

# Europe's two-faced authoritarian right: 'anti-elite' parties serving big business interests

15 May 2019

## INTRODUCTION

If the more pessimistic projections are to be believed, authoritarian right-wing politicians will do well in the upcoming European Parliament elections, reflecting a surge in EU scepticism and disillusionment with establishment parties, many of whom have overseen a decade or more of punishing austerity.

These authoritarian right parties are harnessing this disillusionment using the rhetoric of ending corruption, tackling 'elite' interests, regaining 'national' dignity and identity, and defending the rights of 'ordinary people'. However, the contrast between this rhetoric and their actual actions is stark. From repressive laws to dark money funding; from corruption scandals to personal enrichment; from corporate deregulation to enabling tax avoidance, the defence of 'elite' interests disguised as the defence of disaffected classes is a defining characteristic of Europe's rising authoritarian right parties.

After the election, Europe could well see the formation of a new axis by these parties across the EU institutions, simultaneously becoming a significant force in the European Parliament, while having a strong voice in the Council and European Council, and nominating like-minded commissioners to the EU's executive. Such an alliance could undermine or prevent action to tackle some of the most pressing issues facing us such as climate change, whilst working against workers' rights, and measures to regulate and tax business interests; and meanwhile undermining values of democracy, tolerance, openness, justice, and equality.

We study a number of these authoritarian right-wing parties in this report which include Fidesz and Jobbik (Hungary); Freiheitliche Partei Österreichs (Austria); Alternative für Deutschland (Germany); Prawo i Sprawiedliwość (Poland); Lega (Italy); Rassemblement National, formerly the Front National (France); UK Independence Party (and its increasingly popular offshoot, the Brexit Party); Partij voor de Vrijheid (Netherlands); Dansk Folkeparti (Denmark); Sverigedemokraterna (Sweden); Perussuomalaiset (Finland); and Vlaams Belang (Belgium). However, this is a non-exhaustive list and such parties are present in most, although not all EU member states. While these parties are all different, emerging in different national contexts, with different histories, there is much which unites them, which is why we have investigated them and their records as a group.

These parties' use of 'grassroots' language is based on the apparent rejection of existing political or business 'elites', and a hatred of the 'establishment', in an attempt to reach out to disillusioned working class people (as well as other groups) and promise a better future. Their vision for their country is simplistic and based on demonising others – migrants, ethnic minority communities, LGBT+ people, to name just a few. This 'other' is portrayed as an extreme threat, justifying a response by the strong-arm of the state via attacks on human rights, civil society, the judiciary, and / or the media, especially in the Central and Eastern Europe states where some of these parties already hold power. Here lies their authoritarianism.

Collectively, these parties don't believe in genuine vibrant democracies, despite their rhetoric about 'people power'. Rather, they present a future vision based on (ultra)nationalism; even if many of them have been through recent re-branding exercises to try to tone down their more unsavoury and

extreme racist elements and broaden their appeal. Many of the parties profiled in this report are all too happy – despite their nationalist platforms – to cooperate with the Russian Government and its allies, Chinese interests, or controversial US figures, when convenient.

None of these parties' claims to reject the 'elite' stand up to close examination. As this report shows, far from rejecting the 'establishment', these parties' politicians are happy to cosy up to the rich and powerful or corporate interests, at home or abroad, for funding and political patronage. Whether it is UKIP's cohort of millionaire backers; the dark money streaming into the AfD; the PVV's acceptance of funding from a millionaire-backed US "hate group"; the Front National's nine million euro loan from Russia; Fidesz' close relationship with multinationals; the FPÖ, now nicknamed the "Party of the rich"; or ANO, created by a Czech billionaire, these parties get significant support from many rich and powerful interests.

These parties' voting records in the European Parliament show disdain for policies aimed at supporting working people or low income communities, such as on tax and workers' rights. Our [research](#) shows that none of the parties studied voted to support a minimum 25 per cent corporate tax rate across member states, while almost all voted to oppose or abstain on creating a pan-EU tax evasion authority. All but one of the parties studied opposed a proposal for a directive to promote 'decent work' for all workers. All but one party opposed the phase out of fossil fuel subsidies.

Much of their political rhetoric centres on some form of "[draining the swamp](#)" of corruption in politics; yet what is most notable about many of these parties' national and EU politicians, is the consistency with which they have been caught up in numerous scandals, from political corruption, to dodgy donations, to personal enrichment schemes, to fraud. For example under the Fidesz regime in Hungary corruption levels have increased; ANO's leader is being investigated by Czech authorities for funnelling EU money for his own use; Rassemblement National politicians have been indicted on charges of funding misuse in France; large fines have been levied against UKIP and the AfD; a bonus scandal has rocked the PiS government in Poland; the Lega Transport Under-secretary is currently being investigated in Italy for supposed bribery; raids have taken place in FPÖ offices in Austria; and there are ongoing European Anti-Fraud Office investigations into several EU groups closely connected to authoritarian parties. Far from being on a mission to tackle 'corrupt politicians', these parties are among the perpetrators.

Furthermore, a number of these so-called anti-elite politicians are not averse to lucrative side-jobs to supplement their salaries. These include French MEP Jean-Luc Schaffhauser who initially 'forgot' to register his €140,000 kickback for arranging the Front National's Russia loan; the UKIP's Nigel Farage who is number two on the list of top-earning MEPs, with outside income of at least €360,000 a year; and Italian MEP Angelo Ciocca from Lega who declares being a freelancer but doesn't explain who he works for. The swamp, far from being drained, looks engorged; and it stinks.

Corporate Europe Observatory is especially interested in the way in which these authoritarian parties have reached out to corporate interests and millionaires who prefer to keep a low profile. It is clear why the parties do so; after all it's far easier to raise one large donation than thousands of smaller ones. In some countries, authoritarian parties such as the FPÖ, or UKIP (and now Farage's Brexit Party) appear well networked with either corporate interests or rich individuals. Where the party is actively supporting a low tax, low regulation agenda, there is a clear commonality of interests, for example Fidesz has actively prioritised attracting inward investment from multinational corporations.

There is a long and disturbing history of corporations working hand in hand with the authoritarian right to serve their own interests. Today is no exception: in countries such as Italy, Hungary, Austria, and others, corporate leaders have advocated cooperation with or actively supported authoritarian parties when they are in government or have a realistic chance of being so, in a display of cynical realpolitik. Some corporations and the rich and powerful will actively cooperate with the state to further their agenda; others will provide more implicit support and acceptance. Either way, as corporations rarely prioritise freedom of expression, media freedom, or democracy, for them “strong men” leaders in the guise of Viktor Orbán (Fidesz), Andrej Babiš (ANO), or Matteo Salvini (Lega) can be preferable to a government with the adequate checks and balances inherent in a robust democracy.

The Hungarian case, where Fidesz has been in power for almost a decade, also shows us how authoritarian figures can create new economic leaders. Supporting such figures can be a sure way for corporate interests to receive favours, public funding, or even helpful labour laws in the future, without having to worry about unwelcome public scrutiny as the government simultaneously cracks down on the rights and the space for critical voices.

While hypocrisy is not the unique preserve of authoritarian right parties, the distance between their avowed principles – on the strength of which some may be elected to the European Parliament in the coming days – and their actual political activities is truly vast. These parties, their politicians – and their cronies—deserve more of our attention; not to fan the flames of their abhorrent rhetoric but to expose the hypocritical reality of their funding, their positions, their networks, and their (lack of) ethics.

#### **BOX 1: A short note on our methodology**

Corporate Europe Observatory obtained the voting records of various authoritarian right-wing parties in the 2014-19 European Parliament for 14 plenary votes from [VoteWatch Europe](#) (there is a full list at the end of this report). In the [accompanying table](#), a party’s record on a particular vote is classified according to the majority of those who voted; some individual MEPs in the parties studied may have voted differently. We focussed on areas which contradict the impression often given that these parties seek to stand up for working people and social rights. We have not analysed these parties’ views on migration, race relations, and other social matters where their abhorrent views are already well-known.

We contacted a senior MEP from each of the parties concerned in order to request an explanation of their party’s [voting record](#), but to date, only the AfD from Germany replied. It argued that it wants to “return competences to the Member States, is opposed to any involvement of the EU in taxation sovereignty of the MS and wants to improve subsidiarity”. But the AfD is among nine parties featured here who all voted in support of a pan-EU three per cent digital services tax likely to cover Google, Facebook, and other digital platforms. These parties’ [voting records](#) cannot be solely explained by subsidiarity.

This report also makes substantial use of the report ‘Convenient Truths: Mapping climate agendas of right-wing populist parties in Europe’ by Stella Schaller and Alexander Carius, published in February 2019 by Adelphi Consult, henceforth referred to as the [Adelphi report](#).

In terms of the parties covered in this study, we specifically wanted to look at those authoritarian-right parties already in the European Parliament and we found the Electoral Integrity Project’s [analysis](#) to be especially helpful. ANO (Czech Republic) is not always included in analysis of

authoritarian parties, and is more frequently described as merely a populist party. Yet its leader has had no qualms in using language of the authoritarian right, amping up the threat of “the other”, and attacking the pillars of democracy to gain and keep power, and so it is additionally included in our analysis. We have not been able to cover all countries and all authoritarian right-wing parties, including some smaller parties, or those likely to be elected to the European Parliament for the first time in 2019, such as Vox in Spain.

We consider this type of research will continue to be relevant for the incoming Parliament, with some new extreme right parties to contend with. As this work requires significant investigative resources and local knowledge, we would be keen to hear from researchers who can help us to further build-up this picture of Europe’s authoritarian right in the future.

## 1. HUNGARY

### Fidesz

*Government in Hungary since 2010.*

*12 MEPs in the centre-right European People’s Party (EPP), currently under suspension from the group.*

Fidesz gives us great insight of what happens when an authoritarian party is elected and kept in power for a decade. The party has been a staple of Hungarian politics since the late 80s when it started as an anti-communist party with liberal values. After [losing elections in the early 2000s](#), Fidesz became considerably more conservative and with less respect for freedom of the press. In 2010 Fidesz was elected to govern Hungary, a position they hold to this day.

Since taking power, the party has steadily attacked the democratic structures of the country, starting with limiting the freedom of the press and the constitutional court. Notoriously, in the past few years Prime Minister Orbán has stepped up his rhetoric (and actions) against migrants and refugees and tried to limit the freedoms of civil society, seeking to de-fund NGOs, criminalising those that help refugees, demonising Hungarian-born, Jewish billionaire George Soros<sup>1</sup> and forcing the closure of the Central Eastern University which he funds, and limiting gender studies courses in the country. There is no question that the Fidesz Government is [authoritarian](#).

The way Fidesz MEPs vote in the European Parliament, however, has been less scrutinised. Out of the 14 votes analysed ([see results here](#)), Fidesz voted against or abstained in 12. Fidesz MEPs did not vote for paternity leave, improvements to work-life balance, transparency of gender pay gaps, and a directive to promote ‘decent work’ for all. Fidesz votes on issues dealing with paternity leave and work life balance – both measures meant to allow parents to be better able to combine employment with parenting – are particularly hypocritical as the party, and Orbán himself, have "[criticised Brussels for not focusing enough on family policy](#)", according to *Hungary Today*.

