

# Social Europe Journal



## **Understanding the Populist Revolt**

Karin Pettersson  
Manuel Muñiz  
Marc Saxer  
Werner Raza

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Jan-Werner Müller  
Bo Rothstein  
Jürgen Habermas

# Editorial

WE ARE LIVING IN dangerous times. The rise of populism and its consequences for Western politics and societies has emerged as a key contemporary challenge. Why have the likes of Donald Trump and Marine Le Pen gained so much support with an agenda that is so blatantly regressive and severely damaging for the social fabric? Trump's first months in office have clearly shown that, far from revolutionising politics, populists in power render the political system dysfunctional. So why do they still do so well?

The collection of essays in this journal sheds light on this pressing question and explains the rise of populism - and, above all, what can be done about it. Many essays also illuminate the often inadequate role of progressive politics in contributing to the rise of populism and show that the narrowing of political pluralism has been a contributing factor to the political circumstances we find ourselves in.

We are delighted to present an outstanding group of authors including the leading Swedish journalist Karin Pettersson, the Spanish Harvard scholar Manuel Muñiz and the world-renowned philosopher Jürgen Habermas. We hope that the thoughts of our contributors will help you grasp the root-causes of our current malaise and what can be done about it.



Henning Meyer  
Editor-in-Chief

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# Without Social Democracy, Capitalism Will Eat Itself



**Karin Pettersson** is the political editor-in-chief at *Aftonbladet*, Scandinavia's biggest daily newspaper. She is also the co-founder and former editor-in-chief of *Fokus*, Sweden's leading news magazine.

IT'S A TRAGEDY BUT there's no way around it: At a time when it is most needed, social democracy is at an historic low point. What are progressives to do? Here are four lessons for the future that the Left needs to understand, and four ways to think about the road ahead.

## Say Goodbye to the Golden Age

In 1979 the French demographer Jean Fourastié coined the phrase *Les Trentes Glorieuses*, referring to the period between the end of World War II and the first oil crisis in 1973. It was a time of economic prosperity, rising living standards and real wage growth in Western Europe and the US.

More than 35 years later, many politicians on the left are still spending a lot of time stuck in nostalgia, daydreaming about that period. But the Golden Age has now been gone longer than it lasted, and the world it sprung from doesn't exist anymore.

Perhaps the most unique feature of the post-war era was the balance struck between labour and capital. Trade unions bargained with employers for wages. Rising salaries for workers led to higher demand that in return created profits for business owners. Governments supported the regime with Keynesian economic policies. Political scientists argue about whether this arrangement was reached through the benevolence of capitalists or pressure from labour.

It's more complicated than that. To borrow from Peter Hall, three sets of factors made this balance of power possible.

First, after the war the memory of intense class conflict was fresh in the public mind. Politicians on left and right understood the need for policies that would increase the quality of life for the many. In many countries conservative and right-wing governments were instrumental in implementing social safety nets and welfare policies.

Secondly, economists pushed the idea that governments could ensure full employment. This formula encouraged mainstream parties of the left to make peace with capitalism instead of seeking more radical alternatives.

Finally, there was an electoral path to creating a stronger welfare state. Social class still structured most voting. The political left that represented the working class could compromise with middle-class parties on a political program that offered social benefits and active economic policies. None of those conditions applies anymore.

## It's Not About Trade, Stupid

Listening to populists on both right and left you might be fooled into thinking that closing borders would automatically take us back to happier days. To be clear: many of the free trade advocates underestimated the negative effects of global trade. Politics has utterly failed to compensate its losers. The big story of the last 30 years, however, is almost entirely about something else.

The major force for change in Western capitalist societies is the move from industrialism to post-industrialism. Compared to that, everything else is just ripples on the surface. When workers moved from the assembly line to the service sector, it changed the way the economy worked – but also power relations, identities and politics.

In the post-war era trade unions protected workers' rights. With the move to the service economy, their power has declined. The result is that the unions' role as counterweights to corporate influence has weakened dramatically, as well as their ability to provide political support for social democratic parties.



Today’s jobs often either require high skills or offer low pay and little security. It’s hard to find “good” jobs with low to middle level of skills. These polarised labour markets drive inequality, but not only in terms of income. It also affects who has access to stability and the possibility to plan and hope for the future.

Another major change is education. Today about half of the population in Western countries has a university degree of sorts – typically as a result of policies set in place by social democratic parties. This affects people’s values and sense of identity. And it further undermines class voting.

Finally, an often overlooked but fundamental shock to the post-war economic order is the shift that occurred when women went within a generation from being homemakers to competing with men in the labour market. Today’s public discourse is obsessed with immigration. But this challenge is nothing compared to the scope of the change caused by the rise of women as competitors to men in the workplace.

The changes outlined here are fundamental and impossible to reverse. They have not only had massive economic consequences, they have also challenged and altered identities, values and politics in a way that still reverberates in our societies.

**It’s About Politics, Too**

The rise of populism is not only a reaction to dramatic but inevitable structural changes. It must also be understood as the consequence of neoliberal policies actively tilting the balance between capital and labour.

At the end of the 2nd World War the sociologist Karl Polyani famously wrote that “a pure free-market society is a utopian project, and impossible to realise because people will resist the process of being turned into commodities”.

Polyani’s conviction was that unfettered markets and complete commodification of human beings would lead to fascism. His book *The Great Transformation* was published right before the start of the post-war era that would create social safety nets and welfare states precisely as an answer to Polyani’s fear.

The reason these policies could be realised was that politicians on both left and right understood the dangers of poverty and mass unemployment. As the historian Tony Judt noted in *Postwar*, the Marshall plan had economic consequences but the crisis it averted was political. The purpose was to prevent Europe from falling back into fascism and totalitarianism.

With the rise of neoliberalism this lesson was forgotten. In the 80s and 90s, the spectre of inflation became the main focus of governing parties’ economic policies.

At the same time as trade unions lost in strength, capital organised and mobilised, energised by the economic theories of market fundamentalism. Policies were set in place that contributed to the unravelling of the social contract. Economic policies of mainstream parties from left to right converged, and social democrats often took the lead. The effect was that a big part of their working-class voter base was left without a voice.

The result of these structural changes and neoliberal policies is the explosion of inequality perhaps best described by French economist Thomas Piketty. His research shows how the relatively fair distribution of wealth that was the result of the post-war institutions is disappearing. In a world where the return on capital is outpacing the level of growth, the accumulation of assets by the already rich is challenging ideas of fairness and justice that are fundamental building blocks in Western democracies.

Step by step, capitalism is eating itself, with potentially dramatic consequences for social stability and liberal democracy.

**The End of Growth**

One of the fundamental assumptions of our political order is the idea of permanent and stable levels of growth. This idea is challenged today. Not only Piketty is predicting lower levels of growth for the foreseeable future. American economist Robert Gordon suggests that the rapid progress made over the past 250 years could turn out to be a unique period in human history.

Growth can either be a function of productivity increases or population increase. As shown by Gordon, the productivity gains from the Internet

revolution has withered away in the last years. As opposed to the inventions in the industrial revolution, today's technological changes do not seem to fundamentally increase labour productivity or the standard of living. At the same time, populations in many European countries are aging quickly.

In all likelihood, the political compromises of the next generation will have to be made against a backdrop of scarcer resources and lower growth. Politics under those restrictions will be very different from what we're used to.

It doesn't make things easier that the countries within the EMU have their hands tied by a combination of high debt and fiscal targets. The German political scientist Wolfgang Streeck has called this "the consolidation state", a situation where governments perceive that their only option to balance budgets is to make further cuts in social security nets.

At the same time, labour markets are experiencing major changes. Some economists believe that automation might fundamentally disrupt our societies and wipe out large numbers of middle class jobs, dramatically changing both labour markets and the fabric of society. Others are arguing that the rise of automation will eventually lead both to demand for new products and to jobs being created.

