

[MUSIC PLAYING]

SARAH BALDWIN: From the Watson Institute at Brown University, this is Trending Globally. I'm Sarah Baldwin. Sam Wilkin is an economist, political risk consultant, and fellow at the Watson Institute. He studies what makes stable governments become unstable. In 2015, he started to work on a book on the history of populist movements around the world. At the time, people weren't too interested in what he was saying.

And then--

DONALD TRUMP: I am your voice.

[CHEERING]

SARAH BALDWIN: --people became very interested. His book, *History Repeating-- Why Populists Rise and Governments Fall*, came out in March of 2018. I sat down with Sam to discuss populism both in the US and around the world. I started, though, by asking him a simple question-- what is a populist?

SAM WILKIN: A populist is someone who claims to represent the people against a corrupt elite and that there are lots of other definitions of populism. And populists are charismatic and populists are irresponsible and populists are deliberately vulgar. But those kind of definitions tend to follow from this first definition. If you're campaigning against the elites, you're probably going to advocate policies that people consider irresponsible, that the elite, especially considers irresponsible.

If you're campaigning against the elite and you want to differentiate yourself from these kind of elite candidates, then you might be deliberately vulgar so you seem different than the elite. And, well, here to give an example of a populist message, we have special guest Elizabeth Warren, Senator Warren announcing her 2020 presidential campaign.

ELIZABETH WARREN: America's middle class is under attack. How do we get here? Billionaires and big corporations decided they wanted more of the pie. And they enlisted politicians to cut them a fatter slice.

SARAH BALDWIN: Does this mean that we should consider Senator Warren a populist or a potential populist?

[LAUGHS]

SAM WILKIN: That's a good question. I would be surprised if she carries on with that kind of populist message maybe into the primaries, maybe she's trying to differentiate herself from the rest of the field. But I would expect that she will get more centrist. She won't be like Donald Trump and campaign on those populist messages as a central message all throughout the campaign. [INAUDIBLE] Donald Trump, on every major issue facing this country, the American people are right and the Washington elite are wrong. His whole anti-Washington message was the center of his campaign.

It's sort of sounding like Warren might give him a run for his money on that. But I think she'll tone it down and become more of a mainstream Democrat. It'll be really interesting to see. What it does show you is that a clever politician realizes these populist messages are working. And Warren is certainly a clever politician. And then they start adopting some of these messages.

SARAH BALDWIN: So let's talk a little bit about the people who vote for populists, because you're an economist and you are interested in people's behaviors and what drives them. And I've heard you say that this theory that populist movements are driven by all these alienated, miserable people coming together is, once you think about it, not only illogical but also not true.

So who is voting for populist candidates? Because they're being elected all over the world, and Brazil is just the latest example, I believe. So is it the national economy or is it the household that's hurting?

SAM WILKIN: Well, there are a lot of different reasons people vote for populists. In terms of the economy, what's happened obviously in the very recent past is the global financial crisis and that happened everywhere. And so you see this as a kind global trend in part because the global financial crisis was global.

And so everybody, and I think people understand that that's why they understood the global financial crisis has gotten us a lot of these populists. But the thing that people misunderstand is what happened is the global financial crisis-- it's not economic pain that causes people to vote for populists. It's that the establishment politicians have been discredited by performance failure.

SARAH BALDWIN: So they vote to punish them.

SAM WILKIN: They vote to punish, exactly. It really is a punishment vote. And frankly, establishment politicians deserve it. I was just looking recently at some data from Oxford Economics where they were looking at the forecasts for what economic growth would be in 2018 back in 2008. This is after the financial crisis-- so what we thought would be happening by 2018 when back in 2008.

And it is staggering. A lot of countries-- Greece, Italy are almost 50% lower than what economic forecasters thought they would achieve. The US and other countries are around 10% lower, the UK, 15%, Spain others, around 20%. It is really a shockingly poor performance by establishment politicians. And so anyone who's willing to differentiate themselves from the establishment-- not necessarily a populist, but anyone who's willing to differentiate-- and this does tend to be one thing populists are good at. But anyone who's willing to differentiate themselves from the establishment can pick up those votes. But it doesn't have to be a populist.