Fidesz MEPs also voted against all proposals to tackle tax avoidance we looked at and to increase corporate tax to 25 per cent and create a special digital services tax at three per cent. This is in stark contrast to the rhetoric in a [blog penned in 2016](#) and still on the cover page of Fidesz MEPs’ website, where former MEP Ildikó Gáll-Pelcz rallied against big tech companies like Apple

---

1 Corporate Europe Observatory is funded by the Open Society Foundation, alongside many other foundations. We have not discussed or prepared this research with Open Society. You can read more about our own funding and how we keep our independence here: <https://corporateeurope.org/en/who-we-are>

receiving tax privileges in Ireland and, above all, not paying their fair dues in Hungary and other member states.

While beyond our own research scope, Fidesz' MEPs voting records on climate change policy were analysed by [Adelphi](#) which found it to be more moderate than other authoritarian right-wing parties on climate change (although the bar is incredibly low considering many of the comparing parties don't even believe in man-made climate change). Yet that has not been reflected in the party's domestic policies where it is still supporting fossil fuels and not investing in renewables. Climate Action Network's voting analysis classed Fidesz (and the rest of the EPP group) as a '[dinosaur](#)' when it came to climate action.

The way Fidesz MEPs vote in the European Parliament seems to be aligned with its government's own approach to foreign investment: support for a mix of unbelievably low corporate taxes with incredibly low wages and close cooperation with industry.

Hungary is currently the European country with the [lowest corporate tax rate](#), currently an unbelievably low 9 per cent ([according to the OECD](#) the European average is closer to 20 per cent). Even then it is often lowered for the 30 largest multinationals by various allowances going [as low as an effective rate of 3.6 per cent](#). MEPs have recently agreed that [Hungary acts as a tax haven](#). At the same time, the minimum wage stands at €464.20<sup>2</sup> a month for non-skilled workers. Eurostat data shows that in Europe only Romania, Latvia and Bulgaria have lower minimum wages.

This mixture of very low taxes and corporate-friendly policies has attracted major foreign investment. As a result, Hungary's economy has become heavily dependent on an industrial sector mostly dominated by foreign companies, accounting for almost two-thirds of production according to [Bavaria Worldwide](#). Most significant among these foreign investors is Germany, Hungary's biggest trading partner. Car-makers Daimler (producer of Mercedes-Benz), Audi, and the Japanese Suzuki have built car factories in Hungary the past decade. Just last year [BMW announced](#) it was building a car plant, while Opel produces car parts there. According to [Automotive News](#), "Carmakers' output reached... about 21 percent of economic product" in Hungary. German investment however is not limited to auto industry: [Bosch](#), for instance, is the largest industrial employer in the country.

In the European Parliament, Fidesz [rejected the proposal to lower car emissions in 2018](#) which followed the immensely controversial Dieselgate cheating scandal. This had been heavily lobbied by the car industry (particularly from Germany) and its representatives (see Box 2).

#### **BOX 2: A "truly good" cooperation: German carmakers and the Hungarian Government**

The cosy relationship between German carmakers and the Hungarian Government is hinted at in a state [pamphlet](#) designed to attract foreign investors: "You can count on the government's commitment to further improve the business climate". It goes on to highlight that the Fidesz administration has created "competitive" corporate tax; "further improved the practice-based dual education system built on industry needs", and crucially "offers companies a strategic partnership, and provides them with fast access to the Government".

Access to the government for German investors does seem to be easy. The German-Hungarian Chamber of Commerce and Industry (DUIHK) often hosts events and cocktails with at least one

2 Monthly minimum wages, bi-annual data from Eurostat accurate for 2019: [https://ec.europa.eu/eurostat/web/products-datasets/-/earn\\_mw\\_cur](https://ec.europa.eu/eurostat/web/products-datasets/-/earn_mw_cur)

government speaker in attendance. From [business lunches with the Finance Minister](#), to private lectures by the [Secretary of State for Tax Affairs](#), to [garden parties sponsored by the German car industry](#) attended by a host of governmental officials, a quick scroll through the pictures of their past events shows how common these events are.

In an interview the Director of Communication for the Chamber [explained](#) they had a “joint committee with the (former) Ministry of National Economy” and that their “experience is that many authorities really try to address the specific problems of the corporate sector, starting from permits to subsidies to education and labour market matters”. In the same magazine, the [Chief Financial Officer of Daimler Hungary](#) bragged about having a “truly good cooperation with the Hungarian Government which gives them long term predicability”.

Sadly there is no lobby transparency in Hungary making it harder to fully scrutinise the relationships between the government and vested interests.

The cosy relationship between industrial multinationals and the Hungarian Government came to the forefront of the public discussion just before Christmas in 2018. The Fidesz regime attempted to approve a highly controversial reform of labour law, which became known by an angry public as the ‘slave labour law’. The Government wanted to raise the maximum number of hours an employee could work overtime per year without being paid from 250 to 400 hours and – incredibly – allow employers to wait up to three years to pay back overtime. This rule would end up adding [one full extra day to the work week](#). Following protests, the government made the changes voluntary but they still allowed companies to negotiate directly with individual workers and ignore collective negotiations and trade unions.

[BusinessInsider](#) reported that the Hungarian Government had justified the measure with the need for more “labour flexibility” to “satisfy investors’ needs”. Meanwhile the German-Hungarian Chamber of Commerce and Industry [denied](#) that any German firms have sought the modifications. Yet they have been pressing the Government hard on the labour issue. For instance, [Bloomberg](#) quotes a report from the Chamber from October 2018 complaining that, “The lack of qualified labour is the single biggest risk for investors, followed by the cost of hiring.”

[Researchers Gagyú and Gerocs](#) argue in *Europe Solidaire* that “industrial lobby groups, supported by the Hungarian Chamber of Industry and Commerce, have been directly involved in policy-making, and helped write many of the legislative drafts that meant to reform key policy terrains such as education, taxation and labour”.

2018’s slave labour law was also not the first attempt at de-regulating the labour market by this administration. [Already there have been changes](#) that had made trade unions weaker and in 2012 companies were allowed to “force overtime work when demand is high, but put workers into un- or underpaid idle when demand is low”. The power of these companies has also been felt in the [reform of the educational system](#), which the Hungarian Chamber of Industry and Commerce had identified as a priority.

For the researchers, the conclusion is that the Fidesz Government “has explicitly and outspokenly given up on the representation of workers’ interests in industrial relations, and instead solely represents the interest of industry, including their most influential segment, the German multinationals.”

## **Fidesz and Mr Russia**

German manufacturers are not the only lobbying interest with the ear of the party.

In 2016 a scandal in Brussels exposed how the [Hungarian Government is apparently directly employing Klaus Mangold](#), a German lobbyist and former board member of Daimler. Mangold seems to have become a power-broker in Hungary, linking the Fidesz Government with German industry (for example speaking at the ‘[Central and Eastern Europe: a strong partner of Germany](#)’ conference organised by the German-Hungarian Chamber of Commerce and Industry), as well as Russian interests.

Mangold’s client list is not clear. Hungarian investigative journalists at [Direkt36](#) found he lobbies on behalf of Shell, Vodafone, Bosch and E&Y, among others. And the German press has named him [Mr Russia](#), given that Mangold has direct links with the Russian Government and is known to lobby European governments against Russia sanctions and on [Gazprom](#).

Mangold became the target of public scrutiny when investigative journalists exposed the lobbyist had given a [lift via a private plane](#) to current German Commissioner, Gunther Oettinger, from Brussels to Hungary. The two Germans supposedly then had dinner with Prime Minister Orbán. Mangold is an unregistered lobbyist in the EU transparency register and Oettinger has never listed this meeting as a lobby meeting. This led to a mini-scandal aptly called [#Oettingair](#).

Following this revelation, the Hungarian Government revealed that it had hired Mangold as a consultant. However, his contracts are classified and were not even shared with the members of the Hungarian Parliament's National Security Committee. According to an anonymous source reported in the [EUObserver](#) newspaper, “Mangold’s knowledge is used when various Russian-Hungarian meetings are prepared”, and that he has been involved in the PAKS II project in which [Russian firm Rosatom](#) was contracted by the Hungarian Government to extend an old nuclear plant without public tender, which led to an EU investigation. The meeting between [Mangold and Oettinger, old friends](#), took place just before [Hungarian Minister flew to Brussels to answer to this investigation](#), which would later be closed and [PAKS II cleared by the EU](#) with a few conditions.

## **A circle of cronies**

The list of vested interests that benefit from the Orbán-Fidesz administration does not end here. This government has been accused of running a system of crony capitalism whereby those close to the Prime Minister are rewarded financially with public procurement contracts, some accumulating so much wealth and resources they can only be described as oligarchs. For instance [Lőrinc Mészáros](#), a personal friend of Orbán in just three years became the fifth richest man in Hungary, mostly due to a wide number of public contracts awarded to him and his family.

The EU’s anti-fraud office OLAF has [found](#) several instances of fraud involving EU funding, at times involving mis-spending but also severe conflicts of interest. The latter includes one case which implicated Orbán’s own son-in-law. In 2018 the Hungarian prosecution office launched a full investigation into these cases but then rapidly and summarily [closed them](#) leading MEPs to question the independence of the Hungarian judiciary.

Fidesz’ main narrative is that it represents an alternative to the political forces of the EU. However, once we actually dig into the voting records of its MEPs we see that it opposes regulations that protect citizens in day-to-day life and hold multinationals to account. At home, big multinationals have had direct access to the government, with their wishes taken on board, regardless of what that means for Hungarian workers. This, the network of lobbyists surrounding them, and a seeming

network of friendly oligarchs, shows that the Hungarian Government does not work towards the interests of Hungarian citizens.

### **Jobbik**

*Biggest opposition party in Hungary (22 MPs).*

*In 2014 elected three MEPs but it has since expelled one for supporting Fidesz and another for allegedly spying for the Russian intelligence services.<sup>3</sup> Not attached to any political group.*

We cannot talk about Fidesz without also looking at the Hungarian opposition party Jobbik, which was set up in Hungary as an extreme-right party advocating hatred against [the Roma community, migrants, and promoting anti-semitism](#). The party used to organise a [paramilitary](#) body that would patrol Roma neighbourhoods.

In the past few years, Jobbik has tried to re-brand itself to attempt to drop the most extreme far-right factions. However according to the [Counter Extremism Project](#) while some of the most radical members have left since this rebrand, many extreme figures remain in the party.

A key part of Jobbik's new strategy has been to focus on standing up for working class people. Their message for this year's [European Parliament elections](#) is to stop Fidesz from building "a dictatorship based on wage slavery". In 2017, Jobbik got together with Central European parties and some trade unions to launch the unsuccessful citizens' initiative "[Wage Union](#)". Its [mandate for the 2019 European elections](#) focuses on migration as a threat, plus stopping the exodus of Hungarian workers which they hope to achieve by increasing cohesion in Europe and fighting corruption at home. Nationally it seems they are still stoking up hatred towards the [Roma community](#). Its only remaining MEP is [Zoltán Balczó](#) who seemingly remains convinced of the party's former politics of "[national radicalism](#)".

Jobbik MEPs have a mixed voting record, rejecting 7 out of the 14 votes in our analysis ([see results here](#)). Their poor performance on labour rights stands out, as they rejected measures to improve work-life balance, decent working conditions for all workers, mechanisms to detect gender pay gaps, and taxing robots to fund retraining unemployed workers. They do similarly poorly when it comes to fighting tax justice, rejecting a minimum corporate tax rate of 25 per cent, and even the 3 per cent digital services tax. CAN EU named it a '[dinosaur party](#)' as when it came to action on climate change its MEP scoring an impressive zero per cent in climate votes.

