

THE POLITICAL ECONOMIST

NEWSLETTER OF THE SECTION ON POLITICAL ECONOMY, AMERICAN POLITICAL SCIENCE ASSOCIATION

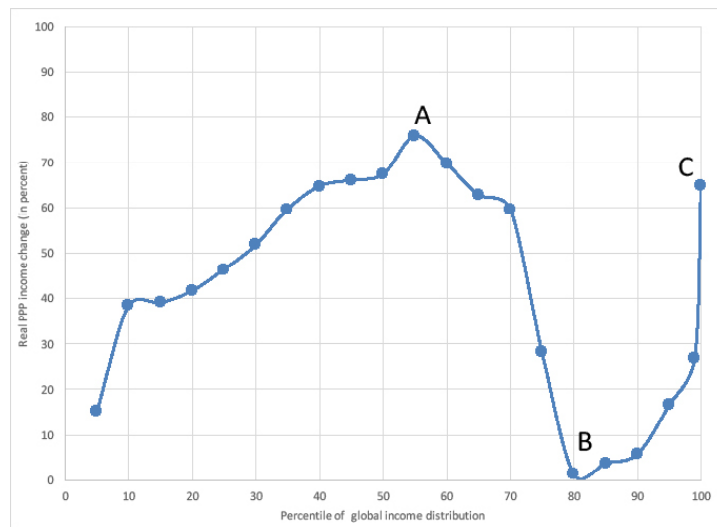
Co-Editors:

JOHN AHLQUIST, MEGUMI NAOI, & CHRISTINA SCHNEIDER,
UNIVERSITY OF CALIFORNIA, SAN DIEGO

“Worth a Thousand Words”

This new feature column reproduces (with permission) a graph or diagram that displays a relationship we believe section members will find particularly interesting or provocative. For each newsletter, we will choose among all nominations sent to political.economist@ucsd.edu (further details on the last page). Our inaugural selection is Branko Milanovic’s “elephant graph.” His graphical depiction of differential income growth across the global income distribution forms the basis for his 2016 book, *Global Inequality* (Harvard University Press). Congratulations, Branko!

Relative gain in real per capita income by global income level, 1988-2008



This graph shows the relative (percentage) gain in real household per capita income (measured in 2005 international dollars) between 1988 and 2008 at different points in the global income distribution (ranging from the poorest global ventile, at 5, to the richest global percentile, at 100). Real income gains were greatest for people around the 50th percentile of the global income distribution (the median at point A) and among the richest (the top 1% at point C). They were lowest among people who were around the 80th percentile globally (point B), most of whom are in the lower middle class of the rich world.

Source: Milanovic, Branko. 2016. *Global Inequality: A new approach for the Age of Globalization*. Harvard University Press. Figure 1.1, page 11. Reproduced with author’s permission.

WHAT'S INSIDE THIS ISSUE

"WORTH A THOUSAND WORDS".....1	FROM THE EDITORS.....3 JOHN AHLQUIST, MEGUMI NAOI, & CHRISTINA SCHNEIDER	FEATURE ESSAY.....6 KATHERINE CRAMER
FROM THE CHAIR.....2 ISABELA MARES	FEATURE ESSAY4 LUIGI GUIISO, HELIOS HERRERA, MASSIMO MORELLI & TOMMASO SONNO	FEATURE ESSAY.....9 KIRK HAWKINS
SECTION ORGANIZATION.....2		GENERAL ANNOUNCEMENTS.....12

The Political Economist is a publication of the APSA Organized Section on Political Economy. Copyright 2017, American Political Science Association. All rights reserved. Subscriptions are free to members of the APSA Section on Political Economy. All address updates should be sent directly to APSA.