Whatever the endpoint, technological changes are putting great pressure on labour markets. At a minimum, we are at the beginning of a period of very difficult transformation where many people's skill sets will be outdated. These developments will hasten the already exploding inequality and further undermine an already fragile social contract.

## Back to the State

There are no national solutions to the big questions of our time: climate change, migration, or the crisis of global capitalism. The goal of social democrats must be open societies, international cooperation and the flow of ideas and people across borders. But in the end, politics is local. And in a period when people are losing trust in politics, progressive leaders need to go back to voters and seek a new mandate. This is what populist parties have figured out, and it's a mystery that the left has been so slow to respond.

The good news is that the welfare state has been more resilient than many people would have thought at the beginning of the neoliberal era, and that variations between countries in respect to levels of redistribution, tax levels and social justice remain large. There is no institutional convergence to a single model of low taxes and minimal welfare state. It's a neoliberal myth that countries' competitiveness and economic performance depend on low taxes and deregulated markets. On the contrary, economic success comes in different shapes. This creates room for variation in national policy and a way forward for a progressive project.

## Immigration and Its Discontents

Is populism a backlash against economic insecurity in post-industrial economies – or against liberal and progressive values? Political scientists such as the Harvard scholar Pippa Norris have found support for the latter. The problem with this view is that values, of course, do not exist separately and independently from economic realities or the pace of change in technology.

It's important to recognise, however, that the long-term trend is that values are changing towards more support for democracy, tolerance and gender equality. A political movement that is in it for the long game must remember this.

We live in an age of globalisation and migration. At the same time the nation state is for the foreseeable future the organizing principle for the making of politics. In that world, borders and border controls are necessary. But today's race-to-the-bottom policies of Europe are not only immoral, they are also economically short-sighted. One of the few solutions to the dilemma of slower growth is immigration.

**“There are no national solutions to the big questions of our time”**

# “The left must as a matter of principle defend, promote and protect the expansion of rights for women and minorities”

A single country cannot accept an unlimited number of refugees. But just as opening labour markets to women was both about improving equality and creating growth, social democratic migration policies must be grounded in the idea of the inviolability of human rights – combined with a clear-headed strategy for how openness and equality can work together.

Contrary to intuition, the higher levels of redistribution there are in a country, the higher the support for it by voters. It seems as if higher taxes and generous benefits promote worldviews that create support for these policies (as Peter Hall argues in a forthcoming paper). This has consequences for how to design policies for keeping solidarity intact.

The universal welfare state has been challenged in many countries in the last 30 years. The argument has been that universality and high levels of redistribution reduce incentives to work and hampers growth – none of which is true. Politicians of both right and left have responded to immigration by moving away from benefits as rights, towards eligibility requirements along ethnic lines. For proponents of solidarity, that is a dangerous road to go down, not only because it is morally wrong but because in the longer term it will put at risk the principles of universality that make redistribution possible.

The upside of this argument is that a universal welfare state will have considerable benefits when it comes to extending solidarity to immigrants – and thereby for integration and openness. In the long run, migration must be dealt with globally. In the shorter run, the platform of progressives must stand on two legs – generous (but not unlimited) migration policies combined with an unequivocal defence of universality. Otherwise the social democratic project itself will be undermined.

## The Dilemma

As early as the 80s, the Danish sociologist Gösta Esping-Andersen asked how post-industrial economies might reshape electoral policies. He argued that class was becoming increasingly irrelevant to voting behaviour and that this would undermine the historic compromise between working and middle class that made the welfare state possible. Since then, this view has been contested and revised.

The political scientists Jane Gingrich and Silka Häusermann have shown that class continues to be a good predictor of political preferences and vote choices – but along new lines.

It's true that traditional working-class voters now make up a smaller share of the electorate and that support for the left has declined. But at the same time the middle class has both grown and adopted more progressive values. This is potentially and at least partially good news for social democrats. When the working-class voter bloc becomes smaller, the middle class can replace it as protector of the welfare state and progressive policies.

The real dilemma for social democracy is that its potential constituencies are split in two voter blocs with different values and interests. On the one hand, the working-class voters, who favour redistribution policies aiming at equality of outcome. On the other hand, the growing progressive middle class, which favours social investments, but is not as interested in income equality.

So what are the electoral options for progressives? One is to pander to the working class by going down the road of welfare chauvinism and nostalgia. Possible coalition partners in that strategy would be populist and conservative parties. The problem



(apart from giving up core values of equality and openness) is that the progressive middle class will in all probability abandon ship.

Another option is to define the progressive project as being about education and not redistribution. This was the answer of the 90s and in this election strategy green and liberal parties might be part of the coalition – but the working class is left behind. A third way would be to recognise that a social democratic project that leaves out the working class – even if it's shrinking – will lose its *raison d'être*, and that the necessary fight against increasing inequality creates new possibilities to forge a coalition between the working and middle class.

### Anti-Elitism, Not Identity Politics

“Anti-elitism” is a complicated and dangerous frame in politics. But one of the reasons it's so powerful is that it captures some of the problems that we face today. It is important to understand that the rise of populism is a rational response to increased inequality and the failure of the left to articulate credible economic policies that challenge neoliberalism.

The left must as a matter of principle defend, promote and protect the expansion of rights for women and minorities. But the main focus for progressive politics cannot be to win an argument in a cultural war. It must be to create policies that changes power structures.

On one hand, politics needs to play a more active role in creating a balance between capital and labour in a world where the forces driving inequality are increasing in strength. But a policy platform of higher taxes and more public investments will not be enough.

As the political scientist Bo Rothstein has shown, fairness and equality of opportunity are vital building blocks for polices aiming to (re)build trust and social capital, in turn necessary components for progressive politics. Social democrats need to make the fight for inequality as much against rent-seeking and economic corruption as income redistribution.

This would make it possible to forge a coalition between the working and middle classes through a version of anti-elitism that is built on an idea of fairness, rather than resentment.

The weakness of this strategy is that it would require major changes to be credible for a social democracy that in many countries has become synonymous with the power establishment. It would mean becoming much more ambitious on policies like taxing wealth and capital and regulation of financial markets. But it would also entail taking seriously issues most social democratic parties have abandoned, such as salaries for politicians and business executives. And it would mean dealing with the fact that social democratic parties today, to a large degree, organise members from and recruit politicians from the middle class.

### Only The Left Can Save Capitalism Now

It's evident that neither liberalism, conservatism or right-wing populism hold the answers to today's central issue: the exploding inequality undermining growth, democracy and the social contract. These are issues that simply cannot be solved either by merely defending liberal values, or by protectionism and closing borders to immigrants.

It's also evident that today, more than in a very long time, a counterweight to the growing power of capital is needed if liberal democracy – and capitalism – is to be saved. The world has changed. Voters understand this and are looking for politicians who get it too.

Social democrats often talk about the primacy of politics. If they want to be a part of the next chapter of history they must act on that conviction – or continue to wither away. ●

# Populism and the Need for a New Social Contract



Manuel Muñiz is the Director of the Program on Transatlantic Relations at Harvard University's Weatherhead Center for International Affairs.

prosperous. This is definitely true at the aggregate global level where GDP has gone from \$1.1 trillion in 1900 to \$77.9 trillion in 2016 (both in 1990 USD). This is also true at the national level. The United States, for example, returned to pre-crisis GDP levels in 2012, meaning it is today wealthier than it has ever been. GDP per capita in the US stands today at \$53,000, well over ten times more than in 1960. One finds similar growth figures in the United Kingdom, Spain and other Western countries, which are, nonetheless, experiencing deep political turmoil. The fact that the liberal system is being questioned by a rising tide of populism is therefore a failure of intelligence, or to put it differently: a manifestation of our inability to govern prosperity.