In Hungary Jobbik has been hit with two significant fines for [unidentified and illegal campaign funds](#) in 2017 when it allegedly paid less than market price for political billboards owned by Lajos Simicska, a Hungarian oligarch whose fortune was built thanks to his previous close relationship with Prime Minister Orbán. Simicska recently fell out with Orbán, at which point he started supporting Jobbik. [Politico Europe reports](#) that since then, Simicska's "media outlets have been hammering at the Government. His billboard company has plastered the country's highways and boulevards with slogans like "You work. They steal" and "They are the fear. We are the hope". Just this month, Jobbik was hit with a second fine, this time for apparently having incorrectly declared debts as assets.

Jobbik has countered these claims and is currently in court against them. The party accuses Fidesz of using the fines to crush opposition, and it is true that the accusations were brought forth by the State Auditor office, led by a former Fidesz member. It seems that the office has found problems with the other campaigns as well but as far as we could see, no follow up happened when it came to

---

<sup>3</sup> Former Jobbik MEP Béla Kovács, now an independent MEP, is being tried in Hungary on charges of spying for the [Russian intelligentsia](#) allegedly on [energy issues, European Parliament elections and domestic politics](#).

Fidesz. Unfortunately, the State Auditor's full reports are not public (although [Jobbik has published its own](#)) and this practice has been criticised for not being rigorous enough.

Jobbik's re-branding is ongoing but so far it has not been reflected in their voting choices in the European Parliament. Nationally, they have not shied away from support from Simicska, an oligarch propped up by Prime Minister Orbán.

## 2. AUSTRIA

### **Austrian Freedom Party**

*Freiheitliche Partei Österreichs (FPÖ).*

*Minority partner in Austrian government.*

*Four MEPs in European Parliament in the Europe of Nations and Freedom (ENF) group.*

The Freiheitliche Partei Österreichs (FPÖ) is no stranger to controversy, both in terms of its funding and its big business-friendly policies. It is currently the junior partner in the coalition Government with the ÖVP (Österreichische Volkspartei, Austrian People's Party) which itself has moved to the far right. With Sebastian Kurz as the ÖVP Chancellor of Austria, both parties have been following a neoliberal, anti-social, and anti-immigration agenda.

There have been serious questions raised about the FPÖ's funding for years. In 2013 prosecutors conducted raids to investigate [allegations](#) of corruption and the misspending of tax-payers' money for party political purposes when the FPÖ was in government in the Austrian state of Carinthia. [Falter reports](#) that prosecutors were especially interested in the role played by the FPÖ's Herbert Kickl, the current Interior Minister. In May 2018 [Der Standard reported](#) that investigations into the Carinthia scandal had concluded with prosecutors due to review the findings. No public announcement on its conclusions has yet been made. Going further back in time, the '[Plastic Bag Affair](#)' alleges that in the 1990s, while Director of the Parliamentary Club of the FPÖ, the current Justice Minister Josef Moser received a plastic bag containing five million schilling (nearly €400,000) from a major industrialist. Moser and Kickl have rejected all accusations of wrong-doing.

More recently the FPÖ is said to have developed close ties to Russia's ruling party, including via a five-year "[cooperation agreement](#)". Individuals from the FPÖ are reported to have attended the [2018 Yalta Economic Forum](#), alongside other like-minded right-wing groups, to discuss investment opportunities in Crimea, thereby undermining the EU sanctions regime against Russia. There were many raised eyebrows when the FPÖ-appointed Foreign Minister invited Russian Premier Vladimir Putin to her [wedding](#) in August 2018.

### **A friend of big business**

The FPÖ's logo often refers to it as the Social Homeland Party (*Die Soziale Heimatpartei*) and it has traditionally [appeared to support](#) social welfare, "social responsibility ... and an equitable distribution of contributions and benefits for the general public". It [used](#) to call the EU "a kind of corporate centre of globalisation madness", campaigning against the "EU of Corporations" and criticising bankers and speculators.

But journalist Michael Bonvalot's book entitled "[FPÖ - Party of the rich](#)" exposes how it has switched track and now promotes pro-corporate, anti-worker positions and cosies up to big business leaders, often using xenophobia to try to divide society according to origin or class. Recent FPÖ

[election promises](#) have included a reduction of corporate taxes and those on property and inheritance; reduction of the public debt; and halving public administration costs, via massive health and social spending cuts. Now it is part of the Government, the FPÖ's deregulatory zeal has become clear with a new [law](#) to extend the maximum working week from 48 to 60 hours, without a guarantee of overtime pay, which has brought thousands of people out onto the streets in opposition. This law is similar to the 'slave labour law' introduced by the Fidesz Government in Hungary at the behest of corporate interests. Speaking to a group of Austria's biggest business interests last year, Chancellor Kurz announced further policy "gifts" to industry from the ÖVP- FPÖ Government, [admitting](#) the ideas came straight "from the Chamber of Commerce, the Federation of Industry and companies", which have a [wish-list](#) of 489 regulations they want to see tackled.

As further evidence of its deregulatory zeal the FPÖ has also succeeded in overturning a planned smoking ban in restaurants and cafes. It was aided by former FPÖ politician Barbara Kolm who it [nominated](#) as an expert to the Health Committee of the Austrian Parliament. Kolm's free-market thinktank the Austrian Economics Center [received thousands of euros in donations](#) from tobacco giants Japan Tobacco International and British American Tobacco in 2018. Kolm is also said to be partly responsible for the recent neoliberal shift in the FPÖ's economic thinking. In August 2018, she was [appointed](#) by the Austrian Government to the General Council of the Austrian National Bank, and has been embroiled in a [separate scandal](#) involving overseas donations to the European Parliament's European Conservatives and Reformists Group (ECR) political group.

The FPÖ's national deregulatory agenda fits the pattern of voting adopted by FPÖ MEPs in the European Parliament. Our [research](#) shows that FPÖ MEPs voted against social measures such as an EU framework on health and safety at work; a proposal for a directive on 'decent work'; a pan-EU 25 per cent corporate tax rate; a three per cent digital services tax; and support for worker protection against chemicals. It also opposes action to tackle climate change, being classed as a climate-sceptic party by [Adelphi](#), opposing the Paris Agreement, and voting against all climate policy proposals analysed by Adelphi. This includes opposing the abolition of fossil fuel subsidies.

Perhaps this position is due to the FPÖ's "[strong ties](#)" with the "steel, automotive and fossil fuel industry". Bonvalot [argues](#) that key players in drawing up the FPÖ's economic programme have links to Austrian industrial interests. Manfred Haimbuchner is the FPÖ's Deputy Governor of Upper Austria, a heavy industrial region including steel-manufacturer Voestalpine, and numerous factories, including BMW. Haimbuchner is considered to help network the FPÖ with the Industriellenvereinigung, the Federation of Austrian Industry. Another useful link is Austrian MP [Axel Kassegger](#), an entrepreneur and economic spokesman for the party. Meanwhile, [Bloomberg reports](#) that FPÖ minister Norbert Hofer is among several far-right EU politicians pushing to strengthen ties with China.

The FPÖ took a contradictory - even hypocritical position - on the ratification of the controversial EU-Canada trade deal (CETA). Its MEPs [opposed](#) CETA in the European Parliament, [talking](#) about the interests of Austrian consumers and small farmers, and demanding a referendum on CETA, so as to stand up to overseas multinationals. The party went to the polls in late 2017 on a platform which [firmly opposed](#) CETA, yet immediately after the election it voted to ratify CETA, apparently in order to secure its position as the junior party in the new government. Only one EU member state was needed to veto CETA to stop it in its tracks, but the FPÖ instead decided to prioritise its own party political advantage.

[Barbara Kappel](#), an FPÖ MEP, has declared four overseas paid trips including two to Malaysia in [February 2017](#) and [May 2016](#) to cosy up to the palm oil industry (which is implicated in major

deforestation across South East Asia). Perhaps most controversially Kappel was recently [implicitly criticised](#) by the European Parliament for planning to visit Moldova as an unofficial election observer, despite her links to a [Moldovan businessman](#) convicted of major bank fraud. Kappel told [Politico](#) that she was in Moldova “for an individual unofficial election observation with an independent NGO”.

The FPÖ is a controversial party, implicated in scandal, close to big business interests, and open to claims of hypocrisy. Its position in the Government is deeply worrying, providing it with a platform to implement its anti-immigrant, deregulatory, reactionary policies.

### **BOX 3: Dark money flows to the German AfD**

The German authoritarian right-wing party Alternative für Deutschland (AfD) has been embroiled in a series of scandals around dark money flows. Several leading party figures have accepted illegal donations, including Jörg Meuthen, one of the two leaders of the party and its top candidate for the European elections; and Alice Weidel, the co-Chair of the AfD group in the German Parliament. In both cases the money was channelled via Switzerland.

In 2016, the Swiss PR firm Goal AG organised an election campaign for Meuthen with billboard posters, adverts and flyers. The company also ran Meuthen’s campaign website for the 2016 elections in the state of Baden-Wuerttemberg. All campaign activities were branded as AfD activities, but were paid for by undisclosed donors. Goal AG has a history of working with the right-populist SVP in Switzerland as well as with other right-wing parties in Europe and the Europe of Nations and Freedom (ENF) group in the European Parliament. After enquiries by the authorities the AfD provided a list of donors behind the campaign for Meuthen. But [media investigations](#) show that the donors’ list was fake, with people offered money in return for providing their names as fronts. The Bundestagsverwaltung (Secretariat of the German Parliament) has fined the AfD approximately €270,000 for the illegal donations to Meuthen. Under Germany’s party laws, anonymous donations or those made via middlemen are banned.

Campaign contributions from states outside the EU are also banned unless the company is owned by a German citizen. In the case of the AfD’s co-Chair, Alice Weidel, in 2017 a small Swiss firm, PWS, was used as a middleman to channel donations totalling about €130,000 to her local party chapter. Later the AfD produced another list they said were the original donors behind PWS. But [also this list turned out to be fake](#), and another fine is also likely to be levied in this case. Further criminal proceedings are still ongoing. [Investigative journalists](#) have linked these fake donors with the German billionaire Henning Conle. According to the evidence Conle is the donor for Weidel and [presumably also for Meuthen](#).

Beyond illegal donations to individual AfD politicians, the party also appears to have a second channel of dark money. Since 2016 a dubious association has been running huge election campaigns including billboards, election newspapers, online adverts, and videos supporting the AfD. The association, “*Verein zur Erhaltung der Rechtsstaatlichkeit und der bürgerlichen Freiheiten*” is obviously a front group. It has no offices, just a letterbox address, and these election campaigns were again organised by Goal AG. German corporate watchdog LobbyControl [estimates](#) that the campaigns have been worth more than €10 million. Journalists have found [signs](#) that one of the donors could be August von Finck Junior, a super-rich German national living in Switzerland, who is known to have links to right-wing libertarian thinking, such as the German Ludwig von Mises-Institute.

Overall, the AfD has been supported by millions in dark money since 2016. The party has tolerated this secretive support. In some cases the party has violated the law. In other cases the secretive donors have tried to exploit legal loopholes. The scandals have clearly demonstrated the need to improve and strengthen German transparency rules.

The donors are still only partially known. But it seems that the money came largely from an upper-class network. So it's probably not by accident that AfD politicians like Meuthen and Weidel received special support as both belong to the pro-business, free-market wing of the party. In terms of tax policies the AfD is still very supportive of the rich. Its platform for the 2019 European elections argues in favour of competition between states on corporate taxes. This competition is to the advantage of transnational corporations.