Macron, in France, he was willing to differentiate himself from the establishment parties, which have been really discredited by France's pretty terrible economic 15% down from where everyone thought it would be, for instance. He was able to differentiate himself with a pretty mainstream message. He was an insurgent, no new political party. He took on the establishment. So you don't have to be a populist to do it. But frankly, populists have picked up a lot of those votes.

SARAH BALDWIN: Have you always been interested in populism? I know your recent book deals with populism and then the one before that deals with the very rich.

SAM WILKIN: Inequality, yeah, inequality. So I guess I have-- I deal with populism a lot because at political risk you end up dealing with the aftermath of populism a great deal, like Hugo Chavez in Venezuela. He was a cause of huge losses for US corporations, billions of dollars. Many companies GM-- I want Kraft-- I could be getting it wrong-- lost close to \$1 billion, an individual company lost close to \$1 billion. Several US multinational lost close to \$1 billion in Venezuela.

And so I've been following populism a lot for that reason. And most of the things that have been written about populism today are based on populism in Western Europe. So they're based on a very different kind of experience. So the things I've read, the literature about populism I've read, very different from what most people have based it on, although the definition that I mentioned before is one that has really been popularized by this fellow

Pasbuda, who does study populism in Western Europe. And that definition has really become the most accepted definition now by the academic community, at least.

But I've been studying populism for a while. I've been experiencing populism for a very long time as a result of this work. And I thought that it was going to come, or instability was going to come to advanced economies, to the US and Western Europe, largely as a result of the global financial crisis. So I started working on this book. And I was pitching this book back in 2015.

And no one is interested. They're like, it's never going to happen. Why are you worried about these kind of things? And then Brexit happened. I thought for sure someone will buy the book now. Didn't, went by. And then, Donald Trump, the day Donald Trump was elected I got an email saying, hey, remember that book [INAUDIBLE].

Now the bad news, of course, is that now there's a ton of books on populism out at the same time, because of Donald Trump. But it was gratifying to be proved, even if it was a little alarming.

SARAH BALDWIN: Yeah, who are earlier examples in our American history of populists?

SAM WILKIN: It goes back. It goes back a lot. Andrew Jackson, of course, would be an excellent example. I mean, the first people to call themselves populists were actually Russians. We would think of them today as more revolutionaries there in the middle 1800s.

SARAH BALDWIN: So truly for the people.

SAM WILKIN: Well, exactly. And so that tells you something about populism. The people who put the word populism on the political map really were American late 1800s, the American People's Party. They called themselves populists. It tells you something about populism, that the first populists are almost revolutionaries because, well, are revolutionaries.

And populists are like revolutionaries because they often end up campaigning against the system. Think about Elizabeth Warren's message about how she's going to lead this movement against the Washington elite. That's weird. That's a bizarre message. We shouldn't need Elizabeth Warren to help us do that because democracy is inherently anti-elitist. We should just vote the majority rule, right? We should get the candidate that represents the people automatically. We don't need someone to represent the people and tell us they represent.

Every politician in a democracy wins to be representing the people. So it is a bizarre message. But that is what makes populists a bit like revolutionaries, is that they are claiming to represent the people against the system. Even though it's a democracy, they're sort of campaigning against the system. Actually, maybe we could get Donald Trump to explain it a little bit for us.

DONALD TRUMP: --for the people all across this nation that have been ignored, neglected, and abandoned.

These are the forgotten men and women of our country. And they are forgotten. But they're not going to be forgotten long.

[CHEERING]

These are people who work hard, but no longer have a voice. I am your voice.

SARAH BALDWIN: So can you parse the differences in those messages, the nuances that make Elizabeth Warren not equal Donald Trump?

[LAUGHS]

SAM WILKIN: Right. I hope she doesn't equal Donald. I mean, what Donald Trump is saying is the system is broken and therefore you need me. I am your voice, he said. So Elizabeth Warren is saying something similar. She's saying she's going to lead this movement that is going to represent the people against the elite.

