

Between Capital and Volk

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Germany's AfD poses as a defender of the "common man," but seeks to impose an authoritarian form of neoliberalism.

The "Alternative for Germany" (Alternative für Deutschland, or AfD) has made headlines ever since its founding in 2013. After weathering a series of ideological fights, interpersonal conflicts, and defections — most of which played out in the public eye — the party achieved in only a few years what no other German party had since 1945: uniting all of the major political currents to the right of the so-called "Union" — the Christian Democrats (CDU) and their Bavarian ally, the Christian Social Union (CSU) — into one organization. The AfD also attracts support from Christian Democracy's most conservative fringe, establishing an organic link between conservatism and the far right.

The AfD is currently represented in thirteen of Germany's sixteen state parliaments — a seemingly unthinkable development only five years ago — and set to enter the national parliament, or Bundestag, later this year. But what kind of a party is the AfD? Why has it been able to shake up German politics, and what are the reasons behind its rise?

The Conservative Split

Since 1945, most of Germany's conservatives have been organized in the Union, which always contained a strong national-conservative wing. This wing has come under increasing pressure due to fundamental shifts in German society in recent decades, the beginnings of which can be traced back to the 1960s: immigrants demanded to be more than just guests, women to be more than wives, and gays and lesbians to be more than sexual deviants. The ensuing social struggles led to significant changes in attitudes and values among the German population.

Today, even the Union recognizes Germany as a "country of immigration." Its right wing has been weakened and outright reactionary positions like an ethnic definition of German identity marginalized. Women are no longer seen as the natural servants of their husbands, and the rights of gays and lesbians to life partnerships and parenthood are legally enshrined. The modernization of the Union's immigration, gender, and family policies is primarily strategic: particularly since Angela Merkel became party leader in 2000, the party has increasingly sought to attract new voters from the political center, rather than the right.

Several internal revolts against the Union's "liberal drift" did indeed occur, but were not only unsuccessful, they actually helped to strengthen Merkel's position, as numerous disenchanted right-wingers left the party in disgust. These renegades joined a growing, grassroots conservative movement accusing the Union of betraying the conservative cause. Here, what would eventually become the AfD began to coalesce.

Contradictions Within German Capital

The crisis of conservatism coincided with a crisis of neoliberalism, when the destruction wrought by the 2008 financial crisis made the dangers of neoliberalism blatantly obvious.

Generally speaking, a structural crisis can have two possible outcomes: either the ruling classes make adjustments to the prevailing order that allows it to survive, or the political paradigm undergoes a more fundamental shift. Although a paradigm shift in European politics seemed possible for a brief

moment (Syriza's rise in Greece, for example), it soon became clear that a slightly modified version of neoliberalism would prevail.

The German government reacted to the crisis by accepting budget deficits in order to boost the faltering economy and offset falling demand. In 2009, however, it passed the so-called *Schuldenbremse* (literally, a "debt brake"), a constitutional amendment mandating balanced budgets in the country's future. Increased government spending was to be a strictly temporary measure.

Supply remained the guiding principle of fiscal and economic policy not only in Germany but across the European Union (EU), and the austerity policies sweeping the continent were its logical consequence. However, a conflict emerged between the European Union's neoliberal path, and a new, "national-neoliberal" position seeking to bolster national sovereignty. This current was particularly pronounced in Germany, not least because the euro, the common currency of nineteen European Union countries, was strongly affected by the economic crisis as well. The question of whether individual eurozone member states' debts should be covered by all member states or only the indebted broke open a division within German capital.

For decades, Germany's capitalists stood united, articulating their interests in a common voice. But the Great Recession has brought underlying differences to the fore, most notably that between companies primarily producing for international markets, and those primarily oriented toward domestic markets. This conflict of interests is key to understanding why certain factions of German capital have rallied behind the AfD.

IMF researchers question neoliberalism

Companies oriented towards international markets are relatively flexible when it comes to shifting production sites and consumer targets. Export-oriented capital profits from both the common European market and a weak euro, whereas for companies producing for the domestic market, it makes no difference whether their products are paid for in euro or a domestic currency like the old Deutschmark. For them, more European integration means more competition.

Many small and medium-size German companies resented the German government's efforts to rescue the euro, thereby acting in the interests of export-oriented capital. These "euroskeptics" were supported by nationalist economists who demanded a strong nation-state in the face of European institutions to solve the crisis.

The new national-neoliberal current initially tried to gain a foothold in the mainstream parties, the Union and the Free Democratic Party (FDP), but largely failed. The euro had facilitated new ties across the continent that the established parties were unable and unwilling to sever. Faced with this intractable predicament, the euro skeptics found themselves marginalized and in need of an alternative organizational framework to fuse neoliberal economics with cultural conservatism and nation-state sovereignty. This framework was provided by the AfD, which set out to unite the traditional national-conservative camp with the new national neoliberal one.

The "Völkisch" Wing

It did not take long for a third camp, the ethno-nationalist or "völkisch" wing, to emerge inside the party. Völkisch nationalism, which has its roots in late nineteenth-century romantic, pan-Germanic ideals, equates national identity with an exclusive and homogeneous population. The völkisch state is not based on a social contract but on the common heritage of its people (Volk), where the question of who belongs is determined by ancestry. This ancestry is not necessarily of an exclusively ethnic nature, but stipulates a monolithic understanding of culture. The "Other" might not be excluded

because of physical traits, but is marked by a cultural difference regarded as essential and irrevocable. Kulturkreis (literally, “cultural circle”) is the German term most commonly used for these supposedly hegemonic communities. Contradictions within them as well as historical exchanges and overlaps between them are denied or trivialized. As a quasi-natural category, the Kulturkreis defines the identity of any individual associated with it.

This kind of “racism without races” has grown considerably in Germany since the summer of 2015. At the time, Merkel’s government decided to temporarily open the borders for refugees arriving en masse from the Middle East, Central Asia, and Northern Africa. Ultra-conservatives and adherents of völkisch ideology were quick to warn of a so-called Überfremdung, the “foreign domination” of the German people. In their eyes, the government had lost control of the situation and abandoned its subjects. This opinion was widespread even within the Union’s rank and file. This dynamic emboldened the AfD, particularly its völkisch wing, which received a further boost when a wave of moderates resigned from the party.

The AfD now began to target voters among the “losers of globalization.” The party’s initial support had mostly come from professionals, entrepreneurs, and the upper echelons of society. Now, support among the unemployed and underprivileged grew as well, due to the AfD’s successful linking of social inequality to immigration in the public eye. While the similar material interests of refugees and the German poor were downplayed, ethnic and cultural differences were magnified.

Representatives of the völkisch wing even spoke of a “new social question” in Germany, implying that the main contradiction was no longer between the bottom and top of society, but between inside and outside. The AfD rarely targets the wealthy in its defense of the “common man,” but instead focuses its ire on immigrants and refugees, accusing them of taking government handouts without contributing to the welfare state. According to the AfD, it is migrants and refugees who are robbing German workers of the fruits of their labor, not their German bosses.

Defending the “common man” has become a central part of the AfD’s public relations. But the party’s rhetoric should not be confused with its program, which favors tax reliefs that benefit the wealthy and stands for an authoritarian version of neoliberal economics.

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