002: 77-78.

2 In my books (Ágh 1998a and 1998b) I have describe systematically all ECE parties and the stages of the ECE political developments, therefore I give only a short reference here.

3 In this part of paper I follow the arguments from my latest paper on the HSP (in Delwit (ed.), Social Democracy East and West, Université Libre de Bruxelles, 2004) in great outlines.

4 There has been a large literature on the ECE trade unions (see e.g. Waller and Myant, 1994; Hausner, Pedersen and Ronit, 1995; Orenstein, 1998; Cox and Mason, 1999; and Cook, Orenstein and Rueschmeyer, 1999) but this issue needs a separate treatment.

5 As Heinz Fisher argues, the Foundations of the Western parties have played a great role in the Europeanization of the ECE parties (Fischer, 2003). He particularly describes the role of European Forum for Democracy and Solidarity (www.europeanforum.net) established in 1993.

6 This contrast between the “educated” and “non-educated” membership and the resulting divergent electoral support is very big in Hungary. In addition, the centre-right party, Fidesz increased this gap with its nationalist rhetoric and won the elections in 1998. At the latest elections in 2002 the nationalist-traditionalist discourse was also very successful in reaching and mobilizing the least educated and poorest strata of the Hungarian society but failed to reach the majority.

7 It is characteristic that a fifty per cent pay-rise was necessary in Hungary in public sector to get close to the salary level of the early nineties but otherwise medical doctors, nurses and teachers would have left public sector in large quantities.

8 The forms of anti-EU tendencies vary from country to country in ECE. The situation has been most complicated in Poland, see the Polish parties’ relationships to the EU membership in Slomczynski and Shabad, 2003: 509-510.