Technological development and the increases in productivity it has brought with it have been behind the explosion of wealth described above. And yet, it is also behind what is fuelling our current troubles. Technological change led to the substitution of human and animal physical force for machines during the First Industrial Revolution. Since the advent of advanced computers, however, it is processing power which has started being replaced in the workplace; in essence we are now substituting human brains for advanced robots and algorithms. A recent report by the Oxford Martin School estimated that close to 50% of all current jobs are at risk of automation in the next two decades. Many of those jobs are in the services sector, including, for example, in the legal profession, accounting, transportation and others. Self-driving vehicles, something we know will be a reality by the 2020s, put at risk around three million jobs in the US alone. Moreover, we now know that from the early 1970s to today productivity of goods and services has increased by close to 250% while labour wages have stagnated. This is an extremely significant development: our main redistributive tool, prosperity trickling down from productivity to labour wages, has ceased to function.

THE WESTERN WORLD IS at the gates of a deep and prolonged political convulsion. What connects apparently isolated developments such as Brexit, the rise of the Front National in France, or the election of Donald Trump to the presidency of the United States, is a broad breakdown of trust in the liberal order and the elites that represent it. This loss of trust has empowered populists from the left and right and is a direct reaction to a deep and structural shift in the way wealth is generated and distributed in our societies. Unless this underlying structural rift is addressed head on, the very foundations of our political order will be shaken. What will be needed in the next decades is, therefore, a new social contract to emerge, one in which a majority of our citizens feel they are getting a fair share of the opportunities and prosperity generated in our societies.

The liberal order, constituted by free markets, free trade, porous borders, and the rule of law is a tremendous generator of prosperity. If one looks at any measure of material prosperity the data could not be more compelling: we have never been more

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## Higher Productivity, Lower Incomes

The decoupling of productivity and wages is the explanation behind the structural stagnation of salaries of the middle class and the increase in inequality within our societies. Wealth is being concentrated in the hands of those that invest in and own the robots and algorithms while most of those living off labour wages are struggling. The McKinsey Global Institute recently reported that over 80% of US households had seen their income stagnate or decline in the period 2009-2016. This was also true of 90% of households in Italy and 70% in the UK. Stagnation of income combined with rapid economic growth produces inequality. The US is today more unequal than in the last 100 years and one would have to go all the way back to the middle of the 19th century to find a more unequal UK.

the way wealth was generated and distributed. The contact point of that disruption was then, as it is today, the labour market, with the destruction of almost the totality of jobs in the agriculture sector. Jobs and labour income is, it seems, where the metal meets the meat. Just over a century ago, economic disruption led to the emergence of a new political class, the proletariat, which eventually manifested itself politically and demanded a new social contract. After significant political convulsion, including the rise of fascism and communism and two world wars, a new equilibrium was found: the extension of the suffrage and the emergence of the welfare state.

What made the convulsion necessary at the beginning of the last century was the rigidity of our political systems. Very few people in 1900 were willing to accept that the state would have to increase its income and redistribute more, but

**“The people most negatively affected by these trends are the abandoned of our time, the ignored, and are beginning to constitute a new political class”**

The people most negatively affected by these trends are the abandoned of our time, the ignored, and are beginning to constitute a new political class. The embodiment of this new class is not just the unemployed but also the underemployed and the working poor – people who have seen economic opportunity escape from them over the last few decades. Their reaction to a situation they consider sustained injustice has been to vote for more and more radical political options. And not only that: many citizens within our societies are starting to question democracy as a system of government. World Values Survey data over decades shows that fewer Americans say today that living in a democracy is “essential” for them than at any point in recent history; and over a third are willing to support an authoritarian government.

A useful historical comparison one could draw to understand what we are living through is to the early 1900s and the period that followed the first industrial revolution. Then the world also experienced an important shock to its economy, and to

that was precisely what ended up being agreed a few decades later with the establishment of public health and education systems and other social support schemes. This new consensus required significant levels of political and economic pain to build up and to some extent the flattening of institutions through conflict.

## Revising the State

The appearance and design of the new social contract that we need is only now starting to be discussed. What is clear, however, is that it will require a big change in the way the state procures its income, possibly through a reinvigorated industrial policy, large public venture capital investments and others. In essence, if wealth is concentrated in capital some form of democratisation of capital holding will be required. On the spending side, changes will also be required. This might adopt the form of negative income taxes, the establishment of a universal basic income, or the launch of public employment schemes. In terms of the private sector we will have to see an

expansion of the concept of sustainability to include the friendliness of the political environments where business operates. The narrow notion of maximizing profits is slowly being rendered insufficient in a world where companies can grow exponentially without generating jobs. Unless corporations embrace much more comprehensive social responsibility stances they are bound to find themselves in an ever more hostile political environment, rising regulation, trade barriers, higher taxation and possibly intra and interstate conflict.

The truth of the matter is that we simply do not know what will work, or what the full benefits and drawbacks of the policy options delineated above are. What we are starting to understand, however, is that the current trend is unsustainable and that new forms of public and private wealth redistribution will need to be put in place. That there is a need for a new social contract is evident. The length and depth of the political convulsion we are currently entering will be dependent on our agility and collective intelligence when finding a solution. ●



# Ten Theses for the Fight Against Right-Wing Populism



Marc Saxer is Director of the Friedrich-Ebert-Stiftung India office.

## 2. The role of white supremacists is to shock the elite

For the right-wing populist alliance, the importance of white supremacists does not lie in their numbers. A recent study in Germany has shown that the number of right-wing extremists has not gone up, nor are their positions any more acceptable to the majority. The real function of right-wing extremists is to unsettle the elite consensus by saying the unsayable. Against the “cartel of political correctness”, they insist that there is an alternative, even if it exhausts itself in sabotage of the liberal order. It is this ability to upset the elite that attracts many protest voters who see no other way of being heard.

## 3. The alt-right offers reassurance in a world seemingly out of control

Intellectually, the right-wing populist alliance is led by the alt-right. It aims at restoring governability (order and control) of an increasingly complex world by homogenizing society. Its dream is to reduce disorientation and uncertainty by offering simplistic solutions for complex problems. Contrary to “blood and earth” racists, the alt-right insists that it does not reject the Other in itself but simply seeks to separate irreconcilable cultures into clearly delineated spaces. What this “privileging one’s own over the foreign” really means is, of course, the restoration of a white, heterosexual and patriarchal society through the aggressive exclusion of everyone who can be blamed for the alienation from modern society. The alt-right gives a home to all those up in arms against what they perceive as moral decay.

## 4. Right-wing populism gives reassurance in the vertigo of change

Reactionary backlashes are fairly common in situations of overwhelming social change. In this vertigo, old certainties are shaken up, traditional values transvalued. Modernization drives the pluralisation of values, the fragmentation of society and the diversification of lifestyles. Social transformation erodes traditional communities which used to give security and a sense of purpose. Authoritarians perceive diversity and disorder as a normative threat to the integrity of the moral order which they seek to remedy by kicking out foreigners and non-conformists. The right-wing populist narrative thereby attracts all those who yearn for security, search for identity, and desire (false) certainties.

WHO IS DRAWN TO right-wing populism and why is it so dangerous?

### 1. The real danger of right-wing populism lies in its ability to forge broad societal alliances

In the United Kingdom, United States, Hungary, and Poland, right-wing populist alliances have shown that they can win majorities. This mass appeal is built upon a platform which is, however, not extremist. Right-wing populists accuse the corrupt, globalist establishment of exploiting the people. The naïve and delusional elite is blamed for exposing the people to Islamist terror and floods of immigrants. Right-wing populism pledges to give back to the people the power usurped by this oligarchic elite, and defend the defenceless against the forces of globalisation. The alliance of alt-right, white supremacists, globalisation losers, and status quo conservatives has little in common in real terms, hence the populist agenda needs to stay deliberately vague. What brings this heterogeneous coalition together is the feeling of being forgotten in public discourse and excluded from social life. In the current atmosphere this message resonates both among those who fear social decline as well as all those who feel unrecognised by a libertarian society.

