Surging Populism around the Globe: Do we see a reversal?

SIBY K M

Assistant Professor, St.Paul’s College, Kalamassery

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SIBY KM, Assistant Professor, St.Paul’s College, Kalamassery

Email-sibykm@gmail.com

Abstract

Populism has been a buzzword around the world today. Various recent elections in industrialized parts of the world turned out to be a hot arena of debate on surging populism and demagogues made the best use of their populist agenda to reap rich dividend in electoral mandates. Once they come into power, they retract on their populist rhetoric and act on ways that endanger the underpinnings of the very democracy that begets them. The present paper tries to analyse the causes of surging populism around the globe and examines a reversal trend in populism in the year 2017.

Key words: Populism, neoliberalism, globalisation, absolute and relative inequalities

Modern populism is often described as the new class war between the beneficiaries of a globalized world and those who feel left behind. A populist is the one who manages to tap into the dissatisfactions and resentments of millions of people disenchanted by the throes of globalisation. Populism is ignited by the angers of the poor and middle class working labourers who feel getting neglected by the elites. They despise being looked upon by the elite class and in that way populism is anti-elitism. Democratic elections turn out to be a means of expressing this pestering dislike in an authoritative way.

Demagogues find a way to exploit the disenchantments of these millions of people by serving them dreams. They instil a false spirit of nationalism and isolationism into these people who often get short-sighted by resentment towards the establishment. It’s in this context the words of British statesman Robert Lowe become significant. He rightly said, ‘We must educate our masters’. An educated populace is an insurance against bad governance and bad choice of leaders. The present springs of populism around the world make us realize that the masters are not yet educated. Democracy is in crisis when the masters fail to make informed decisions. Voters can be easily fooled leading to question the very validity of democracy. In this sense populism is anti-democratic. It is paradoxical that democracy which begets populism often gets negated by it. Most populist leaders reverse their rhetoric once getting elected as seen in the case of Donald Trump. Donald Trump promises tax cuts to the super rich at the cost of Medicare and education and dampens the aspirations of the same white working class who won him the white house.
Populism and global inequality

In this respect it is worthwhile to analyse the reasons behind the surging populism around the globe. Global leaders are of the view that world needs more inclusive and sustainable growth. A substantial increase in economic pie along with a fair distribution is imperative in new world order. The absence of that has in great magnitude amplified the rhetoric of populism in industrialized parts of the world and it’s growing strong. This trend has been accentuated by the global financial crisis of 2008-09.

The perils of liberal economic policies may have caused the populism to flourish. But it can be also the mismanagement of neoliberalism that might have expedited the issue of populism. Globalisation is not a zero sum game. But more have benefitted especially the people in developing countries while the middle income workers in industrialized countries witnessed their income getting stagnated in real terms over the last 20 years. But the progress resulted out of globalisation has brought billions of population out of poverty in developing countries, may be at the cost of increasing absolute inequality. A more inclusive growth can be a remedy for this.

A recent study has pointed out that the relative global inequality registered a declining trend as Gini coefficient declined from 0.739 in 1975 to 0.631 in 2010. But absolute and relative inequality has risen in North America and Europe and registered a fall in Middle East and North Africa during the period 1975-2010. Considerable variations were evident within domestic regions with respect to inequality. For example, in European Union, UK registered an increase in relative inequality of 30% while France registered a fall in relative poverty of 16%. The decline registered in global relative inequality over the period from 1975-2010 was driven mainly by the stupendous economic growth registered in China and India. (Niño-Zarazúa et al. 2016)

Populism and Loss of Dominion

It’s not always and everywhere the inequality that triggers populism. It can also be the feeling that people are not in control of their destinies. It can be a sense of lost control. This can ignite a renewed sense of urgency for nationalism and isolationism. Populism has soared up in countries which dominated the geopolitical scenario of the world for fairly a long time. A feeling of losing control over this dominance can be an attributing factor to the surging populism in these parts of the world.
The industrialized parts of the world were the biggest beneficiaries of neo liberalism. But whenever they feel losing control of the dominion they resort to protectionism. An American policy of isolationism in 1920s and 1930s has led the world eventually to world wars. Right now USA is moving in the same direction reminding us of an imminent danger of geopolitical disturbances not just confined to US but to the entire world. Many analysts are of the view that Donald Trump’s ‘sinophobia’ may unwittingly provide a golden opportunity for China to thrive in global arena and cause great malice to US reputations and dampen their own economic prospects sheer because of economic illiteracy of Trump and his team. Protectionism has historically proven to be a failure in protecting jobs. Even Donald Trump has started reconsidering NATO as he realized that setting up of high tariffs are likely to cost as many US jobs as Mexican jobs.

Populism and India

India has a populist leader Narendra Modi as its prime minister. He evoked nationalist sentiments against corruption in order to implement demonetization. People were praised for undergoing ‘national sacrifice’ to ‘clean’ the nation. It seemed to work as the sweeping victory of recent UP election manifests. Demonetization destructed lots of employments in informal sector but people were ready to undergo these pains to see the greater pains of the corrupt and greedy in the society. Unlike the populism in industrialized parts of the world, populism in India is pro globalisation as India like China has made use of globalisation to ignite its growth rate. Likewise, anti-immigration sentiment has been a major factor in US and UK for the rhetoric of populism to gain currency among the public. But developing economies like India stand for relaxations in immigration restrictions in developed countries.

Populism and its apparent reversal

In 2017, there seems to have a reversal trend to populism with recent geopolitical events like British Prime Minister Theresa May’s electoral struggle, Donald Trump’s loss in popularity and stupendous electoral success of Emmanuel Macron in French election. British people have come to the realization that ‘soft Brexit’ is nearly impossible. If recent British election is taken as a measuring rod, the large groups of British people are growingly disenchanted with the Brexit as they confront the harsh realities. EU members tend to make Brexit harder as possible to set precedence to hitherto members
and dissuade them to follow the suit. Interestingly Donald Trump acts as a deterrent to surging populism via his follies rather than being its champion.

Populists and demagogues severely criticize international trade agreements. They attribute every problems of the present world to these unfair international trade agreements. Though Populism has registered a declining popularity recently, it does not mitigate the crisis inbuilt in globalization. If the problems are not well addressed, it could reignite the populism trend again in a menacing magnitude.

In spite of all these facts, the narratives of the populists around the globe gain currency with majority of their public leading to greatly undermine the future of democracy in the world. The advocates of free trade around the globe need to stop overhyping the benefits of free trade. They need to encompass the deficiencies of free trade into their analysis. It is imperative for the world economic order to recognise the disruptive nature of economic openness and to chalk out plans to mitigate the issues related with these. Populism gains if leaders fail to compensate the displaced and unemployed sections of population and fail to impart necessary skill training to adapt themselves for new jobs created around them.

It is more important to protect ‘individual worker’ rather than ‘individual job’ when there is a fast sweep of automation and technological innovations happen around the world. When leaders fail to compensate the globalization’s losers, demagogues reap the gains.

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