

Defending Democracy in an Illiberal Age

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Liberal values and democratic institutions are under threat throughout the Western world. While Trump's victory in the US presidential election in November 2016 has provided the most dramatic instance of this phenomenon, it follows a more general pattern. Britain's vote in June 2016 to exit the EU, the ascendancy of the National Front in France, and the increasing electoral power of far right parties in many other European countries are part of the rapid rise of authoritarian and xenophobic political forces in the traditional home of liberal democracy. This movement has also taken root in several of the post Communist democracies of eastern and central Europe, particularly in Poland and Hungary.

Vladimir Putin presides over a regime in Russia that specialises in repression, kleptocracy, brutal military adventurism, and the fabrication of false news. He has invested considerable resources in promoting far right political movements in the West, both for the purpose of destabilising countries that he regards as adversarial, and in an effort to sponsor regimes congenial to his geopolitical ambitions.

In responding to these events much of the mainstream left (liberals and social democrats) has oscillated between stunned incomprehension and self-flagellation, while settling into despair. The incomprehension stems from the fact that many progressives regard events like Trump's election and Brexit as entirely unexpected and out of the blue. The self-flagellation emerged in the form of a narrative which casts the victories of far right populism as an understandable response of desperate people marginalised by the upheavals of globalising economic change. These people were punishing the liberal elite for its indifference to their displacement. The liberal left "had it coming" because of its lack of concern for the white working class in the American rust belt, the residents of depressed northern English towns, and other such groups left behind in a period of rapid economic transformation.

In fact a closer look at the relevant historical facts suggests that neither the incomprehension nor the self-flagellation are well motivated. On one hand, quality of life for the working classes clearly has been on the decline for the past thirty-five years, explaining voter anger. But on the other this is not because liberals abandoned the working classes, but rather because the working classes abandoned the liberal agenda. They were seduced by a skillful piece of conservative con-artistry. We take up each of these issues in turn.

Since the mid 1970s real wages for the majority of American workers have remained stagnant.¹ The situation is similar in most western countries. Moreover, inequality in the distribution of income throughout the countries of the OECD has risen sharply during this period. In the 1980s the disposable income of the top 10% of the population in most OECD

¹ See the Pew Research Center report "For most workers, real wages have barely budged for decades" (October 2014), <http://www.pewresearch.org/fact-tank/2014/10/09/for-most-workers-real-wages-have-barely-budged-for-decades/>.

countries was approximately 7 times greater than that of the bottom 10%. It is currently around 10 times higher. Much of the wealth generated by economic growth over the past thirty-five years has accrued to the top 1% of the population, while people in the lower 40% of the income scale have lost considerable ground.²

These economic trends have been, accompanied by the casualization of employment conditions and loss of job security, the erosion of social programs, a decline in secure pension arrangements, and a sharp rise in university tuition in the US and the UK. They are, in no small part, the direct result of government policies that cut the provisions of the welfare state, reduced taxes on the wealthy, privatised public services, deregulated the financial industry, and restricted the power of unions.

We have moved from rapid growth supporting widespread prosperity and the expansion of the middle class in the first thirty years of the post war era, to a massive and sustained transfer of wealth from the working and middle classes to a concentrated economic elite in the past three decades. Rather than the trickle down benefit promised by free marketeers we see a well entrenched pattern of established privilege gouging the poor and middle classes.

The decline of the middle and working classes in the West was greatly exacerbated by the deep recession that followed the financial crash of 2008. The effects of this recession were intensified by the acutely misguided austerity measures that most EU countries implemented. Bank bailouts and quantitative easing saved the financial system from melt down, but prolonged fiscal contraction through reductions in government spending (and/or increases in taxation) and a collapse in business investment left large parts of the population, particularly young people, exposed to long term unemployment, or underemployment. The rise of job insecurity, falling real wages, and disappearing social protections accelerated for large numbers of people.

It is generally the case that when a significant proportion of the population is subjected to a sustained assault on its standard of living and forced to contend with sharply diminished prospects of upward social mobility for their children, they begin to lose faith in the political arrangements that govern their lives. The fabric of the social contract supporting democratic institutions starts to fray, as increasing numbers of economically pressured voters become receptive to extremists promising easy, if fraudulent solutions. This process has been underway for over thirty years in most Western countries, and it became sharply defined in the period following the crash of 2008. Rather than seeing the widespread turn to far right populism as unexpected, we should be wondering why it took as long as it did to happen.