In line with this, the AfD opposed 10 of the 14 European Parliament votes that Corporate Europe Observatory [studied](#), including action to tackle the gender pay gap; ending fossil fuel subsidies; a 25 per cent corporate tax rate; a proposal for a directive on 'decent work'; action on work-life balance; health and safety at work; and others. After the 2014 European elections the AfD had seven MEPs, now reduced to one, after in-fighting and defections. In response to a question from Corporate Europe Observatory, MEP Meuthen's office wrote: "The AfD is against European federalism and wants to return competences to the Member States, is opposed to any involvement of the EU in taxation sovereignty of the MS and wants to improve subsidiarity." But the AfD voted in support of a pan-EU three per cent digital services tax likely to cover Google, Facebook, and other digital platforms so its voting record cannot be solely explained by subsidiarity.

Text supplied by LobbyControl [www.lobbycontrol.de](http://www.lobbycontrol.de)

More reading (in German):

- More information: "Verein zur Erhaltung der Rechtsstaatlichkeit und der bürgerlichen Freiheiten" via LobbyControl's online [Lobbypedia](#).
- Short overview of the [illegal support for Jörg Meuthen](#).

### 3. POLAND

#### Law and Justice Party

*Prawo i Sprawiedliwość (PiS).*

*Governing party in Poland.*

*14 MEPs in European Parliament in the European Conservatives and Reformists Group (ECR) group.*

Poland, under the Law and Justice Party (Prawo i Sprawiedliwość, PiS) has rivalled Hungary in the 'biggest EU pariah' stakes. Adopting an authoritarian approach to [media freedom](#), the [judiciary](#), and [migration](#), while waging war on [abortion rights](#) and the [LGBT+ community](#), Poland's PiS has taken the country down the far-right route and its [flirtation](#) with Italy's Matteo Salvini threatens to expand that approach at the European level after the coming elections.

PiS is [known](#) as the "pro-coal party" and the promotion of the coal industry by both it and other Polish ruling parties has been documented [elsewhere](#) by Corporate Europe Observatory. In line with industry demands, Poland has disrupted efforts by the EU to introduce more ambitious action to tackle climate change, while its [hosting](#) of several recent UN-backed climate talks has enabled it to

greenwash its record while promoting the coal industry, a remarkable contradiction. Corporate sponsorship of the PiS Government-sponsored 2018 UN climate talks in Katowice included: [TAURON](#) (coal, oil and gas); [JSW](#) (coal and gas); [PGE](#) (coal); [PZU](#) (insures fossil fuels); [PKO Bank Polski](#) (finances fossil fuels); [PGNiG](#) (gas); and [LOTOS](#) (oil and gas), all of which are Polish companies. In the light of this, it is not surprising that PiS MEPs have voted against both the phasing out of fossil fuel subsidies and boosting environmental justice, according to our [research](#).

Like many other authoritarian parties studied, it [claims](#) to stand up for the interests “of the ordinary man [sic], to the young and the old, and to the needs of hard working people” and PiS aims to deliver a “[rise in] the standards of living of Poles”. Yet our [research](#) shows that its MEPs opposed action on the gender pay gap; a proposal for a directive on ‘decent work’; a pan-EU 25 per cent corporate tax rate; the creation of a EU authority to tackle tax evasion; a tax on work by robots to fund worker re-training; and country by country reporting on corporate profits. Likely its voters will also have been dismayed by the 2017 [bonuses scandal](#) when PiS ministers, led by the extremist Prime Minister Beata Szydło, were found to have received [large bonuses](#), perhaps as high as 82,000 zloties (worth more than €18,000, and far more than the [average annual pay cheque](#)) not long before a government reshuffle. The ministers were eventually forced to divert the money to charity instead, while a fall in [poll ratings](#) led PiS to introduce a 20 per cent pay cut for all MPs.

Taking over from Szydło as Prime Minister was [Mateusz Morawiecki](#), the former head of Bank Zachodni WBK, Poland’s third largest, with Spanish mega-bank Santander its biggest stakeholder. Morawiecki soon found himself in political hot water over [allegations](#) in *Newsweek Polska* that he had tried to hide the extent of his property portfolio by passing some deeds over to his wife, a report [denounced](#) as “a ruthless political attack on the prime minister's family,” by the Government.

The power behind the prime ministerial throne is PiS’ leader, Jarosław Kaczyński, with no formal role in the government but who is nonetheless a key player in Polish politics. Earlier this year [leaked tapes](#) emerged of Kaczyński’s discussions with an Austrian businessman and distant relative. Kaczyński had been discussing a collapsed property deal to build a skyscraper in the middle of Warsaw. Kaczyński is on the board of the political institute which owned the company which in turn owned the land at the heart of the deal. The opposition [argued](#) that the tapes showed that Kaczyński had been [operating](#) as a “property developer”, and revealed “the ruling party’s true nature as a corrupt and cronyistic grouping prepared to use its power and influence over public institutions to advance partisan interests”. PiS and Kaczyński denied any wrong-doing or illegality, but it seems clear as *DeutscheWelle* [reported](#) that while “Kaczynski once embodied a political leader unconcerned with material wealth, [the] scandal has thoroughly undermined this image”.

Once again, an authoritarian right-wing party’s appeal to ordinary people looks weakened, once set in the context of its record in office and the actions of its elected politicians.

#### 4. ITALY

##### **The League**

*Lega, previously Lega Nord.*

*Member of a coalition government in Italy since 2018.*

*Five MEPs elected to European Parliament in 2014; now it has six after the defection of a [SSM MEP](#). In the Europe of Nations and Freedom group.*

Another authoritarian party in government is Lega. It was set up almost 30 years ago as a [secessionist party](#) with the provocative mission to increase the autonomy of northern Italy and

decrease public funding to what it called the ‘lazy, pariah’ southern Italy. After a particularly bad [corruption scandal](#) involving its leader Umberto Bossi in 2012 where Lega defrauded the state to the tune of [€ 49 million](#), a leadership succession eventually led to Matteo Salvini becoming Chair. Since then he has led a party re-structuring dropping the “Nord” from its name and creating a national strategy against the EU and refugees. In 2018 Lega joined with the 5 Star Movement to form a coalition Government.

In 2014 Lega elected five MEPs, including two that left in 2018 to form the new Italian Government: Matteo Salvini (current Minister of Interior and de facto power in the country) and Lorenzo Fontana (current Minister of Family and Disability). In 2017 they added another MEP after [Marco Zanni](#) defected from the 5 Star Movement to join them. Lega MEPs Mario Borghezio is seen as a key link with the [extreme-right](#) movement having been convicted of three hate crimes: including [assaulting](#) a 12 year old boy, [setting fire](#) to the pallets where a group of migrants slept, and making [racist remarks](#) and asking for the sexual assault of a then-sitting Italian Minister.

### **Do the slogans match the voting record?**

During the 2018 Italian elections Lega’s [slogan](#) on labour policy was: “Work does not mean making every last exertion, but to realise one’s talent with the right amount of economic satisfaction.” Yet, according to our [research](#), at the EU level Lega MEPs voting record on workers’ rights show they did not support proposals to implement the conditions necessary for work-life balance, decent working conditions for all workers, and the mechanism to detect gender pay gaps.

When it came to tax Salvini ran nationally on a flat tax rate under the [motto](#) “All pay, pay less. And Italy distributes.” Nationally, the majority of their measures are not designed to target mass scale evasion (a systemic problem with multinational corporations). This is reflected by a somewhat confusing voting pattern at EU level. According to our [research](#), while Lega MEPs did support a three per cent digital services tax, meant to target the big tech giants that avoid national taxation, Lega MEPs rejected the creation of an authority that would fight tax evasion and the proposal to create a minimum effective corporate tax rate of 25 per cent.

In spite of dedicating a fairly large section of its [manifesto](#) to the environment, Lega’s profile is particularly atrocious when it comes to climate change. Lega MEPs voted against the swift phase out of fossil fuels and boosting environmental justice, according to our [research](#). Climate Action Network’s [analysis](#) gave the party a “scandalous 1% score” on their voting record on policies to fight climate change, going on to say that Lega (and other nationalistic parties) “cannot offer solutions to the climate crisis”. Similarly, [Adelphi](#) found that “Lega has voted against all analysed EU climate and energy policy proposals tabled in the European Parliament between 2014 and 2018, except the vote on energy performance in buildings”.

Out of the list of 14 votes we analysed, Lega opposed or abstained in 8 ([see the votes here](#)). Salvini has not exercised his right to vote in any of the votes analysed while he was an MEP, apparently [preferring](#) to make TV and social media appearances.

### **Lega MEP’s side jobs**

Lega MEP Angelo Ciocca seems to be fairly busy. Ciocca’s [declaration](#) of financial interests lists three jobs that he performs at the same time as being an MEP.<sup>4</sup> One of them brings him a whopping

---

<sup>4</sup> His other listed jobs are city councillor with a salary of up to €500 a month, and an unpaid role as partner of the Agricultural society Cornalba SRL. [http://www.europarl.europa.eu/mepdif/183793\\_DFI\\_LEG8\\_rev1\\_IT.pdf](http://www.europarl.europa.eu/mepdif/183793_DFI_LEG8_rev1_IT.pdf)

€5,000 to €10,000 per month on top of his MEP salary. Ciocca's outside income puts him in the list of the [top 30 MEPs](#) with highest income from side jobs in the entire Parliament. Yet his declaration simply says he is employed as a "*libero professionista*" which roughly translates as a freelancer. An [old CV](#) of the MEP shows he has been registered as an expert in health and safety during construction projects.

Has Ciocca kept this as a side job as an MEP? Corporate Europe Observatory contacted Ciocca asking what activities exactly he provides as a freelancer and even more importantly which clients he works for, but has received no reply.

Ciocca has a chequered past in the Italian courts. On at least two occasions there were concerns that he was receiving professional real estate deals due to his role as regional councillor for Lega (one involving the Calabrian ['Ndràngheta](#) mafia) but [neither](#) case was taken forward. He was, however, sentenced for expenses [fraud](#) at the regional level together with another local politician and told to pay back over €20,000 for undue claims which included luxurious meals and inexplicably high bills for stationery. Ciocca [appealed](#) the sentence which was then lowered.

### **Lega's friends in big business**

Lega's MEPs often criticise the EU for its relationship with financial lobbies. For instance in 2018 Mara Bizzotto, who took over from Salvini as leader of Lega in the European Parliament and Vice-Chair of ENF, constantly [criticises](#) "this Europe, a slave to banks and finance that is massacring our country, our businesses and Italian citizens".

Yet nationally, it seems Lega nurtures its own close working relationships with specific business lobbies. For example Vincenzo Boccia, President of Confindustria, the association of Italian employers (the Italian chapter of EU corporate lobby group BusinessEurope) has publicly [declared](#): "In this government we strongly believe in Lega". Boccia went on to say there is "a historical relationship of many of our entrepreneurs with the governors of the League in Veneto, in Lombardy and in Friuli Venezia Giulia". Confindustria clearly expects this relationship to be translated to the national level.

Former Italian Minister Carlo Calenda [described](#) this as the first time the employers' association has announced public support for one specific political party and that, "Confindustria is officially a part of Lega". Boccia later denied that his comments were an endorsement. While in public Salvini at times [criticises](#) Confindustria, Italian newspapers report that the employers' association finds it easier to [reach](#) Lega than its governing coalition partner, the 5 Star Movement.

Confindustria's access to Lega seems also to be working at the EU level. MEP Ciocca quite helpfully posts his agenda on his [website](#), which show at least seven meetings with the employers association (and subsidiaries such as [Assolombarda](#) and [FarmIndustria](#)) since September 2017 (data checked on 15 April 2019). As far as Corporate Europe Observatory could ascertain, there were no meetings with Italian trade unions.

