

Is it possible to govern well in the age of populism?

Populism as a reaction to the troubles of good governance

"By its very nature, a state is ever something to be scrutinized, investigated, searched for. Almost as soon as its form is stabilized, it needs to be remade." - John Dewey

Over the past decade, populism has emerged as an invasive species which has disrupted an otherwise stable political ecosystem. Liberal democracies across the world have been left in disarray, and victories by establishment parties seem to signify nothing more than a temporary respite from its onslaught. However, populism is a symptom of the dysfunction, not the cause. It is a corrective response to a political organisation that is already suffering from an underlying pathology. But like all such responses, if the underlying issue isn't addressed, it can end up doing more harm than good.

It follows that in order to grasp the nature of populism and how to address it, we must first understand what it means to govern well. A good government is guided by three principles: it is one that is legitimate, effective and provident. Whilst I don't claim any originality here, these ideas will help us diagnose what's gone awry.

Legitimacy relates to the extent to which a government has justly acquired and is trusted to exercise power. There are competing accounts of what constitutes a legitimate government, whether it be Rawlsian, Hobbesian, or Confucian. And beyond philosophy, different cultural traditions have their own stories about what makes a ruler's power legitimately acquired and exercised. I wish to remain agnostic as to which particular version of legitimacy is the correct one. Any state which does not meet some plausible account of legitimacy cannot be said to be well governed, regardless of how effective and provident it is.

Effective government is one that is able to identify, prioritise, and meet the ever-changing needs of the people. Some of these needs are protected by legal rights which are enforced by the legal system and the police. Material needs are met through the effective regulation of markets with relevant externalities priced in, and the provision of public services. Individuals also have needs in the symbolic realm around self-respect and dignity. Here, a variety of measures are relevant, from cultural recognition, and other interventions in the public sphere. A functioning legislature and executive who are responsive to the changing needs of the governed should bind them together. We can think of this component of good governance as the ongoing internal regulation of the multiplicity of needs and desires of a people.

Finally, a provident government is one that is able to meet the challenges of history as they present themselves. Good governance is not merely an attempt to achieve internal homeostasis. Even a legitimate and effective state needs to meet the unique vicissitudes of its age - from war, to technological disruption, to climate change. It is striking that whilst the

concepts of legitimacy and effectiveness are well known, there is no similarly available concept in English which corresponds to this future-orientedness. Machiavelli described something similar when he spoke of Fortuna and Virtù. That is, the energy and intelligence a ruler can bring to confront its fate (Fortuna)¹. There is no process for this. Rather, it is the capacity for foresight and strategic action. Many apparently well governed states have floundered in the face of the pandemic, and death tolls present an indictment of what happens when states are unable to mount an intelligent and energetic response to novel circumstances.

It is unlikely, perhaps impossible, for a government to be perfectly legitimate, effective, and prudent at all times. Through force of circumstance, most governments in most places will fail in one or more of these areas. But consistent failure can lead to serious problems for the life of a state. And in fact, it is the significant failure in all of these areas which has led to the flourishing of a global trend in populism.

The literature on populism, fittingly, is split. Some authors characterize it as a progressive force that has its roots in the late 19th century American agrarian movement which ultimately culminated in Franklin Delano Roosevelt's New Deal. This current manifested in the politics of Bernie Sanders and social democracy. Other authors see it as chiefly reactionary and authoritarian, with close ties to facism. For the latter group, strongmen like Jair Bolsonaro, Recep Tayyip Erdoğan, and Donald Trump are the truest expressions of the populist trend.

A recent report from the Stanford Freeman Spogli Institute for International Affairs, co-authored by Francis Fukuyama, characterises all these forms of populism as essentially anti-democratic. True populism is neither left nor right - in both cases it is an anti-democratic urge which needs to be "managed"². They endorse Cas Mudde's view that populism is an ideology that pits the true will of "the pure people" against "the corrupt elite". Populism condemns the institutions it challenges as illegitimate, weakening them and their governing norms. This can hamper a government's ability to act on the future through misinformation and conspiratorial thinking. This though, gets things backwards.

