

Right-Wing Populism: Towards a New ‘Theory of Economic Change’

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This article is part of a two-part series aimed at understanding contemporary right-wing populism, as observed in the case of countries identified in our book Strongmen Saviours, with a reflection on the nature of contested link seen between today’s populism and other phenomena (hyper-globalism), the pressing need to come up with an alternative economic paradigm (post neoliberalism) that can help pivot opposition politics (and economics) towards a new theory of politico-economic change, and what this may look like.

When we started work on our recent book Strongmen Saviours, a difficult conceptual proposition was defining what we meant by *populism*.

It is a term that has now become a universally contested concept, meaning different things to different branches of scholarship and scholars, oft inviting a lot of in-fighting and context-insensitive analysis.

More contested has become its (populisms’) relationship with other socio-economic phenomena of the times: hyper-globalism, welfarism, and authoritarianism, to mention a few. This further complicates any honest effort made to critically reflect or assess the contemporary state of our socio-political landscape, in India and beyond. The answer of course may not even lie in one given discipline (say, economics or political science).

Also Read

How Imran Khan’s Populism Has Divided Pakistan And Put it on a knife’s Edge



For social scientists (not just economists), myriad degrees of observed contestations (or conceptual puzzles) have thrown several challenges/open questions that are central to the political economy puzzles of our times:

- On how to define *populism* in a context-independent manner for a comparative mapping exercise where taking a bird’s eye view of countries with similar social, economic, and political trends (towards say, a given ideological shift) may have some meaning-reference for thinking about an alternative politico-economic approach.

- Thinking then and defining what this ‘alternative theory of economic change’ may look like and, if we can do that, to what extent opposition politics (in say countries like India) may adopt, and articulate this ‘alternative view’ better for giving ‘people’ (and voters) a meaningful substitute to an extremist, polarized, majoritarian status-quo.

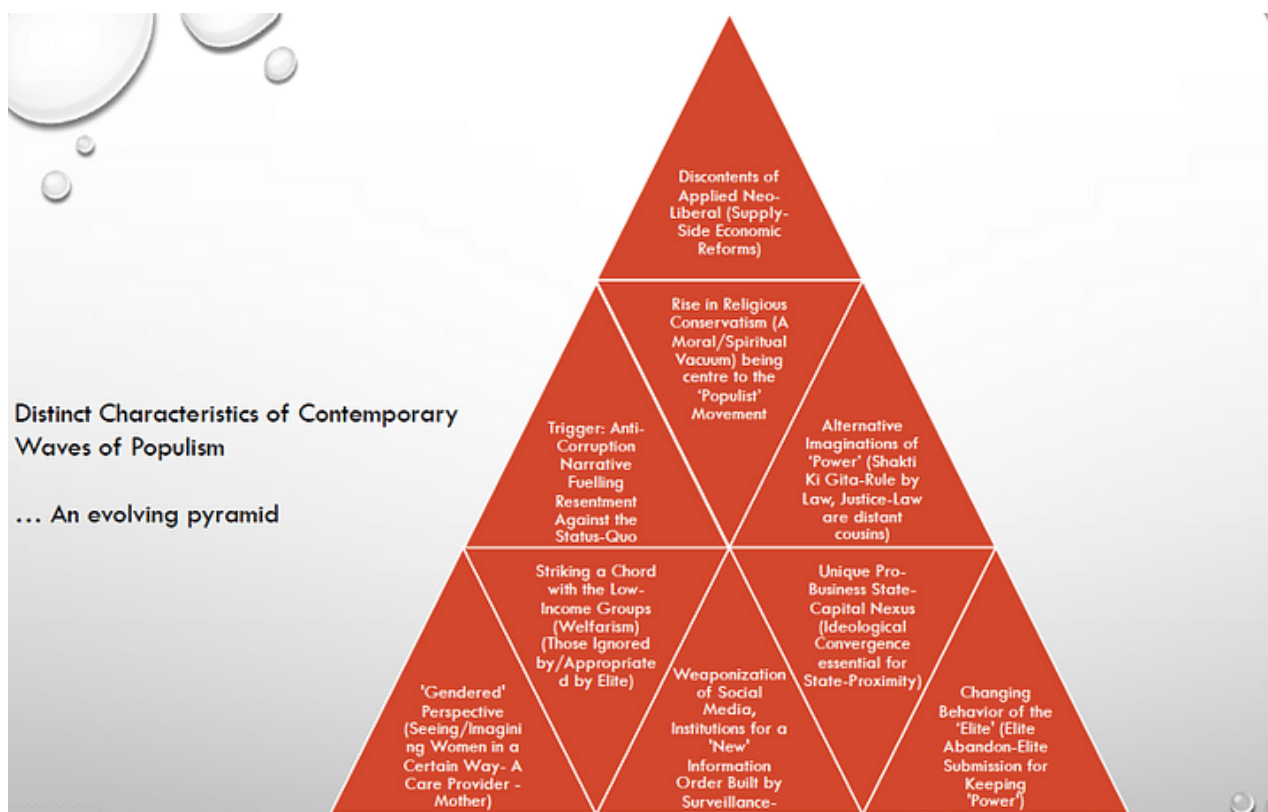
My own rationale in this two-part series is to explore these two questions in broader depth, building upon our work in *Strongmen Saviours*.