### **Conflicts of interest and Russian business**

Conflicts of interest are also a question for Lega. Take for instance [Gianluca Savoini](#), an ally of Salvini without an official title but who brags of participating in meetings between Lega, already in government, and Russia's national security council. Savoini, alongside Claudio d'Amico, a senior

foreign policy adviser to Lega, own a company based in Russia. In a recent [article](#) Global Witness noted this as a clear conflict of interest for Italian politics.

This is not Savoini's only interest: he also runs a [think-tank](#) called Lombardy-Russian Cultural Association. It is unclear who funds this think tank but its [Honorary President](#) is Alexey Komov, a man close to Russian oligarch Konstantin Malofeev (see [National Rassemblement](#) section), and member of the extreme World Congress of Families (WCF).<sup>5</sup> Komov [attended and spoke](#) at the Lega conference that elected Salvini as leader.

Savoini was allegedly also at the centre of accusations that there had been negotiations with the Russian Government to funnel money into Lega's European Parliament campaign. [L'Espresso](#) journalists reported in February 2019 that Lega was offered a deal for Rosneft, a Russian oil company, to sell at least three million tons of diesel to Italian multinational ENI. The diesel would be sold with a four per cent discount and the extra money funnelled to Lega. The journalists claim that under this [arrangement](#) "Lega would receive at least 250 thousand dollars a month for one year – 3 million euro in total", meant to be used for the European Parliament elections.

*L'Espresso* reporters do not know whether the deal was finalised. Salvini's spokesperson has called the story a [fantasy](#) and [threatened to sue](#) the newspaper. Rosneft also threatened to sue.

Lega has a public history of cooperating with Putin's Government: in 2017 Lega [signed](#) a cooperation agreement with Putin's party and it also defends the end of EU sanctions on Russia which followed the annexation of Crimea.

#### **BOX 4: Steve Bannon's Movement**

Lega is one of the few parties in Europe that has publicly ["joined"](#) the group created by discredited Trump campaign manager Steve Bannon. A lot has been written about Bannon's European project which, according to him, is [meant to](#) "lead a right-wing populist revolt across the continent" ahead of the 2019 European Parliament elections. To do so, he has used the legal entity called 'The Movement', set up in [Brussels](#)<sup>6</sup> in 2017 by [Mischaël Modrikamen](#), a former corporate lawyer who now runs the marginal Belgian Islamophobic party Parti Populaire (no elected MEPs). This is also not the first time that Modrikamen has attempted to create a vehicle to bring together these nationalist parties. Previously he [was](#) the Vice-President of the Alliance for Direct Democracy in Europe, a European party of nationalists (including UKIP and AfD MEPs) which was caught up in questions over the misuse of EU funding (see [UKIP section](#)). [Modrikamen](#) sued and lost against the journalists who first revealed the group's practices.

Bannon has promised to unite all the nationalistic right wing parties to fight the EU in these elections. Yet almost a year later not much visible has happened: he had [promised](#) a big Brussels conference in January with over 20 parties, but that never took place. Later on, he [promised](#) it "for late March or early May", yet it still hasn't happened.

So far only Lega, Fratelli d'Italia and the Dutch PVV have fully [endorsed](#) the project. Most parties do not want to support him publicly. For many, to do so would break their country's electoral rules

5 WCF is an anti-LGBT rights and anti-abortion network of organisations backed by ultra-conservative US, Russian and European politicians, which [OpenDemocracy](#) has exposed as having been pumping money into undisclosed far-right parties in Europe. WCF's latest convention was held in Verona, Italy attended by both Salvini and Lorenzo Fontana, former MEP and a current Italian Minister.

6 Official documents show that Modrikamen set up the [foundation](#) to, among other things, push anti-Islam views but also "free enterprise" and "a scientific and non-dogmatic approach to climate phenomena".

which ban accepting [foreign support](#). According to national electoral laws, only Danish, Swedish, Italian, and Dutch parties could receive support from the Movement, but the Danish and Swedish parties have so far [refused](#) to work with Bannon.

It is unclear how the foundation is financed. It also remains unclear what if anything is going on below the surface in terms of channelling funding and political campaigning advice.

### **Salvini's Lega: moving on from corruption?**

As previously mentioned, Salvini took over Lega's leadership in the wake of the scandal when Lega's previous leader Umberto Bossi was found to have cheated the Italian state out of €49 million euros, partly used by the party and partly by his own family. Salvini tried hard to distance himself in public from the corruption scandal, promising to re-vamp the party as investigations into Bossi were still ongoing. But [documents](#) seen by *L'Espresso* journalists showed that Salvini, likely knowingly, used money that Bossi had illegally taken from the state. In 2018 [courts ordered](#) that the full €49 million should be seized back from Lega but the prosecutors could not find the money in Lega, [raising doubts](#) whether it had been shifted out of the country to avoid seizure. Since then the party has made an agreement with the prosecutors to pay back the money, but in instalments which will take over [80 years](#) to pay. That means, the courts won't scan Lega's accounts.

Corruption stories continue to dog Lega. In May 2019 a Lega Under-secretary for Transport was forced to resign by the Italian Prime Minister (against Salvini's wishes) after accusations that he taken [bribes](#) to push renewable energy by a businessman linked to the [Sicilian mafia](#).

It appears that Lega is merely using the language of those critical of the enormous power of big business and vested interests. At the same time business lobbies seem to see Lega politicians as a gateway to power, while the party's MEPs and political allies have personal interests that raise questions about their independence. Meanwhile wherever Lega goes, corruption scandals seem to follow.

### **BOX 5: Party funding rules in the EU**

Party financing in the EU is a messy puzzle of national and EU level rules. The European Parliament elections, for instance, are actually 28 national elections run simultaneously. Hence national electoral [financing rules](#) apply, but these [rules vary](#) widely within the EU: from whether they allow financing from foreign entities (eg the Netherlands and Italy do), to whether corporate donations are permissible (Austria, Czech Republic, Denmark, Finland, Sweden, the United Kingdom, and Italy).

The Italian case is particularly serious as, from 2014 to 2017, the country [phased out](#) public financing for political campaigns, leaving parties entirely dependent on private donations, including those from companies. As Italian anti-corruption NGO [Riparte Il Futuro](#) put it, there is now a risk "that the political forces are above all dependent on funding from companies, corporations and individuals who may want to influence their activities, expect something in exchange for their financial support".

And while most countries in the EU (yet not all) require some sort of auditing or control for campaign finances, the format is incredibly varied. In almost all countries it is not possible to know in real time who is financing electoral campaigns or even individual candidates.

National rules are still just one side of this discussion. There are also European level political parties and associated political foundations. Throughout this text we have enumerated many instances of funding fraud, mis-spending or parties getting money that don't meet the requirements for this type of funding, including from the defunct ADDE and IDDE ([see UKIP section](#)).

Most of these pan-European parties depend on EU financing but it is important to note that the EU rules require that at least 10 per cent of the entire budget must be made up of the parties' own sources (previously 15 per cent). The rules require that these bodies publish the names of all those who donate over €500.

Using this published information, journalists at [Follow the Money](#) have found that donations direct to European political parties has been steadily growing. These were not just private donations; many companies seem to be investing in EU parties. *Follow the Money* has cleaned and published the [entire dataset](#) of donations and expenditures which anyone, particularly journalists, can use to scrutinise these bodies.

As EU politics becomes increasingly contentious, it is important to ensure transparency and strict rules for political finance in order to limit the power that money has in politics.

## 5. FRANCE

### **National Front/ National Rally**

*Front National, now renamed Rassemblement National (FN/RN).*

*Opposition party in French Assembly.*

*24 MEPs in elected to European Parliament in 2014; 15 now sit as Rassemblement National in the Europe of Nations and Freedom (ENF) group.*

One of the most well-known authoritarian right-wing parties in Europe is France's Rassemblement National (RN), known until June 2018 as the Front National (FN). Recent electoral success such as making it to the 2017 presidential run-off against Emmanuel Macron is widely held to be due to leader Marine Le Pen's attempts to [re-brand](#) the party to make it more appealing to voters put off by its xenophobia. But make no mistake, the RN remains a party with a [toxic anti-migrant ideology](#).

### **Friend to Russia**

State funding of political parties in France is the norm; nonetheless, in 2014 the FN [took](#) a €9.4 million loan from the Russia-based First Czech Russian Bank (FCRB). At the time, Marine Le Pen argued that French banks' refusals to provide the party with loans meant it had to look to Russia instead for financing. But an in-depth *Mediapart* investigation has disputed that, [arguing](#) that there were in fact conscious FN efforts to create a network "with its intermediaries and opaque structures - to help Marine Le Pen's party to win millions, and even to hide [their] origin".

Key figures who helped cement the ties between the FN/RN and Russia are MEP [Jean-Luc Schaffhauser](#); Russian senator and presidential adviser Alexander Babakov, who helped secure the 2014 bank loan and who *Mediapart* [described](#) as an "oligarch close to the Kremlin who juggles with several hats, mixing politics and business"; and [Konstantin Malofeev](#), another Russian businessman, who helped secure a previous two million euro loan for the French far right (see also section on Lega). *Mediapart* [documents](#) how the collapse of the FCRB led the FN to look for additional Russian funding. Babakov apparently tried to help Schaffhauser source loans from two

other Russian banks, although like dominoes, these banks also collapsed. *Mediapart* further [speculates](#) whether the collapse of the FCRB may conveniently turn the FN's original loan into a grant, as it may no longer need to be paid back.

### **Juggling outside interests**

MEP Schaffhauser was not doing this work for the FN from the kindness of his heart; he was handsomely rewarded with a €140,000 commission from the FCRB bank, which he initially failed to mention in his [declaration of interests](#) as an MEP. This kick-back has been under [subsequent investigation](#) by the financial prosecutor's office in France.

Before becoming an MEP, Schaffhauser was a [consultant](#) with corporate clients including Auchan, Dassault and Total. He resumed his consultancy activities in 2017 while still an MEP, [declaring](#) a huge monthly side income of €20,000 a month. This work, conducted via the mysterious "[MWD Dubai](#)", was for [Losberger](#) on "[security and defence contracts](#)" and with [ICTS](#), a major player in the field of port management. Incidentally, ICTS [applied](#) for a stake in the controversial privatisation of the Greek port of Thessaloniki, a sell-off which had been a [condition](#) of the EU-backed Greek bailout. The FN had been [vocal](#) in opposing the Greek bailout, arguing it would increase France's debt. TV channel *France 3* has [raised questions](#) about Schaffhauser's conflicts of interest, considering his role as shadow rapporteur on a European Parliament [report](#) on private security companies. Earlier this year he was also shadow rapporteur for a [report](#) on EU-Russia relations.

Another French far-right MEP with ties to Russia is [Aymeric Chauprade](#), a former adviser to Le Pen who has since left the party. *Politico* recently [reported](#) that the daughter of Putin's spokesperson was interning in his office. Chauprade undertakes [occasional teaching](#) at a Russian university and has [promoted](#) strong ties between the FN and Russia. He [declares](#) up to €5000 income per month in a self-employed capacity but it is not clear whether this is his teaching work, or something else. According to its July 2018 [report](#), Transparency International says that Schaffhauser's political group, the Europe of Nations and Freedom (ENF), has the highest proportion of MEPs with sources of outside income (54 per cent of the group's MEPs) of any group in the European Parliament.