## 5. Right-wing populism promises to restore lost privileges

The reactionary call for the restoration of the “good old order” resonates with traditional elites and established middle classes who feel put at risk by social change. In industrialising economies, the middle classes feel threatened by the aspirations for social mobility and demands of political participation by millions of migrant workers flooding into the cities. In post-industrial countries, the digital revolution with its intelligent robots threatens to wipe out middle class jobs. Fear of social decline drives racist vitriol and cultural resentment. The shifting relationship between the sexes is undermining the predominance of men in their families or at the workplace. Here lies the root cause for the resurgence of sexism and homophobia. Right-wing populism promises these “old, white men” they will get back their privileges.

## 6. Right-wing populism promises protection for the losers of globalisation

Right-wing populism gains support where fear of economic and social decline meets anger over social inequality. Globalisation and automation have wiped out jobs and depressed wages. In the deindustrialised rust-belts, with their jobs gone people lose not only income and social security, but meaning, dignity and social involvement. Neoliberalism increases the pressure on individuals by introducing competition into all aspects of social life, cutting back on social security. Tax cuts for the rich combined with austerity for the poor have brought back the extreme social inequality of the gilded age. Attempts to tackle the resulting consumer demand problem through public or private debt frequently trigger financial crises, which in turn are addressed by socializing the losses.

## 7. End the lack of alternatives through a political paradigm shift

Right-wing populism is dangerous because it is widely seen as the only alternative to the liberal mainstream. This is why the struggle against it cannot be won by targeting right-wing extremism. To counter its ability to win majorities, the millions without a consolidated right-wing extremist worldview will have to be brought back into

the democratic flock. Too many people are drawn to right-wing populism because they see no other way of being heard. Taking their fears seriously does not mean abandoning the rights of sexual, religious or ethnic minorities but answering legitimate calls for social security, political participation and cultural recognition with concrete policies.

This is why we need to be alert when the success of right-wing populism is explained solely by blaming diehard racists, xenophobes, sexists and homophobes. Red herrings (“The aloof middle classes must learn again to show empathy for white workers”) divert attention from overdue policy shifts by explaining away fears of social decline and rage over inequality as the cultural ignorance of a hopeless few. On the contrary, it has been the neoliberal policies of enriching the elite, eroding the middle classes and excluding the “redundant” that have provided the fertile ground for right-wing populism. A truly transformative agenda, on the other hand, has the potential to rob right-wing populists of their greatest asset: to be the only alternative to the neoliberal mainstream.

## 8. Don't step into the framing traps of the Right

A flawed understanding of right-wing populism can lead to blunders in political communication which may involuntarily reinforce reactionary frames. A “democratic firewall” against the Right can only work as long as right-wing populism is not on the verge of winning majorities. By taking over leftist protest forms (comedy guerrilla, pop culture, fashion), narratives (“99% against 1%”, “The People against The Establishment”) and concepts (struggle for hegemony, community organising, solidarity networks), the Alt-right has successfully reinvented itself as the real force of change against the alleged structural conservatism of “progressive privilege” and the political correctness of the “corrupt elites”. As a consequence, calling out right-wing populists for failing to uphold standards of decency can backfire when their supporters joyfully cheer on the self-declared “defenders of freedom of speech” against the political correctness imposed by the “cartel of lamestream media and system parties”. Insulting the “deplorables” can quickly make you a target of anti-establishment rage. Peddling fears in the hope of outdoing right-wing populists may involuntarily activate predisposed authoritarians, who in turn are more than happy to start an arms

race of ever more reactionary messages.

A promising communication strategy needs to establish proper counter frames. This means first to stop telling right-wing populist supporters what they want to hear, as this will only reinforce the “Strict Father” frame underlying much of right-wing populist communication. Second, by using “Nurturant Parent” frames which emphasise communalities, stir up empathy for the weak and awaken hope for a better tomorrow. Progressive communication needs to rediscover its utopian heritage, and again offer alternative visions for a better future.

### 9. Progressives need to offer a collective identity narrative

Winning back angry citizens can only work if progressives offer them an identity narrative to keep them grounded in the vertigo of change. In the tradition of the old labour lifeworld, symbols, myths, rituals and institutions are needed to give meaning and bolster self-assurance. To counter the alt-right obsession with homogeneity, this narrative should emphasise the strength of plurality (*ex pluribus unum*). Different from the identity politics promoted by the libertarian Left, the communality of “Us” needs to be given more emphasis. What is needed is a progressive patriotism. Whether that patriotism should be constructed around the loaded term of the nation, however, is one of the hottest debates on the Left. Those who warn against a new nationalism should remember that the nation was invented by the French Revolution. Today, from the Scottish National Party to Podemos and Nuit Debout, progressives are reclaiming this heritage. They have realised that the “99%” have very little in common except their opposition to the “1%”. The People, as a subject, first needs to be constructed before individuals become capable of collective action. Critics have warned that, in the age of globalised capitalism, the retreat into a national corral is a fallacy. Another debate has sprung up around the question whether “us” and “them” are inseparable by definition”. Multiculturalists bemoan this as a slippery slope towards racism. Anthropology, however, suggests that human groups need the Other to understand themselves as a collective. This of course begs the question where the boundaries of this collective are drawn. To build a broad democratic alliance, it would be best if the identity narrative resonates as widely as possible. As these preliminary discussions

reveal, this debate will be an enormous challenge for progressives. However, the price is too high for them to walk away from this battle. Those who will define the boundaries of solidarity will determine who is part, and who is not part, of the social contract.

### 10. Only a broad societal alliance can stop right-wing populism

Be it Russian donors and bot armies, or the robber barons surrounding Trump, right-wing populism has powerful supporters with vast resources. Only a broad societal alliance can counter this power base. Such a coalition of different interests can only be built around a narrative which fosters identity, provides orientation, and points to a better future. Building such a narrative in the post-factual age with all its fake news, bots, trolls, click farms and filter bubbles is difficult. Right-wing populists’ effective use of social media has caught democratic actors ill-prepared. A counter strategy is required to stop the infiltration of society by right-wing opinion warriors. People warning against curbs on freedom of expression need to wake up to this new threat. Having learnt the lessons from Weimar, in Germany’s militant democracy the state has the constitutional responsibility to defend the liberal democratic order. It would, however, be preferable if civil society waged the struggle against right-wing populism. Again, the German constitution guarantees the Right to Resistance: „All Germans shall have the right to resist any person seeking to abolish this constitutional order, if no other remedy is available”. ●

# Global Inequality, Populism and the Future of Democracy



Werner Raza has been Head of ÖFSE since October 2010. An economist focusing his research on International Trade and Development, he has lectured at several universities and colleges in Austria and abroad.

THE ELECTION OF DONALD TRUMP to the US Presidency as well as the seemingly inexorable ascendancy of right-wing populism in Europe has raised troubling questions about the future of democracy. In his new book, Branko Milanovic (BM) discusses the relationship between global inequality and the future of capitalism and democracy, respectively. Whereas BM thinks that inequality and capitalism can coexist, he is sceptical with respect to democracy. While he characterises the American form of plutocracy as “maintaining globalisation while sacrificing key elements of democracy”, he sees European populism as “trying to preserve a simulacrum of democracy while reducing exposure to globalisation”.

However, the Trump election teaches us that plutocracy and populism eventually go well together. With reference to Milanovic’s famous “elephant graph”, it is straightforward to see why this should happen. Three important observations can be

inferred from the graph: firstly, very remarkable income gains in emerging economies, in particular China and India, have led to the emergence of a new middle class in the Global South. Second, income for the middle class in advanced Western countries has stagnated. Thirdly, the income of the top 1 percentile, i.e. the global super rich, has also grown very substantially, while being still underestimated according to BM.