The self-flagellation narrative which part of the left has taken up is the latest manifestation of the Stockholm syndrome to which it is prone. It is a variant of the apologetic that many progressives offer for Islamist terrorism, according to which the latter is a misguided reaction

² See Brian Keeley (2015), *Income Inequality: The Gap between Rich and Poor*, OECD Publishing, Paris (available online at http://www.keepeek.com/Digital-Asset-Management/oecd/social-issues-migration-health/income-inequality_9789264246010-en#.WGo2NZL4U6Y#page20). See also Thomas Piketty (2014), *Capital in the Twenty-First Century*, Harvard University Press for a detailed historical account of the way in which capital has displaced labour and education as the dominant factor driving income distribution.

to Western imperialism and oppression.

In fact very large numbers of white working class voters have been supporting parties with rightwing economic programs since modern conservatism became the dominant political movement in the UK and the US, with the election of Thatcher and Reagan in 1979 and 1980, respectively. Even in European countries with strong traditions of social democracy, like Sweden, the rise of the neo-classical economic models invoked by British and American conservatives was accepted as inevitable. Experiments in deregulation and privatisation invariably took hold in these countries as well.

The fact that so many working class voters continued to opt for parties committed to such policies poses an obvious paradox. Why would they consistently vote against their own class interests? There are at least two elements of conservative political strategy that are relevant in considering this question. The first is the use of racism to deflect the resentment of poorer white voters. Republicans in the US regularly identify welfare programs with support for poor ethnic communities. This method dates at least to the “Southern Strategy” in the late 1960’s, where Republicans capitalized on racism to win Southern white voters. Similarly British and European conservatives frequently tap into anti-immigrant sentiment to keep dispossessed home voters on side.

The second factor is the portrayal of the liberal left as a conspiratorial elite determined to expand government in order to deprive hard working citizens of their liberty and the fruits of their labour. Conservatives used this fantasy to pose as freedom fighting insurgents against a liberal tyranny bent on enriching a cabal of wealthy progressive cronies who divert tax revenue to a parasitic underclass. The Tea Party provides the clearest instance of the populist anti-government insurgency theme running through modern conservatism, but it pervades most parties inspired by the Reagan-Thatcher legacy. Even without the ingredient of racism this image has proven remarkably potent in blinding working class voters to the true agents of their deprivation. The redistributive instruments of the welfare state that had protected them in the past came to be seen as unfair and obstructive.

In short, the liberal left did not abandon the white working class. The white working class deserted the left. Faced with this desertion, liberal parties made ill-considered moves towards the centre in the hopes of remaining relevant. An analogy can be made to someone persecuted by the school bully, who eventually adopts some of the bully’s techniques, and fails miserably at it.

Thus, by the 1990s liberal Democrats in America and Labour supporters in Britain had despaired of regaining power on the basis of their traditional welfare state, pro-labour platforms. Under Clinton and Blair they opted for an accommodationism in which they coopted large segments of the conservative project, while seeking to mitigate its anti-social edge through attenuated support of public services. Privatisation, deregulation of the financial sector, and restrictions on welfare continued under both the Clinton and Blair governments, but core programs like Social Security and Medicaid in the US, and the NHS in Britain were sustained. In effect Clinton’s New Democrats and Blair’s New Labour sought to pursue neo-liberal economic policies with a human face.³

³ The term “neo-liberalism”, which is widely used to describe the rabidly free market policies of modern conservatism, is somewhat misleading. It has solid historical roots in Milton

The results of this move to the centre right were deeply unfortunate. The transfer of wealth upward to an ever smaller, but more powerful corporate and financial elite continued at full pace. Deregulation helped to generate a stock market and real estate bubble that resulted in the financial crash of 2008. Global trade agreements were fashioned in the interests of large multinational corporations and financial agencies, often at the expense of workers in both developed and developing countries. While the expansion of industrial production in countries like China and India generated high growth that lifted many people out of severe poverty in these places, it did not reduce the acutely skewed distribution of income that now also afflicts the West.