Obviously, where they will be very, very different is on policy and on their electoral coalition. Donald Trump's electoral coalition-- obviously, he was really trying hard to pick up the Christian right. And he did, to a large extent. His campaign speech, you hear him talking about rolling back language that keeps the church out of politics and so on and so forth. I mean, lots of that kind of policy agenda that was appealing to this crowd.

Elizabeth Warren, obviously, I expect to go for a much more traditional democratic base. So her policy messages will be different, but that's a key point about populism. Those populist messages aren't necessarily about policy. Being against the system doesn't give you a policy prescription. And so what you see is these weird similarities between populists on the left and populist on the right.

You even see-- until recently in Greece a few days ago, the coalition collapsed, I think. But now in Italy as well US coalitions of far left, far right, which is bizarre. But the policies, they differ a lot obviously. But what unites them is these populist messages, these anti-system

messages. And as long as they can find some common ground there, you can get the radical right and radical left weirdly together.

SARAH BALDWIN: Are those coalitions, is there a history of them enduring in any meaningful way?

SAM WILKIN: That is a very good question. I don't know. I mean, populists have been famous for flip flopping on policy when in office. So often their policy agenda will be particularly short lived. They'll start out saying one thing. But that's OK for a populist if people are really backing their anti-system messages.

Donald Trump can drop policies that he campaigned on left and right as long as he doesn't lose it as to many of his supporters, because a lot of people are responding to his populist messages, not to specific policy pledges. So that tends to give populists a little more flexibility.

SARAH BALDWIN: But even stepping back from the fact that, as long as it's anti-system, I'm down with it-- so that's a symptom of a terrible lack of trust in government. And I know that it's been dropping at least in this country. I think you've shown that trusting government has just been on the decline since Ford or even Nixon-- I can't remember, Nixon.

SAM WILKIN: Yeah, certainly since the '80s a real crash.

SARAH BALDWIN: So can that trust be restored? And is that the only antidote to populism, assuming that we need an antidote to populism, because populism is also a product of our society?

SAM WILKIN: Well, that I think is a very good point. So a lot of people have gone into full panic mode across both sides of the Atlantic, in Brazil, in Mexico, with AMLO being elected. A lot people have gone into full panic mode about populists and focused on populists as a threat to democracy, as really undermining their country's economic prospects, focusing on populism as a threat.

But the real and more profound threat is that there are reasons people are voting for populists. We talked about the economic reasons that populist are picking up a lot of vote because of the establishment parties have been discredited. You mentioned the anti-system reason. This is a much harder reason to explain exactly why it's happened.

Frankly, I don't know why it has happened. What has clearly happened, especially in the US in Europe, is people have lost trust in government and politicians. The statistics-- I was looking at Spain and the US, about 80% of people say they don't trust politicians. And this leads to really alarming statements.

I think there was a poll recently. It was a bit of a messy poll, but it said, because the wealthy and powerful control politics, there's no reason I should vote. And that statement was posed to Americans. And a majority agreed.

SARAH BALDWIN: Wow.

SAM WILKIN: Now I really hope they're agreeing with that first part of the statement about the wealthy and powerful controlling politics. Maybe they'll vote for Elizabeth Warren. But I mean, it did seem that a lot of people have been really disillusioned from politics.

SARAH BALDWIN: Right, so it seems like a populist is not the disease. It's a symptom of something else.

SAM WILKIN: It's a symptom of something else. Now the cure-- you asked about the cure. The real problem with the cure is you can make up any story you want, because the big cure for populism was a World War II. Populism was a very common political form-- Huey Long in the United States, Canadian populist, populists in Europe, Hitler of course. From the late 1800s the 1930s or so, populism was a very common political form in countries around the world, including rich countries.

And then World War II came along and populism vanished from the earth. So something happened during World War II that changed the situation and got rid of most of the reason people vote for populists, not necessarily in Latin America and some emerging markets. Philippines, you've got lot of populists coming, Thailand. There was populists in some emerging economies.

But in most of the rich world, at least, World War II eliminated populism. The problem is World War II is a social scientist's nightmare because everything changes all at the same time. Politics, economics, demographics, there are no more young men. Everything changes all at the same time, international relations.