By treating populism as a mere ideology, Fukuyama et al. lead us to a set of solutions which fail to meet the root causes of populism. They suggest rhetorical changes in politics, better political coalition building, and a focus on institutional reform. Whilst institutional reform is certainly necessary, the focus on the former two points come from an over emphasis on the significance of some of populism's toxic rhetoric.

¹ In our case though, we are looking at these qualities in a whole government, rather than in an individual ruler.

² A. Grzymala-Busse, D. Kuo, F. Fukuyama, M. A. McFaul. (2020). Global Populisms and Their Challenges. *The Freeman Spogli Institute for International Studies at Stanford*

Understanding populism not purely as an ideology to be judged, but as a reaction of the body politic to poor governance, leads us down a different route. We can treat populism as a family of anti-establishment political movements that claim to speak in the name of ordinary people against a corrupt elite, and aim to change the system. They vary in how democratic they are, how coherent their programme is, and how far they do or do not speak on behalf of their constituency. But if we listen carefully to these movements, there is one relatively consistent message coming through, "Our governing institutions and elites have failed us. We no longer believe they are entitled to their authority and we want change."

In fact, if we take the US case as instructive, it's clear how the government's failure to act legitimately, effectively and providently has directly led to the populist turn. The US electoral system and electoral college are arcane, gerrymandering is rife, and the filibuster a farce. Meanwhile, the gulf between the US's self-image as a beacon of untrammelled democracy and its actual political history is only getting wider.

In addition to these rocky foundations, US politicians and regulators are routinely insulated from the consequences of their decisions. Take the two significant crises that coincided with my political coming of age: the Iraq War, and the 2008 financial crisis. In spite of their association with the 2008 crash, Timothy Geitner and Larry Summers have continued to play prominent roles in American public life. Even outside of the political sphere, virtually no one with significant authority within the financial system in the run up to the 2008 crisis has faced criminal charges. Similarly, the worst fate of the architects of the catastrophic Iraq invasion has been being comfortably ensconced in a think tank. To be absolutely clear, the point here is not to pass moral judgement on particular individuals, but just to draw attention to the fact that the system is not just extremely good at deferring responsibility, but that this is the norm.

It ought to still be possible for a state to be well governed if what it lacks in legitimacy it makes up for in being effective. But again, the US political system has struggled to meet the needs of many of its constituents. At a procedural level alone, Congress is largely unable to pass significant legislation. And when it does pass legislation, it does not consistently satisfy the wants of the governed. A now notorious 2014 study suggests that US legislation which reflects the preferences of the most affluent is far more likely to pass than legislation which reflects the preferences of the majority.³ Furthermore when the most affluent Americans disagree with the rest, laws are far more likely to reflect the views of most wealthy⁴. As a consequence we see increasing financial insecurity and stagnating incomes for ordinary Americans. Even major reforms such as Obamacare have not done much to put the US healthcare system in line with those of other developed economies. So whether it be through legislation, the economy, or

³ Gilens, M., & Page, B. (2014). Testing Theories of American Politics: Elites, Interest Groups, and Average Citizens. *Perspectives on Politics*, 12(3), 564-581. doi:10.1017/S1537592714001595

⁴ Studies which have contested these findings have gone on to argue that the imbalance is not as stark as originally framed, rather than there not actually being an imbalance

service provision, there is evidence to suggest that the effectiveness of governance in the US was thrown into doubt long before the rise of populism.

Finally, has the US system been provident in addressing the future? And here again, the record is poor. The 2008 financial crisis was the result of short term thinking at almost every level. The out of control death rate of the current Covid-19 pandemic, and the looming spectre of climate and ecological breakdown all point to a governing system which finds it difficult to cope with the challenges of its age. This is not to suggest that there are no private actors who take these issues seriously, but when it comes to politics there has been a dearth of bold action or creativity in this space.

Given all the above, it is far more credible to view populism as a response to decades of ineffective government with questionable legitimacy and little innovation, rather than as some self-standing ideology running amoc across the body politic. And this is not just an American story. The trajectory the UK has followed is strikingly similar. There are differences in political and constitutional traditions that have meant that the UK at least has been able to make some modest attempts to improve its governance. But the bottom line is, neither Brexit, nor Trump, nor a Capitol insurrection can fix the failures in governance I've outlined above. They seem to be driven by trends which are of longer standing.