## The Elephant, Trump and the Working Class

Two political interpretations of these facts are obvious. A left narrative would draw the central political conflict line in the EU and US between the working population and the rich elite and call for redistribution from the rich to the middle and lower strata of the population. Clearly, such an interpretation constitutes a threat to the privileges of the plutocratic elites.

The populism of Donald Trump should thus be seen as a Gramscian hegemonic strategy based on an alternative reading of the elephant graph. His brand of populism combines two elements. First, by way of exploiting the correct fact that large segments of the US working class have indeed not benefitted from globalisation, he is juxtaposing the US middle class against workers in emerging economies by invoking antagonisms such as “We Americans” against “Mexican immigrants” or “our



jobs” against “cheap imports from China”. Thus he reframes an economic issue into one of identity and diverts attention away from class antagonisms between rich and poor. Second, upon that basis Trump has promoted a political project of “America First”, which reconstructs an imaginary community of “hard-working” Americans.

The hegemonic project of populism thus combines a narrative of imagined political community along national, ethnic, cultural or religious dividing lines with limited material promises in terms of more jobs for its members. The political culture becomes marked by dramatization of the cult of leadership, strong-handed demonstrations of authority and ruthless use of language coupled with denial of facts and intimidation of opponents.

### Trade-Off Between Hyper-Globalisation and Democracy

So then, what is the prospect for an alternative political agenda that wants to advance an egalitarian project, both between and within nation states? Dani Rodrik has introduced the “political trilemma of the world economy” as a heuristic tool to analyse the political options available under globalisation. The three elements of the trilemma are: one, national sovereignty, two, hyper-globalisation, i.e. deep economic integration of the world economy, and, three, democratic politics. The trilemma posits that only two out of three elements are compatible. Thus, if one thinks that a substantial transfer of powers to the international level with a view to creating some form of democratic global governance is impossible given the continued prevalence of nation states, and if one thinks that a combination of populist/authoritarian national politics in combination with a deepening of hyper-globalisation is undesirable, then the basic trade-off any progressive political project has to face is that between hyper-globalisation and democracy. For democrats this choice should be straightforward.

Against this background, the current debate on Trump’s populism appears misguided. In reductionist fashion, the liberal press portrays the economic core of the emerging populist projects as consisting of protectionism. However, by refusing to sign TTP and criticizing NAFTA, while indicating a readiness to negotiate bilateral trade deals in future, Trump has advanced a mercantilist approach that wants to increase the gains from globalisation for the US.

Consequently, he initialled a de-regulatory agenda for the highly globalised US financial sector and tax reductions for the corporate sector in general, evidently in order to improve its international competitive position. Similarly, the strategy of populist forces in power in the EU (e.g. in Hungary and Poland) is not directed against economic integration, but against political federalism, i.e. the transfer of power to the supra- or international level, while at the same time eroding the institutional division of powers and democratic participation within their countries. Thus, the strategic focus of populism both in the US and the EU is oriented towards establishing an authoritarian combination of nation state and hyper-globalisation. While it is restrictive with regard to the mobility of labour and has a more interventionist policy approach, it is arguably not directed against economic globalisation per se, but against liberal democracy and global governance.

Liberal calls on the forces opposing populism to focus their efforts on the defence of hyper-globalisation could prove potentially disastrous for the political left. While not denying the heightened potential for conflict, a progressive political project should welcome a multi-polar world order and focus on fighting for democracy by reinvigorating its potential for a more egalitarian and solidaristic society. Besides strengthening democratic participation, upholding human rights and expanding social inclusion and equity, this will involve a more stringent regulation of hyper-globalisation. In certain areas, a partial de-globalisation and re-regionalisation of economic activities, respectively, for instance in the financial sector, in agriculture or with respect to public services seems warranted. In contrast to right-wing populism, such a project would thus be principled with respect to democracy, instrumental with respect to globalisation and realistic with respect to the *pro tempore* prevalence of the nation state. ●

# A Majority of “Deplorables”?



Jan-Werner Müller is Professor of Politics at Princeton University and a visiting fellow at the Institute for Human Sciences, Vienna.

BARACK OBAMA WAS RIGHT to say that democracy itself was on the ballot in the US presidential election. But, with Donald Trump’s stunning victory over Hillary Clinton, do we now know for certain that a majority of Americans are anti-democratic? How should Clinton voters relate to Trump’s supporters and to the new administration?

Had Clinton won, Trump most likely would have denied the new president’s legitimacy. Clinton’s supporters should not play that game. They might point out that Trump lost the popular vote and hence can hardly claim an overwhelming democratic mandate, but the result is what it is. Above all, they should not respond to Trump’s populist identity politics primarily with a different form of identity politics.

Instead, Clinton supporters ought to focus on new ways to appeal to the interests of Trump supporters, while resolutely defending the rights of minorities who

feel threatened by Trump’s agenda. And they must do everything they can to defend liberal-democratic institutions, if Trump tries to weaken checks and balances. To move beyond the usual clichés about healing a country’s political divisions after a bitterly fought election, we need to understand precisely how Trump, as an arch-populist, appealed to voters and changed their political self-conception in the process. With the right rhetoric, and, above all, plausible policy alternatives, this self-conception can be changed again. Members of today’s *Trumpenproletariat* are not forever lost to democracy, as Clinton suggested when she called them “irredeemable” (though she is probably right that some of them are resolved to remain racists, homophobes, and misogynists).

Trump made so many deeply offensive and demonstrably false statements during this election cycle that one especially revealing sentence went entirely unnoticed. At a rally last May, he declared: “The only important thing is the unification of the people, because the other people don’t mean anything”. This is telltale populist rhetoric: there is a “real people,” as defined by the populist; only he faithfully represents it; and everyone else can – indeed should – be excluded. It is the kind of political language deployed by figures as different as Venezuela’s late president, Hugo Chávez, and Turkish president Recep Tayyip Erdoğan.

Notice what the populist always does: he starts with a symbolic construction of the real people, whose

supposedly single authentic will he deduces from that construction; then he claims, as Trump did at the Republican convention last July: “I am your voice” (and, with characteristic modesty: “I alone can fix it”). This is an entirely theoretical process: contrary to what admirers of populism sometimes argue, it has nothing to do with actual input from ordinary people.

A single, homogeneous people who can do no wrong and need only a genuine representative to implement its will properly is a fantasy – but it is a fantasy that can respond to real problems. It would be a mistake to think that Venezuela and Turkey had been perfect pluralist democracies before Chávez and Erdoğan came along. Feelings of dispossession and disenfranchisement are fertile ground for populists. In Venezuela and Turkey, parts of the population really were systematically disadvantaged or largely excluded from the political process. There is substantial evidence that low-income groups in the US have little to no influence on policy and go effectively unrepresented in Washington.

Again, notice how a populist responds to a situation like this: instead of demanding a fairer system, he tells the downtrodden that only they are the “real people”. A claim about identity is supposed to solve the problem that many people’s interests are neglected. The particular tragedy of Trump’s rhetoric – and, arguably, its most pernicious effect – is that he has convinced many Americans to view themselves as part of a white nationalist movement. Representatives of what is euphemistically called the “alt-right” – latter-day white supremacy – were at the centre of his campaign. He has stoked a sense of common grievance by maligning minorities and, like all populists, portraying the majority group as persecuted victims.

It did not have to be this way. Trump has obviously made a successful claim to represent people. But representation is never simply a mechanical response to pre-existing demands. Rather, claims to represent citizens also shape their self-conception. It is crucial to move that self-conception away from white identity politics and back to the realm of interests.

This is why it is crucial not to confirm Trump’s rhetoric by dismissing or even morally disqualifying his supporters. This only allows populists to score more political points by saying, in effect: “See, elites really do hate you, just as we said, and now they are bad losers”. Hence the disastrous effect of generalizing about Trump’s supporters as racists or, as Hillary Clinton did, “deplorables” who are “irredeemable”.