The terrible mistake that the democratic left made in pursuing the accommodationist course came not from arrogance, or from disregard of the working class, white or otherwise. Its failure consisted in its inability to rethink its role as a movement of radical social reform and redistributive justice in a way that could enlist the support of its natural constituency, in conditions of rapid economic change. When the full extent of the neo-liberal disaster became apparent in the crash of 2008, the left did not rise to the occasion. In America, Obama offered moderate, intelligent leadership, but he was paralyzed by the scorched earth rejectionism of an intractable Republican Congress. Despite notable domestic achievements, he did not succeed in mobilising the electorate to support the sort of New Deal changes that they needed. In Europe, Labour and the social democrats made do with proposing less severe austerity measures than those of the conservatives, rather than pushing for the expansionary public investment required to revive the economy.

The far right populists now sweeping to power in the West are not as distinct from many of their conservative antecedents as they may at, first glance, appear to be. Trump won the election by exploiting the same resentments that the Tea Party had promoted. He is far more explicit and cruder in his pronouncements, but he performs the same anti-elitist insurgency charade that the Tea Party did, to similar effect. Teresa May looks very much like an heir to Thatcher, stoking the xenophobia of the Brexit campaign to build support for a continuation of Thatcherite economic and social policies. The only significant point of difference is the new populists' adoption of a protectionist agenda, in contrast to the free trade policies of previous conservatives. In this they are catering to a distinct group of business interests (for Trump, largely his own) and corporate cronies than their predecessors.

The situation on the left remains discouraging. After Trump's election the Democrats are demoralised, but continue to pursue politics as usual. In Britain Jeremy Corbyn, having failed to provide leadership to the anti-Brexit campaign, is leading Labour towards electoral oblivion by insisting on an antediluvian neo-Soviet world view that has little appeal beyond his supporters in the party. Social democrats throughout Europe remain similarly ineffective against the onslaught of the far right.

Friedman's characterisation of his views as "liberalism" in his book *Capitalism and Freedom* (University of Chicago Press), originally published in 1962. But it needs to be carefully distinguished from political liberalism. Most contemporary political liberals of the centre left in the US endorse a Keynesian economic approach and a strong welfare state. They pattern with social democrats in Europe. For this reason it may be more accurate to characterise the radical free market + minimal state attitudes of modern conservatism as based on a neo-classical economic model.

Where do we go from here? Three points suggest themselves. First, liberals and social democrats should stop apologising for themselves. We need to defend democratic values and institutions robustly and without mea culpas. It is important not to infantilise supporters of the far right by absolving them of responsibility for their political decisions because of the economic pressures that they may be contending with. We ought not to take on part of this responsibility, but treat them as mature, competent adults who freely made very bad electoral choices. The left offered rational alternatives designed to avoid the social chaos that has produced widespread misery. One of our main tasks is to persuade disadvantaged supporters of the far right to see that the extremists who they have endorsed will further compound their hardships rather than alleviate them. This can only be done from a position of militant conviction and informed advocacy.

Second, the defence of democracy is too important to leave to professional politicians or charismatic leaders. If we rely on them, then we are likely to find ourselves disappointed, and in deep trouble. Effective resistance to far right extremism requires an extra-parliamentary movement of citizen activists working at the local, as well as the national level. Such a movement needs to be broadly based, and built around clear and attainable objectives. These should involve protecting the rule of law, fighting manifestations of racism and discrimination, defending civil liberties, and exposing corruption. It is possible to use social media to share information, construct coalitions, and organise mass single issue campaigns. The far right has done this with devastating effectiveness. We can too.

Finally, it is imperative that the democratic left reformulate its program in a way suited to an age of globalisation and wrenching economic upheaval. Like all important political conflicts this is ultimately a clash of ideas. The left became politically impotent during the long era of conservative ascendancy because of its failure of political imagination and its inability to communicate with its supporters. To regain its role as an agent of progressive change it must return to what it once was, a movement that aims to empower the largest possible number of people through an equitable distribution of power and resources in a fully democratic social order. It is only in this role that it can offer the hope of a better alternative.

Seventy years ago *The Myth of the State* (1946) by the German-Jewish philosopher Ernst Cassirer was published, shortly after the author's death. It appeared in the aftermath of the last period in modern history when extreme right-wing demagogues had as wide an appeal as they do today. Cassirer's theses are as relevant now as they were then. The main theme of the book, that all states depend on a mythology to sustain them, is deeply relevant to the various narratives about restoring a former golden age that the far right is once again peddling to a receptive audience. The far right's only notable achievement is its capacity to manufacture and market a pernicious myth to a gullible public. It is time for the democratic left to provide a new political narrative, founded on truth, not fantasy, where, at its core, genuine concern for the common good animates a credible vision of a just society.