Turkey Elections: Erdogan’s Return to Power Slims Hope for Change

Ideological Populism

The recent wave of (right-wing) populist movements across the world has seen a distinct pattern of ‘right-wing’ ideological shifts backed by populist movements, which have certain vital-yet common characteristics.

The pyramid constructed below, drawn-built on our book’s research may offer some insights:



The conceptual pyramid attempts to unpack features of right-wing populism, operating under the guise-envelope of ‘ideological populism’ (ideologically aligned populist movements), which has a distinct meaning (see a more detailed explainer [here](#)).

In simple terms, *ideological populism* refers to the unchecked-unabated rise of an ideology, the marginalization of its moderate factions, involving the development of a cult-personality that infuses shades of populism into it. Normatively, this can be ideologically

aligned towards the 'political left' or the 'political right'.

The distinct characteristics of rightwing populism at least the way we have observed in countries such as India, Turkey, Russia, and Brazil did see certain common features, across different times and spaces. I mention a few of these factors/features from the pyramid below.

Is This the Beginning of the End for Vladimir Putin?

Failure of Neoliberalism

The origins of each of these movements are sourced in the economic discontents of 'neoliberalism' or the nature of supply-side economics (externally influenced by the West/Washington Consensus style reform packages) pursued in the 1990s. Studies from scholars like Sides et al. (2018), Norris & Inglehart (2019), and Margalit (2019), also explain this.

There is a wave of rise in religious conservatism or religious orthodoxy (from Hindutva to Orthodox Islam to Evangelical Catholicism) that aided the rise of each of the leaders who either belonged to 'political parties' or to orthodox-religious based organisations which ensured an undercurrent of religious conservatism -making more people often to acknowledging, practicing or explicating promoting/propagating 'extreme' beliefs. I explain more about this phenomenon (as seen in India, Turkey, Russia, and Brazil) in a lecture given here.

The trigger factor which led to the mass-protest vote in favour of each strongman figure (from Modi to Bolsonaro), was often related to either a series of big public corruption episodes or reported scandal(s) in the home country's domestic political environment, which gave the opportunity for the mass-support in favour of an alternative imagination of 'power' and a leader, someone outside the status quo ruling political elite-to come to power, and enjoy mass popularity. From India to Brazil, each of the countries we discuss in the book saw episodes of public corruption (via scandals) or were operating in a widely 'perceived environment of corruption' that made more of the popular vote pivot towards the choice of voting for an 'alternative' (as also seen with the protest vote for Donald Trump in the 2016 US Presidential election).

