

i|liberalism

Studies Program

In Search of the Right Kind of Capital: Recalibrating the Hungarian Political Economy

A Summary of Samuel Rogers' Book Presentation

On Tuesday, October 8th, the Illiberalism Studies Program at the George Washington University held a virtual event inviting political economist Samuel Rogers to speak about his new book [The Political Economy of Hungarian Authoritarian Populism: Capitalists without the Right Kind of Capital](#). Political scientist and economist Bálint Madlovics joined him as a discussant. The event was moderated by the Illiberalism Studies Program director, Marlene Laruelle.

In his presentation, Rogers outlined the processes, methodology, and motivations behind his new book. Conscious of the extensive literature on Hungarian authoritarianism and populism, Rogers was careful to focus his research on the specific role that political economy has played in the development of what Rogers calls Hungarian Authoritarian Populism (HAP). This concept is an adaptation of Stuart Hall's theoretical framework, [Authoritarian Populism](#), combined with elements of the Varieties of Capitalism (VoC) approach. Applying this framework to Hungary, Rogers argues that it allows us to 1) acknowledge contemporary Hungarian politics as a form of hegemonic politics, 2) recognize reconfigurations of domestic capital and 3) understand how the Hungarian government has begun to alter state structures and the trajectory of capitalist development, with a special focus on external capital.

This means that Rogers recognizes Prime Minister Viktor Orbán and his Fidesz-led government's successes in attracting wealthier Hungarian actors to their cause, build and co-opt a national bourgeoisie, and address national deficiencies by attracting external capital—from Western countries like Germany and others like China and Russia—that can be put towards specific national development projects such as boosting electric vehicle battery production, expanding capacity in the nuclear energy sector, or investing in infrastructure like the Budapest-Belgrade railway.

Through his employment of the HAP concept, Rogers effectively distinguishes between two types of capital: internal/domestic and external/international. He notes that he is not making any moral judgment on Hungary's decision to welcome external capital, he is merely comparing the advantages and disadvantages. In his first empirical chapter, he discusses domestic capital, and what he calls the "subsumption of domestic business." His second empirical chapter focuses on the flow of Russian capital into Hungary. Finally, Rogers addresses the role of Chinese capital and how Hungary has been integral to one of the flagship examples of Chinese investment in the region.

This culminates in the key claim of the book, which is suggested by its subtitle: before Orbán's return to power in 2010, he and his allies began to develop a project to attract what they saw as the 'right kind of capital,' a dimension of capitalist development Fidesz did not achieve during its first stint in power from 1998-2002. It is only by successfully building and attracting this 'right' kind of capital, a combination of domestic and foreign capital, that Orbán and Fidesz have been able to hegemonize the HAP project and thereby solidify their grip on power.

Rogers concluded his presentation by taking questions from the discussant and the online audience.

Key takeaways:

- Rogers' book effectively marries the theoretical frameworks of Stuart Hall's Authoritarian Populism with ideal types within the Varieties of Capitalism approach to provide a compelling account of Hungarian attempts to balance dependence on Western capital by building up a domestic capitalist class and introducing 'Eastern' capital inflow from Russia and China.
- Capitalist relations are crucial to understanding the success, longevity, and hegemony of Hungarian Authoritarian Populism.
- The synergy of related but distinct frameworks (VoC, HAP) reveals that both emphasize the role of external forces in their development, and both can be used to focus on contexts outside the so-called 'advanced' economies.
- Rogers argues that we have moved beyond an era where capitalism can be made without capitalists. Today, politics are back in command: capitalism has been made, and capitalists are globally well-connected, but it is *the state* that, in one capacity or another, is directing capitalist development in places from Hungary and beyond

Further reading:

- The Illiberalism Studies Program's [interview with Dorit Geva](#) on related issues in Hungary's political economy.
- The Illiberalism Studies Program's [interview with Eva Fodor](#) on how Hungary's political-economic trajectory interacts with gender relations and caregiving.
- Paula Ganga's [article](#) in the *Journal of Illiberalism Studies* on the new "state capitalism" and illiberal leaders' instrumental embrace of globalization.
- Aaron Irion on [Hungary's family policy](#) and how it maps onto its exclusionary neoliberalism.
- Rogers, Samuel. "Hungarian authoritarian populism: a neo-Gramscian perspective." *East European Politics* 36, no. 1 (2020): 107-123. <https://doi.org/10.1080/21599165.2019.1687087>.
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- Szabó, L. and Jelinek, C. (2023) 'State, capitalism and infrastructure-led development: A multi-scalar analysis of the Belgrade-Budapest railway construction', *Environment and planning. A*, 55(5), pp. 1281–1304. Available at: <https://doi.org/10.1177/0308518X231156171>.
- Magyar, Bálint, and Bálint Madlovics. *A Concise Field Guide to Post-Communist Regimes: Actors, Institutions, and Dynamics*. Budapest–Vienna–New York: CEU Press, 2022. <https://www.postcommunistregimes.com/wp-content/uploads/2024/09/2022.-A-Concise-Field-Guide-to-Post-Communist-Regimes-Magyar-Madlovics.pdf>

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