THE POLITICAL ECONOMIST

AMERICAN POLITICAL SCIENCE ASSOCIATION

POLITICAL ECONOMY SECTION OFFICERS

CHAIR

Isabela Mares
Columbia University

SECRETARY/TREASURER

David Primo,
University of Rochester

PROGRAM CHAIRS

Tom Clark,
Emory University
Alison Post,
University of California, Berkeley

EXECUTIVE COUNCIL

Leonardo Arriola,
University of California, Berkeley
Mark Dincecco,
University of Michigan, Ann Arbor
Stephanie Rickard,
London School of Economics
Jonathan Rodden,
Stanford University
Kellee Tsai,
*The Hong Kong University of
Science & Technology*
Rachel Wellhausen,
Univeristy of Texas, Austin

NEWSLETTER EDITORS

John Ahlquist,
University of California, San Diego
Megumi Naoi,
University of California, San Diego
Christina Schneider,
University of California, San Diego

NEWSLETTER ASSISTANTS

Amanda Harris,
University of California, San Diego
Jonathan Shalfi
University of California, San Diego

FROM THE CHAIR

The Political Economy Newsletter is published at a time of marked change in the partisan configuration and political institutions of developed democracies. The election of Donald Trump in the United States and the strong electoral support enjoyed by populist candidates in France, the Netherlands or Italy reflect a deep unease of citizens over economic policies, levels of migration and a dissatisfaction with the candidates put forward by the established parties. We have also witnessed alarming efforts of politicians to infringe on and undermine democratic practices in recent Eastern European democracies, but also in more established democracies.

I am very grateful to the editors of the Political Economy Newsletter for putting together a newsletter that presents interesting reflections on this timely phenomenon. In fact, at no other point in time in recent history has the research of members of our section been more needed to explain either the emergence of new cleavages and coalitions or to examine the impact of the new partisan realignment for the adoption of new policies of trade, migration or social protection. Responding to this increased need for theoretical clarification, many members of the Political Economy Section have drawn on their expertise and have contributed to the analysis of ongoing events in both academic publications but also outlets that reach out to broader readerships. The current newsletter represents such an effort.

Our next Annual Meeting will be held in San Francisco between August 31 and September 2nd, 2017 with the theme “The Quest for Legitimacy: Actors, Audiences and Aspirations.” The Program Chairs of the Political Economy Section are Alison Post from University of California Berkeley and Tom Clark from Emory University. At the same time, the various committees of our section have begun their work in evaluating a range of publications for the different awards of our section. We are looking forward to an extremely interesting meeting in San Francisco.

Isabela Mares
im2195@columbia.edu

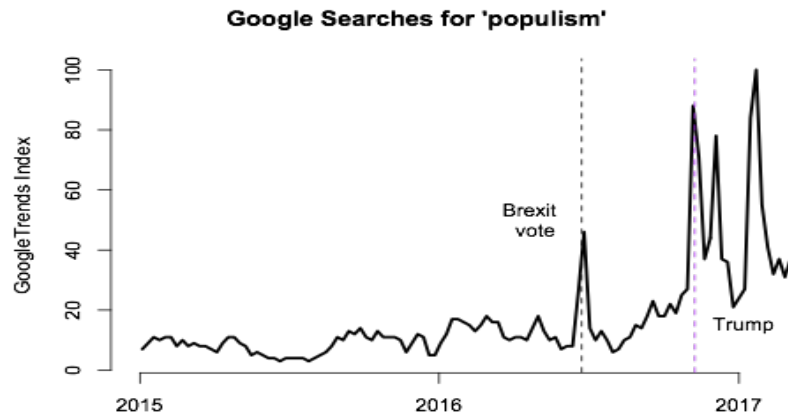


FROM THE EDITORS

Welcome to the first issue of *The Political Economist* from the new editorial team based out of UC San Diego! We thank the outgoing editors, Mark Dincecco and Bill Clark and hope to maintain the same high standards while introducing a few innovations of our own.

Populism is the theme for the Spring 2017 issue. In the wake of “Brexit,” the election of Donald Trump, and resurgent far-right parties in Europe, interest in populism among pundits and the public has surged. To wit, see Figure 1, which displays Google Trends search data for the term “populism.”

