

## Populism's Echoes

Alberto Mingardi

December 6, 2019

At certain moments in history, politics appear synchronous across countries and cultures. That is the case today, from Donald Trump's presidency to Brexit to the rise of nationalist parties in Europe—all representing a backlash against not only globalization but also “neoliberalism,” whatever it is.

The idea of synchronous political waves was best outlined in Norman Stone's magisterial 1983 book, *Europe Transformed 1878-1919*. Stone, who died earlier this year, was one of a kind: a maverick historian who left Cambridge for Oxford, then went to Ankara, and finally, advised Margaret Thatcher—all while maintaining his unabashed candor. He was a marvelous linguist and a connoisseur of Central Europe's history, obsessed with the Habsburg dynasty and the Austro-Hungarian empire. Stone's friends remember him as an exceptional conversationalist—one of those men who, like Winston Churchill, took out of alcohol far more than alcohol took out of him.

In *Europe Transformed*, Stone shows how “the world of yesterday”—to quote the title of Stefan Zweig's *memoir*—became the world of today. It tracks the decline of liberal Europe—liberal in the European, classical sense. While no government adhered religiously to the principles of *laissez faire*, nineteenth-century Europe represents perhaps the best approximation of the ideal. Free trade, championed by England, swept away most protectionist measures; durable goods and people moved virtually freely. Passports were viewed as relics of an odious past—only states like Russia and the Ottoman Empire issued them. A Victorian idea prevailed: individuals should put checks on themselves, without state interference. John Stuart Mill and Herbert Spencer became household names among the educated class. Europe thrived in a period unshackled by government controls, with millions able to afford new and more sophisticated goods, including products created by an ongoing technological revolution. This consumer transformation, however, benefitted the urban population more than the struggling rural one.

Yet just as liberal Europe could have celebrated its triumph, it began to destroy itself. Stone searched for the cause of this political suicide. He realized that

The increasing integration of the European economy meant that economic ups and downs now tended to affect all countries alike, at roughly the same time. Since these ups and downs clearly influence voting behavior more than anything else, the politics of Europe moved in parallel: in the early 1890s, a period of liberal aplogia; in the later 1890s, an orgy of nationalism and

imperialism; around 1905, left-wing upheavals; around 1906, liberal or left-leaning governments that were too divided to achieve much; after 1909, an era of political chaos in almost all countries as internal politics became confused with the threat of international crisis and the arms race.

Stone's description sounds congenial to those who think of contemporary populism as a homogenous phenomenon, with little, if any, national specificity. It will also resonate with those who believe that the turmoil of our times originates in the economy: that inequalities have increased in all wealthy countries, with jobs shipped overseas and collapsing middle classes. In response, people begin to support "entrepreneurs of fear," as former Italian prime minister Matteo Renzi calls the populist right, who constantly learn from one another's methods.

Stone's analysis was far more complex, however. Old liberals wanted democracy, he observed, but they were unprepared to adapt their message to a wider audience. When the "age of the masses" arrived, they were mostly incapable of speaking the language of the people, who themselves were tossed between reformist movements and revolutionary dreams. Stone understood that classical liberals lost their commanding position in the 1870s for both practical and ideological reasons. What some call the first Great Depression, resulting from the Panic of 1873, depleted government revenues. Radical liberals like England's Joseph Chamberlain and Italy's Francesco Crispi won the day by promising a more active role for the state, seeding the ground for more aggressive interventionism in the years ahead. Free trade became a casualty, with one country after another adopting high-tariff policies.

Stone believed that synchronous change was happening in European politics, but not exclusively on the demand side. Many contemporary analyses of populism tend to focus exclusively on economic factors—such as inequality and the purported effects of international trade on jobs—but overlook how we're also seeing a remarkable shift in political discourse. The language of protectionism is, in essence, a language against reform—it promises to insulate countries from international competition to avoid cutting public spending, changing labor law, or reducing government deficits. Focusing on cultural matters, like immigration, seems politically easier.

Populism, at least in Europe, is a call against the idea that we need competent people to manage government. Such a call minimizes references to particular policies and engages instead in political mythmaking. Indeed, this is a synchronous tendency in continental Europe. Is it a price we need to pay for globalization? Perhaps it is only smart politicians reacting in the same way in the face of other facts that are indeed homogeneous: the emergence of social media and the stylization of political message, the difficulty to communicate the ever more complex policy questions of the day, the riskiness of reforming government machineries that are so complicated that nobody can make sense of them.

Reading Stone's *Europe Transformed* is a good exercise in understanding how technology and the economy can affect political constituencies—but it's also useful for putting ourselves in the shoes of those in the political class to understand better their predicament.

*Alberto Mingardi is director general of the Italian free-market think tank, Istituto Bruno Leoni. He is also assistant professor of the history of political thought at IULM University in Milan, a presidential scholar in political theory at Chapman University, and an adjunct fellow at the Cato Institute.*