So exactly, you can tell any story you want to tell about populism, about why it went away. The story that people usually tell has to do with progressivism and the very progressive New Deal, Franklin Delano Roosevelt, and in the UK the creation of the NHS and all the things that the post-war labor government did there. That's the story people usually tell. But frankly, nobody knows. And it's a bit worrying.

SARAH BALDWIN: Well, also worrying is the inference that it takes a World War to reset the clock.

[LAUGHS]

SAM WILKIN: Yeah, let's not go with that solution again.

SARAH BALDWIN: Yeah, let's not. I'm interested also in your take on the role of technology in these movements and not just recently, although it's a perfect example of our president using social media. Is the next president of the United States or of another country, head of another country, going to have to use those tools to reach the people?

SAM WILKIN: I mean, I think the social media outreach is here to stay. I mean, look at AOC, as she is popularly known. She is even better on social media than Trump. I mean, how many memes has she had in just a few-- a month, how long has she been in Congress? A couple weeks? I mean, it's amazing. She's good.

The thing the thing that a populist needs is, if you're campaigning against the establishment, the establishment doesn't like you. And they're not going to appreciate it. They never do. No daily newspaper in the United States endorsed Donald Trump. That should have been the end.

SARAH BALDWIN: Not one.

SAM WILKIN: That should have been the end for him. So a populist always need some way to reach people. They're going to be totally blocked from positive coverage in the mainstream media. Huey Long in Louisiana 1930s, he faced this exact same problem. Not one daily newspaper in the Louisiana endorsed his bid for the governorship.

So what do you do? Well, one thing you do is you become a clown. That's one thing Donald Trump did to an extraordinary degree, endlessly entertaining, that man, and controversial and deliberately controversial, [INAUDIBLE]. But yeah, I mean, he was nothing-- Huey Long gave one press conference where he got drunk while giving the press conference, downing very strong cocktails.

He would put on these one act radio plays where he played all the parts and some of his political opponents were villains in the plays. And he was the hero inevitably. I mean, a hilarious, ridiculous guy. Donald Trump's clown--

SARAH BALDWIN: But using the radio.

SAM WILKIN: On the radio, yes, and that was of course a new technology at the time. Hitler was also using the radio at the same time to great effect. Someone who is campaigning against the establishment always needs a new way to reach--

SARAH BALDWIN: A channel to reach the people.

SAM WILKIN: --people, a new channel. And social media has provided that channel. There is something more potentially fundamental and disturbing though. And that is that often the social media channel gives a group of people in society who really haven't had a voice a voice. It's often a more profound and fundamental change than just having this new channel for a populist to rise.

Often new groups have gained political power. And so you think-- and it's a bit alarming. Some people who have really alarming racist ideas that weren't acceptable in the mainstream media have had their own media form, social media have been able to express these kind of things and gather and gain a group identity and all the things that social movements need to mobilize. And they've been able to do these things.

And so you have seen that, not just the United States, in other countries. That is a downside of these new media channels. It can be a positive development, I'd say, the middle class rising up in the Arab Spring, countries around the world. That was also really helped by social media and the mobile phone, that kind of thing.

It's not just negative by any means, often I think the people who benefit most from the new communication channel, whatever it is, are the most savvy. And the people who are on social media the most, of course, are young people and women. So it could well be--

SARAH BALDWIN: That's good information.

[LAUGHS]

SAM WILKIN: It could well be that the real lasting impact of the social media revolution is to push power in the direction of women and younger people. So certainly AOC could be seen to be represented--

SARAH BALDWIN: Both.

SAM WILKIN: --of both of those trends. So [INAUDIBLE] revolution may come by hashtag. It may not be

Donald Trump's revolution in the end. The next populist that we get in the United States may look very different.

SARAH BALDWIN: Well, also in the conversation this morning there was David Leonard and *The Times* was looking at different arguments for and against impeachment. Is impeachment viable? Is it a recommended option for a populist leader who seems to be spinning out of control?

SAM WILKIN: Well, so as you said, it's the symptom, not the disease. And that tends to be the issue. If you address populism, the symptom, you only make the disease worse. That's the real problem. It also just tends to backfire. If we have a clip on Huey Long, this would be a great time to play the clip on Huey Long.

