The political bubble

BY PIALUISA BIANCO

The design of liberal modernity has looked relatively sound in the 25 years since the fall of the Berlin Wall. It's not perfect or carved in stone, to be sure; it's not unchanging, nor is it free of discontents. But it's been hard to imagine the liberal democratic capitalist order cracking up.

Through the dot-com bust, 9/11, the Iraq War, and the financial crisis, it was striking how consensus held, how elites kept circulating, how quickly populist movements collapsed or were co-opted, and how Washington and Brussels consolidated power even when their projects failed.

No new ideological movement, whether radical or reactionary, emerged to offer an alternative to liberalism that Fascism and Marxism once supplied. Until now. At the beginning of this year, 2016, something seems to have shifted. For the first time in a generation, the liberal order's fragility, not its resilience, matters.

This is especially true in Europe, where for generations the parties of the center have maintained a successful quarantine against movements that threatened their dream of continental integration – be they far-right or far-left, nationalist or separatist. On the eurozone's periphery – in Greece, Hungary and Poland – this quarantine is dead.

In 2015 it began to weaken in the European core. Elections in Great Britain empowered Scottish Nationalists, handed the Labour Party back to crypto-Marxists, and raised the odds that the United Kingdom could exit the European Union or disunite. Elections in France kept Marine Le Pen's National Front out of power – but by a narrower margin than ever before.

Elections in Spain empowered both the populist left and Catalan separatists. And in Sweden, that blessed end-of-history paradise, the Sweden Democrats suddenly became the most popular political party, one whose roots are in homegrown fascism.

Meanwhile, in the United States, heart of the Western liberal imperium, the big political story of the year is the emergence of two anti-establishment stars, Donald Trump and Bernie Sanders.

In Europe Trump and Sanders would have their own protest parties, which inevitably struggle to win high office. By contrast, in America, outsiders channel anger into the two-party system which sucked in Sanders, who joined the Democrats last year, and Trump, who rejoined the Republicans in 2009. If they win the primaries, they will control political machines designed to catapult them into the White House.

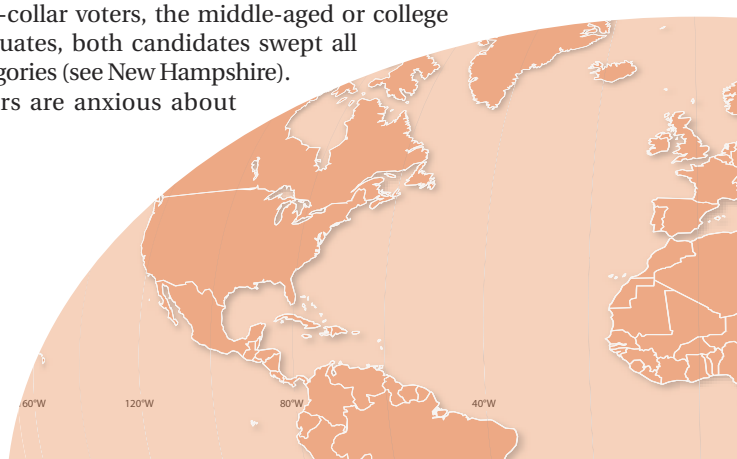
Their exploit reveals parallel but very different popular revolts on the right and on the left. Both have said things that would be regarded as political suicide in a normal race. Yet the fact that both candidates are happy to smash rhetorical taboos has strengthened their respective claims to be genuine outsiders.

That seems to be (unexpectedly) what the voters are looking for. And that beg the question: Why, after decades of supporting the liberal and conservative establishments, did the white middle-class (the bulk of voters) abandon them? Wherever Trump and Sanders ultimately wind up, their candidacies represent a major shift in American politics.

Their supporters, actually, will remain. As will their anger. They will be a force in American politics for years as the changing demographics and economic models of this country and the likelihood of continuing dysfunction in Washington will continue to feed the anxiety that triggers their bitterness, irrationality, and irresponsibility.