### **Fraud allegations**

These are not the only controversies facing the FN/RN and ENF in the European Parliament. Recently Le Pen was [vocal](#) in criticising the European Parliament's Liberal group (ALDE) for accepting corporate sponsorship of its party congress, but she has been subject to numerous funding controversies herself. Similar to the accusations levelled at UKIP MEPs, the EU's anti-fraud agency OLAF has been investigating [allegations](#) that up to 20 national-level FN staff were paid as MEP assistants which would be a clear violation of EU party funding rules. A separate OLAF investigation in 2016 found that Le Pen may be guilty of "[misappropriation of funds, or fraud and use of fraud](#)" over contracts given to several staff members. Le Pen, her sister Yann, her partner Louis Aliot, and many others have now been [indicted](#) in a French court, while her estranged father [Jean-Marie Le Pen](#), the former head of the FN, could face similar charges.

Separately the official audit of the ENF group's use of its EU funding cast doubts on its expenditure and record-keeping. Dated May 2017, the report [said](#) the group did not meet budget obligations for "10 service providers with a total value of €492,506.88" with other income "unaccounted for". The Parliament has now asked it to [repay](#) €470,000.

On top of this, in 2018 the ENF group was embroiled in an [unedifying internal row](#), nicknamed ‘champagne-gate’, over which of its MEPs had been responsible for drinking 228 bottles of champagne at the European Parliament’s expense. Austrian FPÖ MEP Vilimsky apparently blamed Le Pen, [reportedly saying](#) that champagne is as common for the French as Grüner Veltliner wine is for the Austrians.

### **Say one thing, vote the other way**

Le Pen has attempted to re-brand the party and portray the FN/RN as standing up for working people. In the 2017 presidential election she [told](#) a rally that globalisation “wants to make the world a giant supermarket where everything is for sale, where everything is bought, including people, including workers. Well France is not for sale, the French people are not for sale”. But a look at the 14 votes we have [studied](#) indicates that the FN/RN are happily prepared to risk the interests of working people, as they voted against: a proposal for an EU strategic framework to boost health and safety at work; country by country reporting for corporate profits; support for action on work-life balance; a proposal for a directive on ‘decent work’; a pan-EU 25 per cent corporate tax rate; and action on the gender pay gap. The MEPs also voted against the promotion of environmental justice and a phase out of fossil fuel subsidies. The [Adelphi](#) report says that the party “fiercely opposes national climate action” and called the UN climate talks a “communist project”.

In 2017 *Bastamag* also investigated the FN’s voting record and [concluded](#) that FN MEPs “rarely miss an opportunity to demonstrate their total disdain for workers and their interests”, accusing them of often saying one thing publicly, but failing to back this up with their votes. Socialist MEP [Pervenche Berès](#) agrees, publishing a 2017 [report](#) into the FN’s voting habits at the EU level [saying](#): “It is striking to see how, in Strasbourg, their positions put them in contradiction with their speeches”. She additionally points out their consistently pro-Russia approach.

The FN/RN represent the ultimate success of the [Kremlin’s strategy](#) of seducing European authoritarian far-right parties.

## **6. UK**

### **UK Independence Party**

*UKIP.*

*No members in UK Parliament.*

*24 MEPs in European Parliament after 2014 elections; subsequently many have left the party, some have recently formed the Brexit Party, and the MEPs are now split between the Europe of Nations and Freedom (ENF), Europe of Freedom and Direct Democracy Group (EFDD), and non-aligned political groups.*

Since the UK voted to leave the EU in the 2016 referendum, UKIP has lost its mojo as a one-issue party, although the Conservative Government’s failure to deliver Brexit may help to revive its fortunes. In its pre-referendum heyday, UKIP took first place in the UK’s 2014 European elections. UKIP prided itself on its anti-establishment image, [talking up](#) its ability to attract support from Labour’s working class core in former industrial heartlands. Nigel Farage, UKIP’s most famous, or should that be infamous, leader has [talked about](#) reaching out to “lorry drivers and building site workers, butchers and bakers, farm labourers and security guards, shop assistants and cleaners”, and hearing their concerns which included: “wages falling ever further behind the cost of living for year after year ... hard-working people being dragged into hardship.”

However in reality an important part of its support base has always consisted of disaffected middle-class Conservative voters, while UKIP's donors and the positions adopted by the party have reflected its close ties to the rich and powerful.

### **Funded by the wealthy ...**

UKIP has repeatedly managed to attract significant funding from ultra-rich individuals. Major [declared](#) donors include businessman [Paul Sykes](#), via property company the Highstone Group; [Arron Banks](#), via the insurance-related Rock Services company (see below); Media mogul [Richard Desmond](#) who gave UKIP £1 million via his Northern and Shell media group; manufacturer [Techtest](#); [Stuart Wheeler](#) who made his fortune in the gambling industry; and [Ko Barclay](#), the property developer and son of the *Daily Telegraph* owner; but there are [many others](#). Over the years, these donations have added up to millions of pounds.

### **... and voting accordingly**

A preference for the interests of big business over workers' rights is reflected in UKIP MEPs' voting records in the European Parliament, reflecting its hypocrisy, according to our [research](#). Its 2017 national [election manifesto](#) said: "We will not let large companies get away with paying zero or negligible corporation tax. When we leave the EU, we will close the loophole allowing businesses to pay tax in whichever EU or associated country they choose, and bring in any further measures necessary to prevent large multinational corporations using aggressive tax avoidance schemes." And yet, given the chance to vote for the creation of an EU tax evasion authority, UKIP MEPs did the exact opposite, also opposing country by country reporting of corporate profits; and a 25 per cent corporate tax rate. While UKIP claims to stand-up for working people, its MEPs voted against proposals to support action on work-life balance; a proposal for a directive on 'decent work'; an EU framework on health and safety at work; and action to tackle the gender pay gap.

UKIP opposed the phase-out of subsidies for fossil fuels and action to boost environmental justice, with [Adelphi](#) labelling it a denialist / sceptical party on climate change. UKIP voted against all the EU climate and energy policy proposals analysed by Adelphi between 2009 and 2018.

### **Scandal-ridden**

Like others of its ilk, UKIP's use of its EU funding has been subject to much controversy. While UKIP MEPs have [railed](#) against "corruption" in the EU institutions and across member states, they have misused EU funds themselves. For example, UKIP MEPs have deployed full-time European Parliamentary assistants for national political work, which is against EU funding rules. A UKIP MEP stepped down after [being asked to repay](#) over €100,000, while Farage was [penalised](#) €40,000 from his pay in 2018.

Never mind; he can afford it. [Farage](#) comes second in the [list](#) of MEPs with the highest outside earnings, thanks to his lucrative media work. [Steven Woolf](#), who was elected as a UKIP MEP, but who now sits as an independent, also [declares](#) up to €12,000 extra annual income from consultancy work, but it is not clear for whom, or on what, he consults.

EU funding to UKIP-supported political groups, including the Institute for Direct Democracy in Europe (IDDE) and the Alliance for Direct Democracy in Europe (ADDE), has now ended after €173,000 had to be [repaid](#) after being misspent on national campaigning, including a doomed

attempt to elect Farage to the British Parliament. In 2018, European Parliamentary authorities [demanded](#) that the IDDE repay an additional €668,620. ADDE is now [insolvent](#) and has [not been eligible](#) for EU funding in recent years; its vice-president was Mischaël Modrikamen, the Belgian far-right politician and friend to Steve Bannon (see Box 4). OLAF has confirmed to Corporate Europe Observatory that it continues to investigate ADDE and IDDE's use of EU funding. However, the UK's Electoral Commission [cleared](#) UKIP of wrong-doing on this specific matter, noting that "we are required to be satisfied beyond reasonable doubt that an offence has been committed".

Earlier this year, Nigel Farage launched the Brexit Party, taking 13 other UKIP MEPs with him. Funded by the multi-millionaire financier [Richard Tice](#) who also serves as party Chair and who co-founded the pro-Brexit Leave.EU campaign, the Brexit Party simply presents [more of the same](#). It is predicted to win the most MEP seats in the European elections.

#### **BOX 6: Funding the 'Leave' campaigns in the 2016 Brexit referendum**

A Transparency International [report](#) has highlighted the role that major donors played in the funding of both sides of the 2016 Brexit referendum, with more than half the total funds spent coming from just [ten donors](#). While some of the donors supporting the 'Leave the EU' campaigns were not well-known, such as manufacturing company-owner [Diana Van Nieuvelt Price](#), others [are](#), including the now notorious [Arron Banks](#). Banks was the single biggest donor to the Brexit campaign but journalists and MPs have [raised concerns](#) that not all of this money was Banks' own to donate and query whether it came from UK or overseas sources. Overseas political donations in the UK are banned. In late 2018, Banks' activity for the Leave campaign, including contacts with the Russian Ambassador to the UK, were [referred](#) to the National Crime Agency and its investigations are ongoing. Banks has [said](#): "There was no Russian money and no interference of any type".

But this is just one of many questions hanging over the Leave campaign. *Guardian* and *Observer* journalist Carole Cadwalladr has [spearheaded investigations](#) into how political campaigns around the world, including the pro-Brexit Leave, illegally used and abused Facebook data, as part of its collaborations with the now defunct consultancy Cambridge Analytica and a complex web of partners. At the end of March 2019, Vote Leave [dropped its appeal](#) against a fine, levied by the UK Electoral Commission, for over-spending during the 2016 referendum.

## **7. NETHERLANDS**

### **Party for Freedom**

*Partij voor de Vrijheid (PVV).*

*Now the second largest party in the Dutch Parliament.*

*Four MEPs in the European Parliament in the Europe of Nations and Freedom (ENF) group.*

As a symbol of how toxic the anti-migrant, anti-Islam agenda of the Dutch Party for Freedom (PVV) is, in the 2017 national elections, all other political parties vowed not to go into coalition with it and its leader Geert Wilders.

The [Dutch register of party financing](#) shows that in 2015-16 the PVV (via its foundation, the Stichting Vrienden van de PVV) received over €130,000 in donations from a right-wing US foundation called the David Horowitz Freedom Center, called a "[hate group](#)" by far-right watchdog the Southern Poverty Law Centre. The Horowitz Center made the [largest individual donation](#) to any

Dutch political party in 2015, although overseas donations to the PVV have since dropped off. But the PVV is in the sights of Steve Bannon, Donald Trump’s former adviser, who now has the aspiration to set up a pan-European ‘movement’ of extreme right political parties (see Box 4). The [PVV](#) is one of the few parties to have fully [endorsed](#) the project.

Of the 14 European Parliament votes analysed, our [research](#) shows that PVV MEPs had the worst record of all parties studied, opposing 13 of the votes, including those on health and safety at work; a proposed directive on ‘decent work’; a new EU authority on tax evasion; a 25 per cent pan-EU corporate tax rate; and action to protect workers from chemicals. The [Adelphi](#) report places the PVV in the climate denial camp, in line with its opposition to all the climate votes they studied.

Speaking about the Paris climate declaration, PVV leader in the European Parliament Marcel de Graaff [said](#): “The elite are laughing here while rubbing their hands. They will benefit from these climate action plans. But the hard-working citizens in the Member States will pay for their electricity, their car, their heating.” This is typical of the way that the PVV tries to ally itself with the citizens against the ‘elite’, but the antics of its four MEPs indicate that this is a false image.

Olaf Stuger MEP was formerly a [lobbyist](#) at consultancy Smeets, Stuger & De Vries, where he apparently [lobbied](#) for the Malaysian forestry industry. Before that he was [at](#) the major lobby firm Weber Shandwick. He also co-founded Bond voor Belastingbetalers, a pressure group critical of taxation. Earlier this year Stuger praised Hungarian Prime Minister Viktor Orbán, [saying](#) he “should be given a statue for defending the borders and the security of his own people.”