The weaponization of social media in a new tech-enabled information order made it possible for 'right-wing populists' to continue feeding an alternative, post-truth rhetorical narrative (us vs them the axis of immigration) which not only helped them -and their parties, to constantly gain the support of a polarized 'majority' (their own voter base), but also help them sustain/consolidate -and then later centralize power at the cost of others (those in minorities). Surveillance capitalism made this possible too under a new nexus of private capital-state relationship which supported 'strongmen' figures in power through social media and digitized surveillance tools.

With Elections Around the Corner, Erdogan's Turkey Tightens Grip on Social Media

Focus on Privatisation

The nature of fiscal policy and the fiscal choice made by each of the strongmen figures (right-wing populists) in recent years has been drastically varied when compared to the earlier regimes of populist movements (as seen say in Latin America) where strongmen leadership was influenced by a theory of economic and political change belonging to pro-welfare, left-leaning policies (which in some instances like Venezuela made governments fiscally indebted).

The latest variant of right-wing populism has seen a promotion of privatisation (a reorientation of previous state-private capital elite relationship)– pursued with gradual disinvestment of public assets, government ownership of resources (including a de-funding of social programmes targeted for areas of job creation, human capital development-healthcare and education). This is widely seen in the fiscal choices made by most strongmen figures (case in point: see Modi's term of governance in India).

Despite this, they (strongmen) continue to strike a chord with extremely low-income voters in some of the lesser developed states/provinces by the deployed political use of specific targeted-beneficiary-based 'welfare schemes' (say, free nutrition) to keep the more poor content and as part of a 'loyal voter base'. It must however be observed that none of these so-called 'welfare' spending is aimed at the upward mobility of the low-income beneficiary (say through complementary support offered in human capital development -education, healthcare or job support plans).

Australian PM Anthony Albanese Says PM Modi Is 'The Boss' at Sydney Event

On Contestations Within: Hyper-Globalism and Ideological Populism

Dani Rodrik's recent work ([2021](#); [2023](#)) offers useful insights on at least addressing one of these 'contested' conceptual questions: Why did globalization -of the post-1990s variant-fuel a certain wave of populism (one that spread far across the west and the east)?

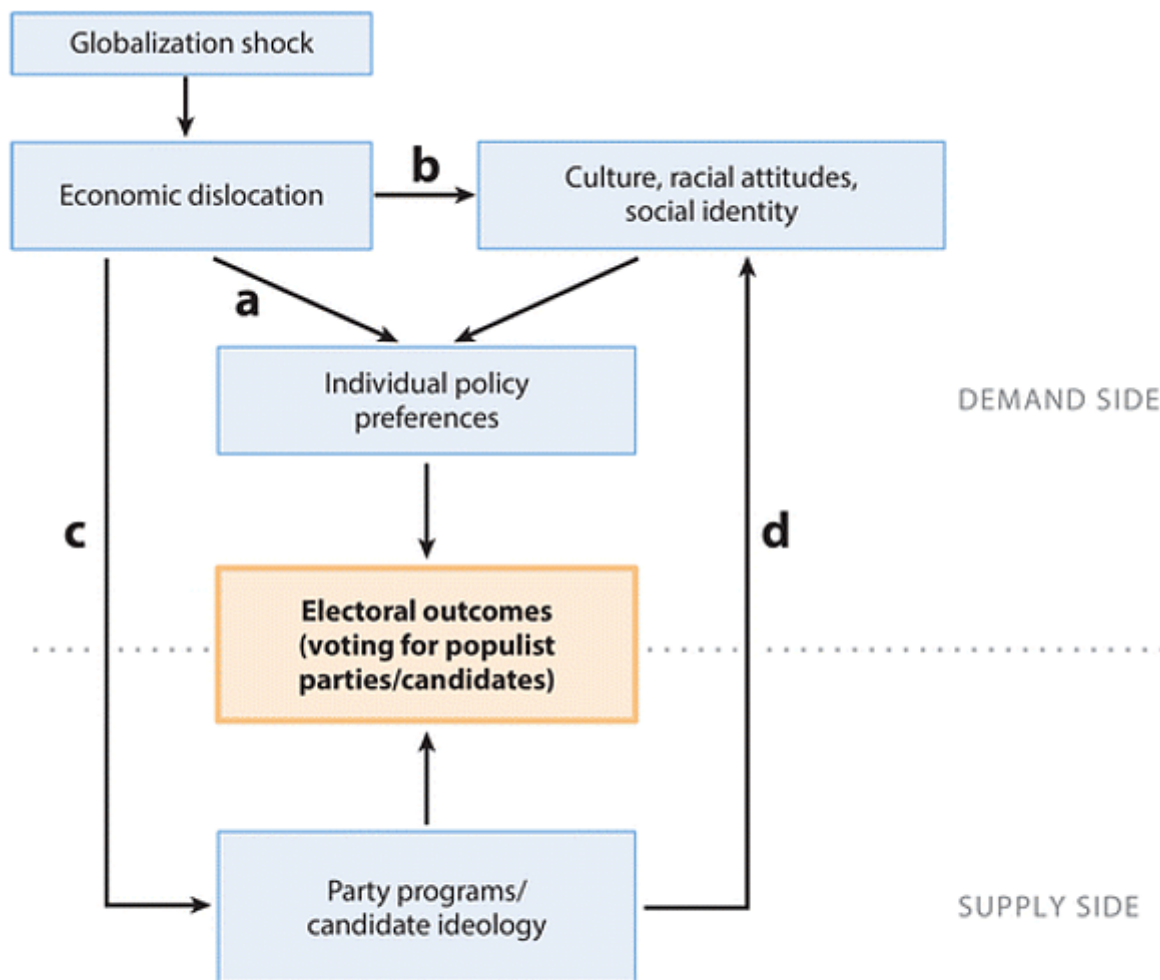
Let's look at this one first.