Since World War II the political culture in the US has been organized around the needs, fears and aspirations of white middle-class voters in ways that also satisfied the interests of the rich and powerful. That's no longer true.

The US establishment's worst nightmare is coming true. American voters – forgetting whether they happen to be Democrats or Republicans – have repudiated America's elites. "Trumped and Berned," to quote the funny headline chosen by *The Economist*, they are the seeds of an American version of Europe's dangerous populist parties. Whether it was women, millennials, blue-collar voters, the middle-aged or college graduates, both candidates swept all categories (see New Hampshire). Voters are anxious about



their economic insecurity and emotional needs. They fear even the wind. This shaky public awareness is prevailing and the attendant cultural shift harbors the notion that the world was once a better place for them, and that those days are over for good. "We are doomed," cry the youngest Sanders enthusiasts.

The world was never a particularly kind place to these alienated working- and middle-class voters or their progenitors, even if they were white and male. They are nostalgic for a time that never really existed. Because class issues always left their antecedents feeling marginalized, out of the club, angry at the establishment. But things seem worse now as we live at the tipping point where economic growth no longer seems to be creating the kind of jobs that once were the staple of the middle class.

For two centuries, most Americans knew they were better off than their parents and expected that their children would be better off still. Occasional surges of populist discontent were cushioned by their fear of upsetting a system that had served them well, and was expected to continue delivering tangible benefits. That means that, behind the day-to-day dramas, the nation has benefited from a deep political stability, which has contributed to its economic strength and international power. That optimism is gone.

Behind this economic reversal lurks a "political bubble" – policy biases that foster behavior leading to instability, arising from a potent combination of beliefs, institutions, and interests. It is the product of rigid ideologies, unresponsive and ineffective government institutions, and special interests.

Democratic and Republican Party establishments appeal in traditional ways to these voters. Democrats promising to protect them, Republicans promising to stimulate growth that will guarantee new economic opportunity. But they miss the point.

Today, white middle-class voters want to be reassured that they can play an active role in politics. The preferences of the average American appear to have only a minuscule, near-zero, statistically non-significant impact upon public policy. And yet, the willingness to feature alternative forms of government reveals a deep disillusionment with democracy: "The majority doesn't rule in the US," the frequent jingle refrains. This is precisely the reason why they are "Trumped and Berned."

Social conservatism is no longer enough to sustain the loyalty of the white working-class voters at the heart of the Republican base. These voters have deeply felt grievances against the economic policies they see as responsible for their declining wages and job security, and the alternatives they favor contradict the preferences of business-oriented mainstream conservatives.

The younger millennials who form the enthusiastic core of the aged leftist Sanders are a distinctive new generation whose outlook has been shaped partly by the Iraq War and America's growing diversity, but mainly by the Great Recession and its lingering aftermath. Many have huge college-loan debts.

The jobs they are getting after they graduate, if they do find one, often pay poorly and make little use of their skills. Record numbers are living with their parents well into their 20s, and few believe that they will be able to buy a home in the foreseeable future. These millennials have no experience of a successful capitalist system and no memory of communism's failure. Small wonder, then, that so many of them look favorably on socialism, whatever they think it is.

Never in modern history has a rich and long-established democracy collapsed. Recent public opinion data may be worrying, but it hardly proves that doom is imminent. Most citizens still support democracy. Yet the warning signs are clear enough that it would be folly to ignore them. If America's immunity to extremism is ending, the whole world will feel the consequences.

Democracies are not as consolidated as they used to be. This is largely because citizens can no longer take material advances for granted. So what happens to established democracies when most citizens go years, even decades, without an improvement in their living standard? There is no historical precedence to serve as a model.

It's hard to tell where democracy is going. In the West, at least, democratic systems have proved strong enough to ride out the rough waters of wars and economic crises. It's perfectly possible that they can continue to do so. But to postpone serious change because it is comforting to imagine our bubble of democracy as transcendent – and therefore permanent – would be more than just foolish. It would be dangerous.