In May 2018, PVV MEP Auke Zijlstra was accused of spending excessive amounts of public money on gifts, including €5000 on 150 leather binders, with auditors [describing](#) the purchases as “an excessive amount”. Zijlstra was asked to pay the money back. MEP André Elissen [declared](#) that he earned up to €1000 a month via the “Elissen Consultancy”. After questioning by Corporate Europe Observatory in April 2019, Elissen’s office said that this was inaccurate and no payments were received but that “due to the busy agenda, we still haven't been able to change this declaration”, which was submitted in August 2017! Meanwhile MEP Marcel de Graaff, [formerly](#) a well-paid manager with Dutch telecoms giant KPN was the focus of a [complaint](#) sent by 50 MEPs, about his “hate speech” against Muslims during a plenary debate.

Like so many of its fellow authoritarian parties, the PVV’s anti-elite rhetoric is at odds with its acceptance of donations from rich overseas donors, and the voting patterns and reputations of its MEPs.

## 8. DENMARK

### **Danish People’s Party**

*Dansk Folkeparti (DF).*

*In opposition in Danish Parliament.*

*Three MEPs in European Parliament in the European Conservatives and Reformists Group (ECR) group.*

The Dansk Folkeparti (DF), and some of its most high profile representatives, have been mired in funding controversies for several years.

MELD, the Movement for a Europe of Liberties and Democracy, which was the European party of the DF, and its affiliated foundation FELD, previously received large sums of European parliamentary funding. These organisations were [led](#) by DF MEP, Morten Messerschmidt, but in 2015 another MEP from the DF [resigned](#), blowing the whistle on the lack of transparency in how its EU funds were being used and how her name had been used on MELD documents without her knowledge.

Danish tabloid *Ekstra Bladet* ran a series of articles under the lurid title ‘[Messer-shit](#)’ to try to get to the bottom of the wrong-doing, and in 2016 the European Parliament asked MELD and FELD [to pay back](#) about €400,000 of EU funding. Allegations included a “[money carousel](#)” where MELD’s EU funds were diverted to right-wing politicians in Poland; dubious events in Denmark, Poland and Lithuania; a golden-handshake for a MELD staffer; and [party-boat rental](#). A key allegation, common to other scandals around EU party funding (see Front National and UKIP) is that the money was spent on internal party items or political campaigning, rather than EU level activity. Apparently 60 per cent of the requested funds were [repaid](#) by the DF to the European Parliament.

The EU’s anti-fraud agency [OLAF](#) has confirmed to Corporate Europe Observatory that it continues to investigate “the alleged misuse of grants paid by the European Parliament” to MELD and FELD, both of which are now [bankrupt](#). Messerschmidt denied the allegations but resigned as leader of the DF group in the European Parliament. Subsequently, there have been [reports](#) that he has not cooperated with the OLAF investigation, also denied by the MEP.

Ironically, for many years ‘corruption’ and waste of money in the EU were recurring themes in the rhetoric of the DF. In its 2009 programme, the party states it will “work actively to fight the major weaknesses in the EU institutions in the form of irresponsible management and direct waste of European tax payers’ money, widespread corruption and nepotism”.<sup>7</sup> Meanwhile MEP Messerschmidt has emphasised the matter on numerous occasions. “The EU is an inaccessible parallel universe”, he has said. “The EU doesn’t have to keep an eye on the balance between expenses and income, but can keep on spending without any consideration to others. If people were aware of the shameless waste that is taking place, there would be a revolution.”<sup>8</sup>

In 2017, Danish MP Frank Aaen [revealed](#) that the major Danish shipping company [A.P. Møller-Mærsk](#) had provided 4 million DKK (over €500,000 in today’s money) to five major political parties including the DF during the 2015 election year. This was at a time when the government was trying to secure a new deal with Mærsk on the tax revenue from North Sea gas exploitation. Few other corporations or rich donors seem prepared to support the DF, although [other Danish parties](#) do benefit from such donations.

Accepting corporate money would certainly not be out of tune with DF’s political platform, at least at the EU level, where the votes we [studied](#) showed the DF’s broad anti-regulation, anti-worker, pro-big business approach. DF MEPs voted against 11 of the 14 votes studied including: paid paternity leave; health and safety at work; action to tackle sugar consumption; corporate profit country-by-country reporting; work-life balance; a proposed directive on ‘decent work’; action on tax evasion; a pan-EU minimum corporate tax rate of 25 per cent; action on gender pay; and on boosting environmental justice. Yet at home, the DF regularly claims to fight against the race to the bottom eg. against so-called social dumping, [leading](#) some trade unions to believe that they can count on the party in some crucial labour rights matters.

<sup>7</sup> Dansk Folkeparti, Arbejdsprogram (work programme), 2009.

<sup>8</sup> Morten Messerschmidt, speech at the party Congress, October 2012.

### **BOX 7: Sweden Democrats, The Finns, and Vlaams Belang (Belgium) parties**

The European Parliamentary voting record of these far-right parties on the 14 votes analysed, indicate how far removed they are from the interests of citizens and those they purport to support.

The Sweden Democrats (Sverigedemokraterna) has historical links to fascism and white nationalism and its [website](#) says that it seeks “a balance between the social partners, security in times of unemployment, improved conditions for small and medium-sized companies, secure workplaces”. Unlike many of the other parties profiled here, it does not seem to prioritise outreach to working class communities, but it does offer to “strengthen the protection of a good working environment for everyone who works in Sweden”. Yet Sverigedemokraterna’s two MEPs voted against: proposals for paid paternity leave; boosting health and safety at work; action to promote work-life balance; protection for workers from dangerous chemicals; and taxing robots to fund retraining. The MEPs additionally opposed a pan-EU 25 per cent corporate tax rate and action on tax evasion, which is in line with its promise to “reduce companies’ regulatory burden”.

The party said that Sweden “should reduce its oil dependency and its greenhouse gas emissions.” But according to our [research](#), its MEPs voted against the phase out of fossil fuel subsidies and boosting environmental justice. The [Adelphi](#) study puts Sverigedemokraterna in the ‘denialist/sceptical’ camp when it comes to climate change. The *Financial Times* [reported](#) that in the run up to the national election held in 2018, Sverigedemokraterna tried to “woo business leaders”, although the party’s call for a referendum on EU membership apparently put them off. This was seemingly contradicted by a post-election report which [quoted](#) several business leaders calling for a coalition government to include this anti-immigrant party.

The Finns party (Perussuomalaiset) has a [platform](#) which calls for “equality of opportunity for all” and “an equitable and defensible distribution of wealth”. It talks about “openness and transparency in matters of public decision-making” and being “an active participant in eliminating corruption internationally”. And yet at the European level, according to our [research](#), Perussuomalaiset’s two MEPs have taken a somewhat contradictory approach, opposing the creation of a European tax evasion authority; and voting against equality and social rights policies such as paid paternity leave; health and safety at work; action to promote decent work. While its party platform talks about business “responsibility towards both the individual and community”, its MEPs opposed a pan-EU 25 per cent corporate taxation rate and a three per cent digital services tax. Its MEPs also voted against the phase out of fossil fuel subsidies, even though the party is [said](#) to recognise the reality of climate change. Jussi Halla-aho, the MEP and leader of the party, [has](#) a criminal conviction after he made offensive comments about Islam.

US political fixer Steve Bannon (see Box 4), hoping to create a new far-right ‘movement’, has [called](#) Sverigedemokraterna and Perussuomalaiset “perfect casting” to join his project, although [they are yet to accept the offer](#).

The Belgian political party Flemish Interest (Vlaams Belang) was set up in 2004 after its predecessor (Vlaams Blok) was sentenced in court for racism. Like many other parties in this report, it has since attempted to re-brand itself as less extreme, but it remains happy to use anti-immigrant and anti-semitic rhetoric. In 2014 just one MEP Gerold Anemmans was elected to the European Parliament. According to our [research](#) Anemmans voted against action to boost work-life balance and a proposal for a directive on ‘decent work’. He also opposed several measures to stop tax evasion (country by country reporting of profits for multinationals, and a pan-EU corporate tax rate of 25 per cent). Vlaams Belang’s track record on climate is no better: the [Adelphi](#) report found

that Annemans voted against, or abstained on, the majority of the proposals studied to tackle climate change. CAN Europe labelled his party a [climate dinosaur](#).

## 9. CZECH REPUBLIC

### Action for Dissatisfied Citizens

*Akce nespokojených občanů (ANO).*

*In coalition government since 2017.*

*Four MEPs elected to European Parliament in 2014; but two have since left the party. Member of ALDE (Group of the Alliance of Liberals and Democrats for Europe).*

Czech [ANO](#) is a new party created in 2011 by Andrej Babiš, the second richest man in Czech Republic. Babiš made his fortune via Agrofert, a massive agricultural and chemical conglomerate. The billionaire launched Action for Dissatisfied Citizens (ANO) as a populist “anti-corruption” movement. ANO’s biggest [donor](#) is Babiš himself via the many companies he controls.<sup>9</sup> In 2013, ANO came second in the national elections and joined a governmental coalition which made Babiš Finance Minister. In 2017 he became Prime Minister of the new coalition Government.

Just before the 2013 elections Babiš [started](#) a media takeover buying up the media group MAFRA. EU rights group Liberties described it as publishing “one of the most popular newspapers in the country.” Liberties goes on to explain that [Babiš](#) “then bought the newspapers *Lidové noviny* and *Metro*, together read by more than a million Czechs everyday. He followed this with the acquisition of Radio Impuls, which enjoys the largest audience in the country.”

Babiš is accused of using his control over media to push favourable messages, silence criticism, and attack the opposition.<sup>10</sup> This is backed up by analysis by [Foreign Policy](#). Mlada fronta DNES journalists have openly [declared](#) that the rules of the game changed in their newspapers once they were bought by Babiš, and those that didn’t follow were fired. Babiš is also not very fond of public scrutiny. Corporate Europe Observatory’s board member Jakub Patočka and the media portal he works for, *Denik Referendum*, were [threatened](#) with legal action and extra scrutiny from the financial department after publishing an exposé on Babiš’s corporate affairs “[Zlutý Baron](#)”.

In spite of ANO’s anti-corruption rhetoric Babiš’ time in government has been plagued by corruption stories. For years Babiš has been under investigation for [suspicion of fraud](#) with EU funds that were aimed at small and medium businesses but which he funnelled into building a personal mansion. This was initially discovered by the EU’s anti-fraud agency OLAF which has then passed this on to the Czech police. After conducting its own investigation, the Czech police are now, for the second time, asking that charges are officially brought against the Prime Minister.

Babiš has replied that he believes this investigation is part of a political conspiracy and, going a step further, replaced the Czech Minister of Justice with an ally, raising fears there would be further personnel changes, including the state prosecutors and judges that would be responsible for

<sup>9</sup> Overall, ANO’s donations seem 50 per cent from individuals and 50 per cent from legal entities (such as companies). However these individuals might be linked to companies (we were unable to check for this). It should be said that there are many limits to the proper scrutiny of political donations and the publicly-available data is not entirely reliable.

<sup>10</sup> Another big threat to media freedom in the Czech Republic is the rhetoric deployed by [President Milos Zeman](#), who threatened journalists multiple times, once saying they should be liquidated, another time waving a fake machine gun during a press conference.

overseeing the process (and judging him). Human rights NGO [Liberties](#) has labelled this as potentially “the biggest hit on judicial power since November 1989 and is an existential threat to the rule of law in the Czech Republic [sic].”