As George Orwell once put it: “If you want to make an enemy of a man, tell him that his ills are incurable”.

Of course, identity and interests are often linked. Those defending democracy against populists also sometimes have to tread on the dangerous ground of identity politics. But identity politics need not require an appeal to ethnicity, let alone race. Populists are always anti-pluralists; the task for those opposing them is to fashion conceptions of a pluralist collective identity devoted to shared ideals of fairness.

Many rightly worry that Trump might not respect the US Constitution. Of course, the meaning of the constitution is always contested, and it would be naïve to believe that non-partisan appeals to it will immediately deter him. Still, America’s founders obviously wanted to limit what any president could do, even with a supportive Congress and a favorably inclined Supreme Court. One can only hope that enough voters – including Trump supporters – see things the same way and put pressure on him to respect this non-negotiable element of the American constitutional tradition. ●

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**“Representation is never simply a mechanical response to pre-existing demands”**

# Why Has the White Working Class Abandoned the Left?



Bo Rothstein is a professor of Government and Public Policy, Blavatnik School of Government and Fellow at Nuffield College, University of Oxford.

MAYBE THE MOST SURPRISING political development during this decade is why increased inequality in almost all capitalist market societies has not resulted in more votes for left parties. Especially telling is the political success of Donald Trump and why such a large part of the American working class voted for him. In a country with staggering and increasing economic inequality, why would people who will undoubtedly lose economically from his policies support him? Why did his anti-government policies such as cutting taxes for the super-rich and slashing the newly established health care insurance system succeed to such a large extent? Moreover, why were these policies especially effective in securing votes from the white working class?

One answer may be in an issue often neglected by the left, namely how people perceive the quality of their government institutions. The idea behind this “quality of government” approach is that when

people take a stand on what policies they are going to support, they do not only evaluate the policy as such. In addition, they also take into consideration the quality of the government institutions that are going to be responsible for its implementation.

In several yearly polls, Gallup has reported that, since 2010, between 73 and 79 percent of Americans agree that “corruption is widespread throughout the government in this country”. These staggering figures are by no means unique but there is considerable variation between countries from Greece 99 percent to 26 percent in Denmark. More than ten months before the election that elected Trump as US President, Gallup’s Chairman and CEO, Jim Clifton, wrote:

**“The perception that there’s widespread corruption in the national government could be a symptom of citizen disengagement and anger. Or it could be a cause – we don’t know. But it’s very possible this is a big, dark cloud that hangs over this country’s progress. And it might be fuelling the rise of an unlikely, nontraditional leading Republican candidate for the presidency, Donald Trump”.**

With hindsight, it seems that Clifton was already in January 2016 on to something important. It is well-documented that in his campaign Trump repeatedly accused the political elite in Washington

and especially his opponent Hillary Clinton of various forms of very serious misuse of public office. Examples of his accusations of corruption at Clinton are: “She ran the State Department like her own personal hedge fund – doing favours for oppressive regimes, and many others, in exchange for cash. She gets rich making you poor”. And: “Hillary Clinton may be the most corrupt person ever to seek the presidency of the United States [...] has perfected the politics of personal profit and theft”.

Surveys show that the reason for Trump’s unexpected victory was his ability to get massive support from what has historically been a stronghold for the Democratic Party, namely low-educated white working class voters. However, as has recently been pointed out by, among others, Paul Krugman, this is a group likely to be the big losers from the policies Trump said he will launch. Many would say that race and immigration determined this election, but this can only be a part of the story because in many of the areas where Trump got most of the white working class votes there are few immigrants and no significant multi-ethnic population.

Corruption has many forms, from what is called “petty” to “grand”. Why the latter has resonated with a large part of the voters in this election is not hard to explain. The amount of private money which flows into and dominates politics after the ruling of the US Supreme Court in 2010 in combination with the explosion of lobbying gives ample ammunition to those who argued that the system is “rigged”. However, given Trump’s huge business interests, there is little that should speak for him to be a suitable candidate for clearing up this system. Moreover, experiencing demand for bribes from public officials is not a huge US problem since only 7 percent report to have done so. This implies that we should look elsewhere for understanding why his appeal to matters relating to corruption became so effective in mobilizing white working class votes.

Corruption is not an easy concept to define and the academic literature is, to say the least, not unified. Empirical research, however, gives a quite surprising answer to what “ordinary people” in general perceive as corruption. What they understand as corruption is much broader than bribes. Instead, it is various forms of favouritism in which money usually is not involved. This can be things like access to good schools, getting a building licence

or a public contract where in many cases people feel that the decision has not been impartial and based on clear rules about merit. Instead, political, social or ethnic personal connections dominates who gets what.

My argument is that perceptions of corruption as favouritism may have delivered Trump the Presidency. First, one of the most surprising pieces of data that I have come across is that most white Americans perceive that discrimination against whites is now a bigger problem than that against blacks or Latinos. As I see it, this has nothing to do with reality but when people decide whom to vote for, it is perceptions that count. And, as has been forcefully argued by Mark Lilla, much of the politics from the liberal left in the US, including Hillary Clinton, has been focused on what is known as “identity politics”. In practice, this has resulted in targeted policies to women and various minority groups such as affirmative action and quotas to jobs and education. Instead of focusing on universal programs for all or very broad segments of the population, the Democrats and Clinton came to represent policies seen as favouritism (“corruption”) towards minority groups by the white male working class. Targeted programs are also very vulnerable to suspicion about malpractice in implementation processes because decisions about individual cases are often very complicated (who is eligible and how much preferential treatment is justified). Universal programs, once the hallmark of successful leftist policies, do not suffer from this problem usually.

“Identity politics” being perceived as favouritism may thus be the explanation for why Trump’s “corruption strategy” paid off among the white working class. Lilla has formulated this well:

**“In recent years, American liberalism has slipped into a kind of moral panic about racial, gender and sexual identity that has distorted liberalism’s message and prevented it from becoming a unifying force capable of governing [...] If you are going to mention groups in America, you had better mention all of them. If you don’t, those left out will notice and feel excluded”.** ●



# For a Democratic Polarisation: How to Pull the Ground from Under Right-Wing Populism



Jürgen Habermas is a German sociologist and philosopher.

USA and Europe with regard to growing international conflicts, is profoundly unsettling and the humanitarian catastrophes in Syria or South Sudan unnerve us as well as Islamist acts of terror. Nevertheless, I cannot recognise in the constellation you indicate a uniform tendency towards a new authoritarianism but, rather, a variety of structural causes and many coincidences. What binds them together is the keyboard of nationalism and that has begun to be played meanwhile in the West. Even before Putin and Erdogan, Russia and Turkey were no “unblemished democracies”. If the West had pursued a somewhat cleverer policy, one might have set the course of relations with both countries differently – and liberal forces in their populaces might have been strengthened.

**Q:** Aren't we over-estimating the West's capabilities retrospectively here?

**JH:** Of course, given the sheer variety of its divergent interests, it would not have been easy for “the West” to have chosen the right moment to deal rationally with the geopolitical aspirations of a relegated Russian superpower or with the European expectations of a tetchy Turkish government. The case of the egomaniac Trump, highly significant for the West all told, is of a different order. With his disastrous election campaign, he is bringing to a head a process of polarisation that the Republicans have been running with cold calculation since the 1990s and are escalating so unscrupulously that the “Grand Old Party”, the party of Abraham Lincoln, don't forget, has utterly lost control of this movement. This mobilisation of resentment is giving vent to the social dislocations of a superpower in political and economic decline.

What I do see, therefore, as problematic is not the model of an authoritarian International that you hypothesise but the shattering of political stability in our western countries as a whole. In any judgment of the retreat of the USA from its role as the global power ever ready to intervene to restore order, one has to keep one's eyes on the structural background – one affecting Europe in similar manner.

