

Rick Perlstein

Conference submission, "Global Populism: A Threat to Democracy?"

What is "populism"? At risk of offending our gracious hosts, I venture that it might not be what we have been invited to think it is. Above all, I find the deployment of the word fundamentally as an epithet both intellectually, historically politically, and morally problematic.

The conference title, "Global Populism: A Threat to Democracy?" at least grants its subject the courtesy of a question mark. The mission statement of our sponsor, however, the Global Populisms Project, harbors no such ambiguity: "Populist parties are a threat to liberal democracy. Their defining characteristic is to claim to represent an 'organic' people or nation, rather than specific interests or groups," in terms "that exclude vulnerable groups from the definition of the 'people,'" imagining "majority rule without minority rights." It proposes, with definitional firmness, "Among [the] most dangerous of populism's consequences is the erosion of formal democratic rules and liberal institutions," including "the takeover and taming of courts and oversight institutions, and new laws that limit the freedom of the media and civil society." Its avatar "have also made a point of undermining informal democratic norms, such as conflict of interest laws, financial transparency, or respect for opposition," and concludes in thunder: "such norms and rules are the product of decades of elite and popular integrations. Once such trust and consensus disappears, it is not easy to bring it back."

So, who are the populists? The conference web site offers literal illustrations. There is the American president on the campaign trail signing placards reading "The Silent Majority Stands with Trump" before a palaverer throng, one of the grasping supplicants sporting a Trump-branded red "Make America Great Again" hat. A photograph of the French neofascist Marine Le Pen. A political banner from Ecuador, presumably advertising the campaign of recently elected president Lenin Moreno, who defeated a conservative banker amid allegations of electoral fraud, with backing from state media controlled by his predecessor Rafael Correa, a ruthless suppressor of dissent.

When, and from whence, are we to understand populism has derived? Here, we are invited to consider the "long history of populist rhetoric, populist movements, and populist entrepreneurs" in the United States, framed as useful for the construction of "a coherent narrative of the rise of illiberal threats." We are then invited to "conceptualize the threat" via a set of questions: "How much of a threat to democracy is populism?" "What is the nature of this threat, and how can it be stopped?" But not when, precisely, populism stopped beating its wife.

I am grateful at least that the "Project working definition" gives us something more supple to think with: "Populism argues that the establishment elites are a corrupt and unresponsive cartel, and that the people need to have their general will represented." This is a more useful spur to responsible inquiry, for it at least entertains the possibility that, sometimes, establishment elites *are* corrupt, and act as an unresponsive cartel, and that people *can, should, and have* organized to have their will better represented in ways that (1) are *not* a threat to liberal democracy; (2) do *not* subvert minority rights; (3) enhance rather than denude democratic rules and liberal institutions; and (4) enhance the stability of social norms instead of weakening them.

And so, with the modest aim of placing our collative inquiry this weekend on a sounder intellectual, historical, political, and moral footing, let us begin our inquiry into this parallel

populist tradition by taking up the convener's invitation to return to populism's origins in the United States at the end of the nineteenth century.

Before the Civil War, most Americans outside the former Confederacy shared a rough consensus on political values, from which an entire set of moral and cultural corollaries followed. It combined two elements. One was small-r republicanism: the belief that the materially independent producing classes are a fount of a virtuous citizenry, and that the government and society should be relatively free from self-perpetuating bureaucracies. The other was liberal individualism: the conviction that the pursuit of entrepreneurial self-interest serves the common good. For the most part Americans saw their government as decent and undefiled—the very opposite of European monarchies choked by entangling corruption and interlocking elites.

That changed with the birth of the modern integrated corporation in the 1880s. Since then, the “American creed” described above became adverbial to another, equally powerful set of notions: that the real wellspring of political virtue is cosmopolitan sophistication; and that the national (and later international) market, presided over by rational, efficient—and, if need be, large—organizations serves the public good by delivering more and more of what people want, more and more cheaply.

The People's Party, informally known as the “Populist Party,” was an insurgent response to this shift. But it was not merely a reactionary attempt to return to this supposed former arcadia; it was among other things a rational attempt to devise public policies that preserved the viability of republican individualism under this new system, as against a new set of self-perpetuating bureaucracies, modern integrated corporations, unlike any the world had previously known, with railroads as the preeminent example. They had deployed their sociological and market power to cement public policies that fettered small farms and industrial concerns. Among these were tight credit, mortgage foreclosures, and monopolistic control of railroad shipping costs and market prices for agricultural commodities. Populists sought to devise policies to recover the nation founding values of small-r republicanism and liberal individualism from this treat.

This may not be what you learned about the People's Party in school. Followers of the enormously influential Pulitzer Prize-winning historian Richard Hofstadter instead defined Populism as a hysterically reactionary response to modernity as such. Like the McCarthyism in whose shadow Hofstadter wrote, Populism was taken to be definitionally xenophobic, paranoid, anti-intellectual.