HUEY LONG: I was elected railroad commissioner of Louisiana in 1918. And they tried to impeach me in 1920. When they failed impeachment in 1920, [INAUDIBLE] died in mid 1921. And when I wiggled through that, I managed to become governor in 1928. And they impeached me in 1929.

SARAH BALDWIN: It just reconfirmed in people's minds who are tending to want to believe in the populist candidate or leader that he a victim.

SAM WILKIN: Well, exactly, if you have people who think the system is broken--

SARAH BALDWIN: Or rigged.

SAM WILKIN: Rigged, exactly. --and then you impeach their chosen candidate, you are going to convince them that the system is definitely rigged. And you will have more populist voters the next time around.

Now there may not be somebody to pick them up. Maybe Trump is the last Republican populist. Who knows? Doubt it, but maybe. Maybe there won't be somebody to pick those voters up. But my guess is there will be. There usually is. Sometimes the person themselves, the populist who you impeached just proves remarkably hard to get rid of.

They become a movement, maybe a martyr in some circumstances. Thaksin Shinawatra in Thailand, he was impeached. He was exiled. He came back. One of his friends won an election. He came back. He was convicted. He was exiled. His sister won an election. He came back. Eventually, democracy in Thailand fell. I don't think that's the risk here. But I'm just saying, it didn't end well.

SARAH BALDWIN: It does happen.

SAM WILKIN: It does happen. Juan Peron in Argentina, they sent the military to bomb his campaign rallies. That didn't work. There was a coup that didn't work. There was another coup. They finally got rid of him. He still dominated Argentine politics for about 20 years. Trying to address the populists rather than the reasons that people are voting for populism can really backfire, even just backfire in terms of keeping the person around forever.

SARAH BALDWIN: Yeah, that's such a good point. Look at the reasons that these people are voting this way, not just who they're voting for.

SAM WILKIN: Yeah, exactly.

SARAH BALDWIN: What made you want to become an economist?

[LAUGHS]

You seem endlessly interested but in the most good natured way about human behavior, at least human political behavior.

SAM WILKIN: That's true. My job, for the most part, has been-- although I studied economics in school. My job for the most part, has been as a political risk consultant. And political risk is the art and sometimes science of helping companies avoid major losses due to geopolitical events.

As you can imagine, it's a booming business these days with the trade wars and everything. I mean, all these mainstream consultancies-- Ernst & Young and Deloitte and Bain are all setting up political risk units now. It's really booming. But as a result of this line of work, I have a very different perspective on politics than most people who have been analyzing the current situation.

I think what's happened, somewhat unfortunately, is that a lot of scholars have really gotten tied up in these partisan battles. They're doing political analysis. But their political analysis has become really partisan. In political risk consultant, I've seen so many worse things happen that this is nothing.

SARAH BALDWIN: Like what?

SAM WILKIN: Well, any of the country-- Thailand, Argentina. I mean, mostly I deal with emerging markets.

So while everyone else has gone to full panic mode, I feel it's all still kind of OK.

SARAH BALDWIN: You can relativize it.

SAM WILKIN: It's really a chance for the-- and so far, the American system seems to be responding in the way it ought to respond. [INAUDIBLE] Politicians that are more mainstream, like Elizabeth Warren, are picking up some of these populist messages. Hopefully, that will sort of defray things.

The populist do tend to have a mixed record in office. So maybe that people that will be after this experience will be antipopulist in the United States. And there will be some sort of turnaround from there.

SARAH BALDWIN: Well, Sam, this has been so interesting. Thank you for coming in today and talking to us about populism around the world.

SAM WILKIN: It's been my pleasure.

[MUSIC PLAYING]

SARAH BALDWIN: This episode of trending globally was produced by Dan Richards and Jon Maza. Our theme music is by Henry Bloomfield. I'm Sarah Baldwin. You can find us on iTunes, Stitcher, or your favorite podcast app. If you like what you hear, leave us a rating and review on iTunes. It really helps others find the show. For more information about this and other shows, go to watson.brown.edu. Thanks for listening, and tune in next week for another episode of "Trending Globally."