According to Rodrik, "It is important to understand what are the mechanisms through which globalization fuels populism. Answering this question requires a fully fleshed-out model of political economy.

Second, globalization is not just one thing: We can distinguish between international trade, international finance, and international labor flows, specifically. How does each one of these facets of globalization work its way through the political system?

Third, globalization is clearly not the only economic shock that creates redistributive effects or economic anxiety—and it may not even be the most important one. Why does globalization appear to have an outsized effect on politics compared to, say, technological change or regular business cycles?”

These aspects are studied more empirically by Rodrik in the framework created below:



 Rodrik D. 2021
Annu. Rev. Econ. 13:133–70

Brazil Riots & Fake News Syndrome: How Bolsonaro’s Getting Away Harms Democracy.

First, according to Rodrik’s analytical framework above, and most directly, “*economic dislocation* can determine voters’ preferences for policies and leaders (arrow *a*). Voters in a region where employment prospects have been adversely affected by a rise in imports

may choose to cast their vote for a politician who advocates protectionism and a tougher line against foreign exporters.

Second, economic dislocation may shape voters' preferences indirectly through the effect it has on identity or the salience of certain cultural values (arrow *b*). Concretely, economic shocks can heighten feelings of insecurity, inducing voters to make sharper distinctions between insiders ("us") and ethnic, religious, or racial outsiders ("them").

They can lead voters to yearn for an earlier era of prosperity and stability, increasing the political salience of traditional cultural values and hierarchies. And to the extent that they generate wider economic and social gaps within a nation, economic shocks may reinforce more local, less encompassing identities. To the extent that such effects operate, political preferences that appear to be driven by cultural values do in fact have deeper economic roots."

We explored some of these links between the discontents of neoliberal economics and populism in the context of India, Turkey, Brazil, and Russia, however, there were other factors complementing this-and to Rodrik's framework shared above. Two additional causal factors: instances of large-scale 'public corruption' (or an environment of perceived corrupt political elite), and a rise in 'religious conservatism' contributed to the rise of right-wing populist movements that subsequently brought leaders like Modi, Bolsonaro, and Putin, to power.

*(Deepanshu Mohan is Professor of Economics and Director, Centre for New Economics Studies (CNES), Jindal School of Liberal Arts and Humanities, O P Jindal Global University. This is an opinion article and the views expressed are the author's own. **The Quint** neither endorses nor is responsible for them.)*

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