This, however, was bad history. As the historian Walter Nugent demonstrated in his 1963 book *The Tolerant Populists* from careful study of the Populist's own media—including German-language media—incidence of anti-immigrant and anti-Semitic rhetoric was far less common than it was among elite organs of opinion. It had no trouble distinguishing between foreign-born Americans who were being victimized by unaccountable elites, and including them among the congregation of the virtuous, for example, and overseas land speculators who were the very definition of anti-Populist villainy. Indeed, People's Party nominees for statewide office in the Populist hotbed of Kansas included an African American minister for state auditor, a woman for state superintendent of instruction, a Jew for postmaster, and many recently naturalized citizens for sundry lower offices.

This was Kansas, which was a very important Populist state, though Populism elsewhere varied. This was a capacious movement. As the historian Linda Gordon has recently written, “Populists of the 1890s could be found on both sides of labor conflicts, could be both bookish

and studious but also anti-intellectual, and could be racist or anti-racist.” It remains a capacious movement. For example, the original, *progressive* populist tradition endured and evolved, and still thrives. It is today represented by figures our conference organizers render invisible: like Elizabeth Warren and Bernie Sanders in the United States, Yannis Varoufakis in Greece, Podemos in Spain, and Jean-Luc Melenchon in France.

In the U.S., with whose history I’m most familiar, this tradition wrestles with an irreducible core of returning policy concerns about the compatibility of an economy defined by financializing and corporation power with small-r republicanism and liberal individualism, properly understood. In the 1920s, for instance, the Federal Reserve, concerned that commodity prices were artificially high as a result of government intervention during the war, initiated deflation by raising the discount rate. Agricultural prices, consequently, spiraled downward. This depression-before-the-Depression caused the value of farm properties in the U.S. to fall from \$79 billion to \$51 billion between 1920 and 1929. Meanwhile, in 1920 Congress had passed the Esch-Cummins Transportation Act, also meant to return a wartime economy to normalcy, this time by transferring the railroads from public back to private management, but on fundamentally economically illiberal terms: for two years carriers were guaranteed an annual “fair return” equivalent to six percent of the value of their overall holdings. Against policies like these, congressional advocates of farmers, who were guaranteed no such “fair return,” including Senators “Fighting Bob” La Follett Sr. of Wisconsin and William “The Great Opposer” Borah of Idaho, proposed all manner of responses to defend the interest of their small-holding constituents: protective tariffs, marketing cooperatives, trust-busting, and an old Populist standby, monetary reform.

Some forty years later came a set of Kennedy-era policies intended to strengthen Western Europe economies as a bulwark against Communism and as markets for U.S. goods. They included tax incentives encouraging American companies to transfer technology overseas, laws making it easier for the president to strike wide classes of import tariffs from the books, and the Trade Expansion Act of 1962, which granted American corporations favors to build factories overseas. A 1964 innovation let US components assembled abroad re-enter the United States taxed only on the value added in assembly. The architects of these policies were not ignorant or indifferent of the damage this would wreck on American manufacturing, or that it might spur a U.S. trade deficit, as indeed happened in 1971, the opposite. They knew it and they welcomed it. The State Department’s George Ball, a former lobbyist for the European Economic Community, when meeting with American textile manufacturers, used to love to show off the European labels of his suit, shirt and tie. The New Deal economist Oscar Gass labeled this reverse-mercantilism the Kennedy Administration’s “holy cause,” and averred, “Decent people are prepared to lie for it.”

The policy responses to these decisions were formulated by politicians associated with the American labor movement. Their proposals included, again, easier money, and the concomitant fiscal preference for full employment over controlling inflation, and the sort of policies described via the epithet “protectionist.” Although in many respects America’s postwar reverse-mercantilism, like the 1920 Esch-Cummins Transportation Act, can be described as protectionism going the other way. These labels are important: they frequently can distort more than they enlighten.

And it’s not my intention to defend these policy proposals *qua* policy. Many of these measures may have been unworkable or ill-advised. But my point here is that, whether you agree or disagree with them, none can reasonably be described as *threats to liberal democracy*, or

subversions of minority rights, or desecrations of liberal institutions or social norms, any more than Bernie Sanders' call for free public college tuition or Elizabeth Warren's for a strong Consumer Financial Protection Bureau.

They *are*, however, all affronts to a key tenet of the transnational elite that constructs "populism" as its constitutive other: they are policy responses motivated by an insistence that political decisions about the allocation of resources and justice do not admit to a single, objectively sound "correct" answer frictionless delivering the greatest good to the greatest number. They are ineluctably made in ways that favor one set of groups and interests over another: usually, this brand of populist insists, to favor the large over the small, the international over the national, capital over labor, and so on.

And as we think about the problem of policy deliberation, I ask you to consider historical fact from the American context. It seems to have become second nature, in certain intellectual circles, to frame rational policy deliberation and populist politics as natural opposites. That does not, however, describe the American reality, where the effective mobilization of the rhetorical tropes of the original populists by liberal politicians, preeminent among them Franklin Roosevelt and Lyndon Johnson, *opened up the space* that let policy wonks do their thing in Washington. It took people who could convince the electorate that government *was on their side*. It is in this way that one could argue that without populist rhetoric, the hard work of liberal institution building is not possible.