On the question of legitimacy the complexity and specialisation of the task of government makes it increasingly hard for individuals to understand what exactly is at stake in different policy prescriptions. Furthermore the institutional design of many modern states fails to accommodate for the increasingly diverse group of people governed, or seize the opportunities for better communication opened up through technology.

On the issue of effectiveness, governments possess an almost pathological inability to appreciate the limits of free markets (neither entirely or even primarily led by academic economists, I hasten to add), which has led to a dearth of imaginative policymaking. As Dani Rodrik points out, many policy measures around free trade that are pursued for the sake of GDP growth often have negative effects on the living conditions of many of the more vulnerable sections of society.⁵ This in turn is exacerbated by a focus on balancing budgets and privatising services, leaving those who lost out on those deals without adequate compensation.

Finally as we look at the issue of provident government, again we see certain global trends that have mitigated against national politicians making specific commitments towards the future. The dominant approach to good governance is focussed primarily on protecting a minimal set of rights, ensuring markets are fair, and pricing in externalities. As a result, establishment political

⁵ Rodrik, D. (2018). *Straight Talk on Trade: Ideas for a Sane World Economy*. Princeton; Oxford: Princeton University Press. doi:10.2307/j.ctvc779z4

parties have tended to run on a future agnostic platform with vague promises to make things better and fairer.

On the contrary, the political programmes behind populist campaigns had very concrete future actions. While slogans like “Make America Great Again” and “Take back control” are suitably vague, these programmes did make actual promises about tangible changes, like building a wall, cancelling trade deals, and ‘getting Brexit done’. Both of these campaigns ran as bucking the economic orthodoxies of the establishment, which whatever you make of the worthiness of their objectives, they certainly did.

Whether it is possible to govern well in the face of populism is a question to which we can give no useful answer. You may as well ask if it is possible to navigate well in a sinking ship, or live healthily with a 39 degree fever. This is because populism itself is, primarily, a reaction to bad governance, not a challenge to good governance. The interesting question then is, is it possible to improve government so that the populist reaction subsides? And to this, I want to suggest a cautious yes.

But this requires at least three significant changes. Firstly, it will depend on our ability to innovate democratic institutions so that they can be more open and responsive to the demands of the governed. The challenge to government is to pick up new approaches and experiment with them so that they can become a part of not just civic life, but of our political machinery. Secondly, as policy makers, our activities and institutions must become the subjects of comprehensible law, and more importantly, ordinary notions of responsibility. Thirdly, future agnosticism must be abandoned. Political parties need to offer real plans to voters that actually speak to the future, and that go much further than what markets alone can offer. The last year has shown some progress on at least two of these fronts.

The significance of this last point has come into stark relief over the last year as unprecedented levels of state intervention have been necessary to protect public health. These measures have largely been kept to dealing with the immediate crisis. But the real political art will be leveraging an active state to address that other looming challenge that is facing all of us: the climate emergency. If the pandemic has taught us anything, it is that there are certain crises which markets are too slow, too poorly coordinated, and just too fragile to address.

The second space where improvements are being made is around innovations in democracy. One promising place this has already happened is through the use of citizens’ assemblies. Alongside experiments run by nonprofits, there are a number of successful examples linked to existing governing institutions, such as “The Citizens’ Assembly” in the Republic of Ireland. These sorts of assemblies can help address the issue of legitimacy, and make government more effective by employing a broader swathe of the governed in the design of policy and

services. The fact that during a pandemic, mass demonstrations, riots, and protests have been the absolute norm suggests there is at least some untapped appetite for political participation. Crucially, these kinds of democratic experiments can play a role in absorbing and redirecting the energy unleashed in the populist age, but also to solve some of the actual policy challenges we face.

Provident governance demands that policymakers take responsibility for making politics more interesting and more connected to the lives of citizens. We must be creators of new kinds of democracy, not passive inheritors of an existing system. So long as populism is treated as an ill to be cured rather than a systemic response to be channelled, the age of populism will only be prolonged.