The economic globalisation that Washington introduced in the 1970s with its neoliberal agenda has brought in its wake, measured globally against China and the other emergent BRIC countries, a relative decline of the West. Our societies must work through domestically the awareness of

**Question:** After 1989, all the talk was of the “end of history” in democracy and the market economy and today we are experiencing the emergence of a new phenomenon in the form of an authoritarian and populist leadership – from Putin via Erdogan to Donald Trump. Clearly, a new “authoritarian international” is increasingly succeeding in defining political discourse. Was your exact contemporary Ralf Dahrendorf right in forecasting an authoritarian 21st century? Can one, indeed must one speak of an epochal change?

**Jürgen Habermas:** After the transformation of 1989-90 when Fukuyama seized on the slogan of “post-history” as coined originally within a ferocious kind of conservatism, his reinterpretation expressed the short-sighted triumphalism of western elites who adhered to a liberal belief in the pre-established harmony of market economy and democracy. Both of these elements inform the dynamic of social modernisation but are linked to functional imperatives that repeatedly clash. The trade-off between capitalistic growth and the populace's share – only half-heartedly accepted as socially just – in the growth of highly productive economies could only be brought about by a democratic state deserving of this name. Such an equilibrium, which warrants the name of “capitalist democracy”, was, however, within an historical perspective, the exception rather than the rule. That alone made the idea of a global consolidation of the “American dream” an illusion. The new global disorder, the helplessness of the

this global decline together with the technology-induced, explosive growth in the complexity of everyday living. Nationalistic reactions are gaining ground in those social milieus that have either never or inadequately benefited from the prosperity gains of the big economies because the ever-promised “trickle-down effect” failed to materialise over the decades.

**Q:** Even if there is no unequivocal tendency towards a new authoritarianism, we are obviously going through a huge shift to the Right, indeed a Right-wing revolt. And the pro-Brexit campaign was just the most prominent example of this trend in Europe. You yourself, as you recently put it, “did not reckon with a victory for populism over capitalism in its country of origin”. Every sensible observer cannot but have been struck by the obvious irrational nature not just of the outcome of this vote but of the campaign itself. One thing is clear: Europe is also increasingly prey to a seductive populism, from Orban and Kaczynski to Le Pen and AfD. Does this mean we are going through a period of making irrational politics the norm in the West? Some parts of the Left are already making the case for reacting to right-wing populism with a left-wing version of the same.

**JH:** Before reacting purely tactically, the puzzle has to be solved as to how it came about that right-wing populism stole the Left’s own themes. The last G-20 summit delivered an instructive piece of theatre in this regard. One read of the assembled heads of government’s alarm at the “danger from the Right” that might lead nation states to close their doors, raise the drawbridge high and lay waste to globalised markets. This mood embraces the flabbergasting change in social and economic policy that one of the participants, Theresa May, announced at the latest Conservative party conference and that caused waves of anger as expected in the pro-business media. Obviously, the British prime minister had thoroughly studied the social reasons for Brexit; in any case, she is trying to take the wind out of the sails of right-wing populism by reversing the previous party line and setting store by an interventionist “strong state” in order to combat the marginalisation of the “left behind” parts of the population and the increasing divisions within society. Given this ironic reversal of the political agenda, the Left in Europe must ask itself why right-wing populism is succeeding in winning over the oppressed and disadvantaged for the false path of national isolation.

## Socially Acceptable Globalisation Through Supranational Co-Operation

**Q:** What should a left-wing response to the right-wing challenge look like?

**JH:** The question is why left-wing parties do not go on the offensive against social inequality by embarking upon a co-ordinated and cross-border taming of unregulated markets. As a sensible alternative – as much to the status quo of feral financial capitalism as to the agenda for a *völkisch* or left-nationalist retreat into the supposed sovereignty of long-since hollowed-out nation states – I would suggest there is only a supranational form of co-operation that pursues the goal of shaping a socially acceptable political reconfiguration of economic globalisation. International treaty regimes are insufficient here; for, putting aside completely their dubious democratic legitimacy, political decisions over questions of redistribution can only be carried out within a strict institutional framework. That leaves only the stony path to an institutional deepening and embedding of democratically legitimised co-operation across national borders. The European Union was once such a project – and a Political Union of the Eurozone could still be one. But the hurdles within the domestic decision-making process are rather high for that.

Since Clinton, Blair and Schröder social democrats have swung over to the prevailing neoliberal line in economic policies because that was or seemed to be promising in the political sense: in the “battle for the middle ground” these political parties thought they could win majorities only by adopting the neoliberal course of action. This meant taking on board toleration of long-standing and growing social inequalities. Meantime, this price – the economic and socio-cultural “hanging out to dry” of ever-greater parts of the populace – has clearly risen so high that the reaction to it has gone over to the right. And where else? If there is no credible and pro-active perspective, then protest simply retreats into expressivist, irrational forms.

**Q:** Even worse than the right-wing populists would appear to be the “contagion risks” among the established parties – and indeed, throughout Europe. Under pressure from the Right, the new prime minister in Great Britain has undertaken a hard-line policy of deterring or even expelling foreign workers and migrants; in Austria the social

democratic head of government wants to restrict the right to asylum by emergency decree – and in France Francois Hollande has been governing for nearly a year already in a state of emergency, to the joy of the Front National. Is Europe even alert to this right-wing revolt or are republican achievements being irreversibly eroded?

**JH:** In my estimate, domestic politicians mishandled right-wing populism from the start. The mistake of the established parties lies in acknowledging the battlefield that right-wing populism is defining: “We” up against the system. Here it matters hardly a jot whether this mistake takes the form of an assimilation to or a confrontation with “right-wing”. Take either the strident Nicolas Sarkozy who was outbidding Marine Le Pen with his demands, or the example of the sober-minded German justice minister Heiko Maas who forcefully takes on Alexander Gauland in debate – they both make the opponent stronger. Both take him/her seriously and raise his/her profile. A year on we here in Germany all know the studiously ironic grin of Frauke Petry (AfD leader) and the demeanour of the rest of the leadership of her ghastly gang. It’s only by ignoring their interventions that one can cut the ground from under the feet of the right-wing populists.

But this requires being willing to open up a completely different front in domestic politics and doing so by making the above-mentioned problem the key point at issue: How do we regain the political initiative vis-à-vis the destructive forces of unbridled capitalist globalisation? Instead, the political scene is predominantly grey on grey, where, for example, the left-wing pro-globalisation agenda of giving a political shape to a global society growing together economically and digitally can no longer be distinguished from the neoliberal agenda of political abdication to the blackmailing power of the banks and of the unregulated markets.

One would therefore have to make contrasting political programmes recognisable again, including the contrast between the – in a political and cultural sense – “liberal” open-mindedness of the left, and the nativist fug of right-wing critiques of an unfettered economic globalisation. In a word: political polarisation should be re-crystallised between the established parties on substantive conflicts. Parties that grant right-wing populists attention rather than contempt should not expect

civil society to disdain right-wing phrases and violence. Therefore, I regard as the greater danger a very different polarisation towards which the hard-core opposition within the CDU is moving when it casts a leery eye on the post-Merkel period. In Alexander Gauland it recognises anew the pivotal figure of the Dregger wing of the old Hesse CDU, or flesh of its own flesh, and toys with the idea of winning back lost voters by way of a coalition with the AfD.

### Breeding Ground for a New Fascism

**Q:** Even verbally, a lot seems to be topsy-turvy: Politicians are more and more often denounced as “enemies of the people” and openly abused. Alexander Gauland calls Angela Merkel a “dictatorial chancellor”. On the same lines goes the gradual rehabilitation of the *Wörterbuch des Unmenschen* (dictionary of Nazi jargon): Frauke Petry wants to bring the concept of *völkisch* back into everyday speech, Björn Höcke talks of *entartete Politik* (“degenerate politics”) and, thereupon, a Saxon CDU woman MP falls into classic Nazi-speak of *Umwolkung* (de-Germanisation) – and all of this without further consequences.