[Thousands of protesters](#) took to the street for three straight weeks against this nomination fearing the new Minister would lead to the [investigation being dropped](#).

In 2016 [public pressure forced Babiš](#) to put control of his companies into a blind trust to diminish the danger that his governmental role was benefiting his business interests. But since then it has been revealed that Babiš is still, in fact, the fund’s ultimate beneficiary, rendering the precaution worthless. Transparency International Czech Republic has [placed](#) two complaints over the potential conflicts of interest at play.

Babiš is clearly using the national government to grow his own personal wealth and this is reflected in his lack of political substance. Patočka [explains](#): “Babiš’s personal fortune has increased from €1.5 billion to €3.4 billion during his first four years in government. A €40 million increase per month, in other words.”

Liberties [added](#) that: “He sees immigration and terrorism as the two biggest threats to Europe, and, much like Hungary’s Viktor Orbán and Poland’s Jarosław Kaczyński, sees himself as the saviour of his country’s national identity. In order to strengthen his position, Babiš, like Orbán and Kaczyński, is beginning to suppress critical voices inside and outside of government.”

ANO is normally not discussed in the same breath as the other authoritarian parties in this list. Instead, comparisons are normally drawn with Berlusconi’s Forza Italia, and sometimes US President Donald Trump. ANO, like Forza Italia can be described as neoliberal populist parties created by immensely wealthy individuals that have used their private companies and control of media companies to run successful campaigns creating an image of the outsider hell-bent on disrupting the establishment. Their respective leaders, Babiš and Berlusconi, have shown no qualms in taking on the [narratives and values](#) of more authoritarian parties round them to score political points. Babiš has even [shown](#) “a willingness to work with extremely-right politician Okamura and his SPD<sup>11</sup> party on a quid pro quo basis”, according to the *New York Times*.

In 2014 ANO elected four MEPs, but two have since left the party. During this mandate, ANO MEPs rejected 11 out of the 14 measures we analysed (see full results [here](#)), including all measures on tax avoidance. On labour protections, they rejected proposals to establish a minimum paternity leave, work-life balance, detection of gender pay gaps, and decent working conditions for all. They also opposed the swift end of fossil fuel subsidies. ANO MEPs were classified by CAN Europe as [dinosaurs](#) for their very low support for climate change action.

In the European Parliament ANO is a member of the ALDE (the Alliance of Liberals and Democrats for Europe), led by Belgian Guy Verhofstadt who has loudly criticised other political groups for not expelling their authoritarian or corrupt members. Yet ALDE has not commented on the authoritarian attacks and corruption scandals led by its own Czech member. [Verhofstadt](#) has instead called Babiš an ally for EU reform on issues such as “defence, migration and new governance of the eurozone”.

---

11 SPD is a far-right Czech party known for promoting Islamophobia. It cooperates with other far-right parties across Europe and have recently joined the new political grouping promoted by Lega and Rassemblement National. They do not have any MEPs.

## CONCLUSION

The 26 May European elections will see millions of citizens go to the polls. While people will vote over a mix of EU and national issues, these elections are the only way for citizens to directly influence EU politics. Elected MEPs have an important say on labour and tax issues; regulatory standards; social justice; transparency and accountability; environmental protection; and many other issues. These elections will also help set the tone for the direction of the EU over the coming five years, at a time when the climate emergency requires urgent and radical action.

### **BOX 8: A big coalition of anti-migration, nationalist parties in the European Parliament?**

In the past months, Lega, and particularly Salvini have attempted to unite many of the parties analysed here ahead of the European elections and create a new political group. By working together this way, these parties could be entitled to EU funding and resources.

The [European Alliance of Peoples and Nations](#) was finally announced in Milan in April. So far, the German AfD, Finnish Perussuomalaiset, the Dansk Folkeparti, Rassemblement National, and Austria's FPÖ have [agreed](#) to join.

Some glaring absences were Fidesz (which is currently suspended from the much bigger and mainstream European People's Party political grouping), while the Polish PiS has seemingly declined as the party opposes cooperation with Putin's Russia. It is unclear whether this group will hold as there are tensions between these parties, for instance, on economic policy.

With so much at stake it is important to focus the magnifying glass on parties from the authoritarian right. What we see of them in action does not match their rhetoric. Whether it is cosyng up to the rich and powerful, financial wrong-doing, or saying one thing and voting another way, these parties' records and hypocrisy need exposing.

While these parties usually claim that they are the only ones looking out for working people, when examined it becomes clear their policies often support the rich and big business. They often say they are against corruption, but they have a terrible record on political funding fraud, holding second jobs, or other scandals. They say they want to fight tax evasion and stand up to the power of multinationals, but when given the opportunity, they either step back, or sometimes actively forge bonds with corporations. Only on one point do their actions align with their declared principles: they rarely claim to care about climate change, and this is true. Most of them do not.

For those already in power, such as Lega, Fidesz, and ANO, we can also see their governing reality of corruption, favouritism towards big business (both national and international), and even the creation of new oligarchs. None has delivered a better working democracy where citizens can be heard and can shape the policies that affect their own lives. Worse, the attacks on the freedom of the press, the judiciary, and civil society in Hungary, Poland or the Czech Republic, make it far, far harder to hold them to account.

Austerity policies which have increased inequality and feelings of insecurity; decision-making which prioritises the interests of big business over working people; anger at the EU; the undermining of trade unions; and the strong reluctance to stand up for migrants, all of which have been presided over by more mainstream EU governments of the past decade and before, have helped create the political space in which the authoritarian right has flourished. To this extent, these elections could be a wake-up call for all of us.

\*\*\*\*\*

The European Parliament votes we looked at are:

**Support for directive establishing paid paternity leave of at least 10 working days and encouraging measures which enable fathers to exercise their right to achieve work-life balance (Paragraph 5 of text B8-0453/2015)**

[http://www.europarl.europa.eu/doceo/document/B-8-2015-0453\\_EN.html?redirect](http://www.europarl.europa.eu/doceo/document/B-8-2015-0453_EN.html?redirect)

Roll-call vote:

<http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+PV+20150520+RES-RCV+DOC+PDF+V0//EN&language=EN>

**Support for EU Strategic Framework on health and safety at work 2014-2020 (A8-0312/2015)**

[http://www.europarl.europa.eu/doceo/document/A-8-2015-0312\\_EN.html?redirect](http://www.europarl.europa.eu/doceo/document/A-8-2015-0312_EN.html?redirect)

Roll-call vote:

<http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+PV+20151125+RES-RCV+DOC+PDF+V0//EN&language=EN>

**Food regulators should follow WHO recommendations to limit the intake of free sugar (Recital C, amendment 1 of text B8-0067/2016)**

[http://www.europarl.europa.eu/doceo/document/B-8-2016-0067\\_EN.html](http://www.europarl.europa.eu/doceo/document/B-8-2016-0067_EN.html)

Roll-call vote:

<http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+PV+20160120+RES-RCV+DOC+PDF+V0//EN&language=EN>

**Support for making country-by-country reporting accessible (amendment 41 of text A8-0157/2016)**

[http://www.europarl.europa.eu/doceo/document/A-8-2016-0157\\_EN.html](http://www.europarl.europa.eu/doceo/document/A-8-2016-0157_EN.html)

Roll-call vote:

<http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+PV+20160512+RES-RCV+DOC+PDF+V0//EN&language=EN>

**Support for creating labour market conditions favorable for work-life balance (A8-0253/2016)**

[http://www.europarl.europa.eu/doceo/document/A-8-2016-0253\\_EN.html?redirect](http://www.europarl.europa.eu/doceo/document/A-8-2016-0253_EN.html?redirect)

Roll-call vote:

<http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+PV+20160913+RES-RCV+DOC+PDF+V0//EN&language=EN>

**Calls on the Commission to propose a directive on decent working conditions for all workers (Paragraph 62 of text A8-0271/2017)**

[http://www.europarl.europa.eu/doceo/document/A-8-2017-0271\\_EN.html?redirect](http://www.europarl.europa.eu/doceo/document/A-8-2017-0271_EN.html?redirect)

Roll-call vote:

<http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+PV+20171003+RES-RCV+DOC+PDF+V0//EN&language=EN>

**Support for the urgent establishment of a European authority empowered to fight tax evasion (Amendment 41 of text A8-0299/2017)**

[http://www.europarl.europa.eu/doceo/document/A-8-2017-0299\\_EN.html?redirect](http://www.europarl.europa.eu/doceo/document/A-8-2017-0299_EN.html?redirect)

Roll-call vote:

<http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+PV+20171025+RES-RCV+DOC+PDF+V0//EN&language=EN>

**The Commission should put forward a proposal ensuring a minimum effective corporate tax rate of 25 % across Member States (Amendment 91 of text A8-0050/2018)**

[http://www.europarl.europa.eu/doceo/document/A-8-2018-0050\\_EN.html?redirect](http://www.europarl.europa.eu/doceo/document/A-8-2018-0050_EN.html?redirect)

Roll-call vote:

<http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+PV+20180315+RES-RCV+DOC+PDF+V0//EN&language=EN>

**Support for directive on protection of workers from the risks related to exposure to carcinogens or mutagens at work (Amendment 32 of text A8-0142/2018)**

[http://www.europarl.europa.eu/doceo/document/A-8-2018-0142\\_EN.html](http://www.europarl.europa.eu/doceo/document/A-8-2018-0142_EN.html)

Roll-call vote:

<http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+PV+20181211+RES-RCV+DOC+PDF+V0//EN&language=EN>

**Support for fixed DST (Digital Services Tax) rate at 3% (Amendment 63 A8-0428/2018)**

[http://www.europarl.europa.eu/doceo/document/A-8-2018-0428\\_EN.html](http://www.europarl.europa.eu/doceo/document/A-8-2018-0428_EN.html)

Roll-call vote:

<http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+PV+20181213+RES-RCV+DOC+PDF+V0//EN&language=EN>

**Vote on a paragraph advocating for an improved access to justice in environmental matter (Paragraph 23 of text B8-0989/2015)**

[http://www.europarl.europa.eu/doceo/document/B-8-2015-0989\\_EN.html?redirect](http://www.europarl.europa.eu/doceo/document/B-8-2015-0989_EN.html?redirect)

Roll-call vote:

**Vote on an amendment calling for swift action to phase out fossil fuel subsidies (Amendment 1 of text A8-0319/2015)**

[http://www.europarl.europa.eu/doceo/document/A-8-2015-0319\\_EN.html?redirect](http://www.europarl.europa.eu/doceo/document/A-8-2015-0319_EN.html?redirect)

Roll-call vote:

<http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+PV+20151202+RES-RCV+DOC+PDF+V0//EN&language=EN>

**Invites the Member States to ask companies to introduce internal mechanisms for the detection of gender pay gaps (Paragraph 22/3 of text A8-0046/2017)**

[http://www.europarl.europa.eu/doceo/document/A-8-2017-0046\\_EN.html?redirect](http://www.europarl.europa.eu/doceo/document/A-8-2017-0046_EN.html?redirect)

Roll-call vote:

<http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+PV+20170314+RES-RCV+DOC+WORD+V0//EN&language=EN>

**Support for a taxation on the work performed by robots to fund retraining of unemployed workers (Recital K of text A8-0005/2017)**

[http://www.europarl.europa.eu/doceo/document/A-8-2017-0005\\_EN.html](http://www.europarl.europa.eu/doceo/document/A-8-2017-0005_EN.html)

Roll-call vote:

<http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+PV+20170216+RES-RCV+DOC+WORD+V0//EN&language=EN>