Now, it is also undeniably truth that, in the American context, there is a venerable parallel political tradition that answers precisely to that roll call of horror, movements that precisely threaten liberal democracy, subvert minority rights, have sought the dissolution of liberal institutions and the subversion of democratic norms. This is America's robust tradition of xenophobic right-wing reaction, and it has been at times exceptionally popular. In the 1920s, for example, the Kul Klux Klan had as many as three million members.

Movements like these bear undeniable family resemblance to the original populist tradition, for instance in the way they arraign of an unaccountable elite for the sin of looking down their noses at the plain people. Here is Klan "imperial wizard" Hiram Evans, writing in 1926, in an essay in the *North American Review*—which was, incidentally, the most distinguished *elite* organ of opinion in the United States. His subject was the decline of "Americanism," represented by the abused "so-called Nordic race," which, "with all its faults, has given the world almost the whole of modern civilization." Evans, a former dentist, defended his as "a movement of plain people," and acknowledged this "lays us open to the charge of being hicks and 'rubies' and 'drivers of secondhand Fords.'" But over the course of the last generation, he wrote, these good people "have found themselves increasingly uncomfortable, and finally deeply distressed," at the present "confusion in thought and opinion, a groping and hesitancy about national affairs and private life alike, in sharp contrast to the clear, straightforward purposes of our earlier years," brought on by "the control of much of our industry and commerce taken over by strangers, who stacked the cards of success and prosperity against it" and "came to dominate our government," which must be purified by "a return of power into the hands of everyday, not highly cultured, not overly intellectualized, but entirely unspoiled and not de-Americanized citizens of old stock."

"America's right-wing populist" tradition, the historian Michael Kazan has recently explained, "alleges there is a nefarious alliance between evil forces on high and unworthy, dark-skinned poor below—a cabal that imperils the interests and values of the patriotic (white) majority in the middle." By the 1970s, right-wing racists like Willis Carto adopted the "populist" label

affirmatively. It would be interesting to know precisely, however, —I don't have an answer— how, when, and why the label “populist” came to attach itself almost exclusively to baleful movements like these, and not, say to the civically responsible policy responses to the excesses of industrial capitalism that evolved through the late 19th and early 20th century and found their maturation in some of the reforms of the New Deal.

It likely dates, however, to the same mid-twentieth century scholarship I outline above. Richard Hofstadter and his followers were assiduous in tying the definitionally xenophobic paranoia of McCarthyism, and then the considerably less xenophobic and paranoid conservatism of Barry Goldwater, to the allegedly definitional xenophobic paranoia of the 1890s People Party. The argument was that, demographically speaking, they were practiced by the same people—uneducated rural populations displaced by the modern economy—and that, politically speaking, its leaders followed the same methods—the mobilization of a frenzied mass.

This, however, was more bad history. When the late political scientist Michael Paul Rogin compared the electoral bases of 1890s Populism and Joseph McCarthy in Wisconsin he revealed there was in fact very little overlap, that McCarthy in fact owed his strongest base of popularity to business elites, and that McCarthy, as the historian Ethan Theoharris summarizes the argument, was “the product of routine conservative politics,” and “did not split apart existing coalitions or create a new mass base,” but “was created by the actions and inactions of...elites—precisely those groups to whom the liberal pluralists would turn to in their quest for an orderly society.”

Again, I am most familiar with the American context. But as we consider going forward at this conference the rise of Donald Trump, **think**, at every invocation of the undeniable and undeniably horrifying pattern of Trump's imagination of majority rule without minority rights, and undermining of democratic rules and liberal institutions, account, too, for the *elite* circuits of power that have enabled and accommodated them.

And be prepared to consider another, alternate, threat to global democracy than the one announced in our conference title. For as long as there are elites making policy decisions in unaccountable ways that favor the few over the many, there *should* be populist movements, and *will* be populist movements, and what's more, *we should encourage* populist movements. As long as value material independence, not the dependence enforced various modern forms of debt servitude, as a fount of virtue and freedom, there *should* be populist movements, and *will* be populist movements, and what's more, *we should encourage* be populist movements. As long as we believe entrepreneurial self-interest serves the common good, but can be subverted by the self-dealing of elites, there *should* be populist movements, and *will* be populist movements, and what's more, *we should encourage* be populist movements. In an international political economy and culture where today's “disruptive technologies” all too easily become tomorrow's monopolies, there *should* be populist movements, and *will* be populist movements, and what's more, *we should encourage* be populist movements.

Why is that so? Because many grievances the bad populists answer to are real. The alternative to speaking to these legitimate grievances to leave the aggrieved to the bad populists. The fact is that there is no damage that can be done by the *bad* populisms—and which I would argue, are better understood by the epithet “fascist” than the still-honorable sobriquet “populist”—that can't be fixed by the *good* populisms. The fact is that, for Americans, if we believe in our constitution, we actually have no other choice: here, the people are sovereign. Populism at its best is just a way of reminding us of that fact.