**JH:** The only lesson democratic parties should draw as regards handling people who are keen on such terms is: they should stop pussyfooting around with these “concerned citizens” and dismiss them curtly for what they are – the breeding ground for a new fascism. Instead of which, we witness again and again the comic ritual, well-practised in the old (pre-1990) federal republic, of a compulsory balancing-act: Every time when talk of “right-wing extremism” is unavoidable, politicians feel obliged to point hastily to a corresponding “left-wing extremism”, as if they had to escape an embarrassment.

**Q:** How do you explain the susceptibility to the AfD’s right-wing populism in eastern Germany and the sheer scale of Far Right offences there?

**JH:** One should, of course, be under no illusions about the strong electoral success of the AfD also in the Western parts of Germany, as shown by the results of the last election in Baden-Württemberg – even if the aggressive affects of Mr Meuthen (of AfD) against the liberal-left legacy of the ’68 generation leave one to suppose not the mentality of a right-wing extremist but a disposition long pertaining in that old federal republic. In the west the right-wing prejudices of AfD voters seem to

be filtered in the main through a conservative milieu that had no opportunity to develop in the former GDR. On the west's account also stand those right-wing activists who, straight after the 1990 turnaround, went over from the old federal republic to the east in their droves and brought with them the required organisational capabilities. However, judging by the well-known statistical data, an "unfiltered" vulnerability to swirling authoritarian prejudices and to the "old continuities" is definitively greater in eastern Germany. Insofar as this potential emerges from former non-voters, it could remain more or less inconspicuous until the catalyst of our recent refugee policy: Up until then, these voters had either been attracted by the politically biased perception and national goodwill of the Eastern CDU or in great part captured by the party of the "Left". Up to a point that may have served a good purpose. But it is better for a democratic body politic when questionable political mind sets are not swept under the carpet long-term.

On the other hand, the west, i.e. the former government of West Germany, that defined the mode of reunification and reconstruction at the time and that now bears political responsibility for the consequences, might well end up holding the baby in view of how history judges these facts. Whereas the populace of the former West Germany had enjoyed the opportunity under good economic conditions to gradually free itself in decades-long public discussions from the legacy of the Nazi period, from contaminated mind sets and elites continuing in office, the population of the former GDR had no opportunity after 1990 to be able to commit their own mistakes and be forced to learn from facing the Nazi past.

**Q:** When it comes to federal politics the AfD has pushed the Union (CDU/CSU) above all into strategic turmoil. Recently, therefore, politicians from the CDU and CSU drew up a formal *Aufruf* (mission statement) for a *Leitkultur*, the political slogan for preserving the inherited cultural framework, with the intention of stopping "patriotism from being handed over to the wrong people". You read there: "Germany has a right to stipulate what should be self-evident". "Rootedness in a fondly embraced homeland and daily experience of patriotism" is to be promoted. In the (old) federal republic, in the wake of growing acceptance of democracy, the Basic Law acted more and more as the core culture and its recognition

became the standard for successful integration. Nowadays, are we experiencing the transition of this constitutional-patriotic core culture into a new mainstream German culture made up of habit and custom, like a duty to shake hands on greeting somebody?

**JH:** We obviously assumed over-hastily that Merkel's CDU had left the backwoods debate of the 1990s behind it. Refugee policy has brought to the surface an internal opposition that combines the descendants of the national-conservative wing of the old federal CDU/CSU with the converts of the East-CDU. Their *Aufruf* marks the breakpoint at which the CDU would fall apart as a party if forced to decide between two policy options: to organise the integration of refugees either according to constitutional standards or according to the ideas of the national majority culture. The democratic constitution of a pluralistic society provides cultural rights for minorities so that these gain the possibility of continuing their own cultural way of life within the limits of the law of the land. Therefore, a constitutional integration-policy is incompatible with the legal obligation upon immigrants of a different origin to subject their life-style to an all-inclusive majority culture. Rather, it demands the differentiation between a majority culture rooted in the country and a political culture embracing all citizens equally.

This political culture is, however, still shaped by how citizens and their interpretation of constitutional principles draw upon the historical contexts of the country. Civil society must expect of the immigrant citizens – without being able to enforce it legally – that they grow into this political culture. Here the report that Navid Kermani, a German citizen of Iranian origin, published in *Der Spiegel* of his visit to the former concentration camp at Auschwitz is a moving and illuminating example: in the language-mix of visitors from many countries he opted to join the silent group of the Germans, hence the descendants of the perpetrator generation. It was at any rate not the German language of the group that moved him to do so.

Given that political culture will not stand still within a living democratic culture of debate, the newly arrived citizens on the other hand enjoy as much as the long-established ones the right to bring their own voice to bear in the process of developing and changing this common political culture.



The defining power of these voices is best exemplified for us by the successful writers, film-directors, actors, journalists and scientists from the families of former Turkish “guest workers”. Attempts at legally conserving a national core culture are not only unconstitutional but unrealistic.

### The Chancellor's Career as a Political Poster Child

**Q:** In your latest interview, in *Die Zeit* of 7 July, you, as a “long-time engaged newspaper reader” criticise a “certain complicity of the Press” without which “Merkel’s blanket policy of dulling everybody to sleep” would have been unable to spread across the land. Clearly, since Merkel’s refugee policy, we’re experiencing a new polarisation. Do you see any chance in this of finally thinking in political alternatives?

**JH:** Given the fixation on the AfD I rather fear a further levelling of the differences between the other parties. When I spoke about a policy of lulling everyone to sleep I was talking about Europe. Regarding the future of the European Union, nothing has changed meanwhile since Brexit. You read, for example, virtually nothing on the renewed escalation of the conflict between finance minister Schäuble and the IMF that has quit the aid programme for Greece. Without an initiative to change the crippling policy of spending cuts, the readiness inside Europe for co-operation will equally fail to develop in other policy areas.

Wolfgang Schäuble, after Brexit, in an interview with *Die Welt*, has publicly recanted on his forward-looking proposal for a pro-active core Europe that he and Karl Lamers put together at the start of the 1990s. Angela Merkel whom one has got to know as a pleasantly rational politician in favour of expert pragmatism but also as a short-termist, power-driven opportunist, surprised me with her constructive refugee policy. Her latest trip to Africa shows that she does have the capacity and readiness to act in a strategic and far-reaching manner. But what does it mean when, on the other hand, and this has already been true since 2010, she pursues a policy towards Europe from the narrow perspective of national economic selfishness. Indeed, she seems to think only in terms of national interests in that very policy area where it falls on our government to provide the impulse for building and further developing

the EU. Merkel’s short-sighted austerity policy, sticking rigidly to the status quo, has prevented the necessary forward steps and hugely deepened the splits within Europe.

**Q:** It’s you who has long demanded a transnationalisation of democracy, that is strengthening the EU, to compensate for the loss of control within nation states in a highly interdependent global society. Yet, clearly, the longing for a retreat into the cocoon of the nation state is growing more and more. Given the current state of the EU and its institutions do you see even the remotest realistic chance of fighting back against this renationalisation?

**JH:** The negotiations over Brexit will bring this issue back onto the agenda either way. In fact, I still endorse the internal differentiation between a Political Euro-Union working ever closer together (catchword: Core Europe) and a periphery of hesitant member-states which can join the core at any time. So many political reasons and economic facts speak for this design that I think politicians would be better employed believing in people’s capacity to learn than justifying their abandonment of politically shaping the future with a fatalistic referral to unalterable systemic forces. Angela Merkel’s career offers, with the withdrawal from nuclear energy and her path-breaking refugee policy, two remarkable counter-examples to the thesis of a lack of room for political manoeuvre. ●

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*Translation by David Gow.*



# Endnotes

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