Figure 1: Popular interest in “populism”



What can political economy teach us about populism? For example, is populism an *analytically* useful term or is it simply one that commentators use to denigrate policies or parties they disapprove of? Is populism an attribute of parties, voters, or policies, or is it simply rhetoric? Are there “varieties of populism” and does this matter for policy or outcomes? Treatments of populism from political scientists (e.g., Mudde and Kaltwasse 2017) and economists (Acemoglu, et al. 2013) seem to be talking at cross purposes.

To help us sort through these issues we have three excellent contributions from Luigi Guiso, Helios Herrera, Massimo Morelli, and Tommaso Sonno; Katherine Cramer; and Kirk Hawkins. Guiso et al.’s essay defines analytical characteristics of populism as *electoral platforms* that promise “short term protection” to economically insecure voters delivered using anti-elite rhetoric. Drawing on new analysis of survey data in Europe they argue that economic insecurity gives rise to the ideational characteristics of populism, such as anti-immigration sentiments and the lack of trust in established political parties. Cramer’s essay provides a counter-point. Based on several years of participant observation and semi-structured conversations with voters across Wisconsin, Cramer demonstrates how “rural consciousness” - a political worldview that identifies rural folks as “the people” in contrast to urban “elites” - drives voter perceptions of distributive injustice and political inefficacy. Cramer argues that Scott Walker and Donald Trump took full advantage of the rural/urban divide. Hawkins argues that attempts to understand populism as the consequence of economic factors will founder; an ideational approach brings a bigger scholarly payoff. He then links the likely form and effectiveness of populist platforms to political institutions, such as the structure of party systems and history of state building. Enjoy and please send us your feedback!

John Ahlquist
jahlquist@ucsd.edu

Megumi Naoi
mnaoi@ucsd.edu

Christina Schneider
cjschneider@ucsd.edu

References

Acemoglu, Daron, Georgy Egorov, and Konstantin Sonin. 2013. “A Political Theory of Populism.” *Quarterly Journal of Economics*. 128(2). 771-805.

Mudde, Cas and Cristobal Rovira Kaltwasse. 2017. *Populism: A Short Introduction*. New York. Oxford University Press.

FEATURE ESSAY

Populism: Protection Demand and Disinformation Supply

Luigi Guiso, Einaudi Institute of Economics and Finance and CEPR, Helios Herrera, Warwick University, Massimo Morelli, Bocconi University and CEPR, & Tommaso Sonno, Université Catholique de Louvain, Center for Economic Performance

Populism is one of the most frequently heard words in political discussion these days. Google trends shows an astonishing spike in the number of searches for the word, quadrupling over the past six months. Populism seems to be the answer given to some of the pressing questions in the world. But what is populism? A quick perusal reveals that there are many types of populism (from extreme left to extreme right) and many different definitions. Focusing on the differences and adapting a definition to each of them can help build a rich catalog but not enrich our understanding of the phenomenon. We believe that it is time to try and identify the key features that are common to all types of populism in order to acquire an analytical tool that we can use as a source of reflection for the future of politics.

The first analytical key of populism is the pervasive connection between the *short-term protection* characteristics of populists' policies and the supply of *anti-elite rhetoric*. The second key feature is that economic crises fuel perceptions of economic insecurity, exacerbating low trust in institutions and mainstream parties as well as changes in attitudes towards multiculturalism and nationalistic sentiments on the right and anti-austerity sentiments on the left. In contrast with the conclusions reached by Inglehart and Norris in their most recent working paper, our empirical work, described below, shows that the driver of the populism wave is economic, not cultural (Guiso et al. 2017).

To see the relevance of the first analytical key to populism, consider the definition in the *Encyclopedia Britannica* "Populists claim to promote the interest of common citizens, but to gain popularity pander to peoples fear and enthusiasm promoting policies without regard to the consequences for the country." This general definition has three important components: (1) populists claim to be on the side of the people against the elite, something we label as "supply rhetoric;" (2) the "fears or enthusiasms" of people - the demand conditions - to which populists pander; and (3) the absence of concerns for future consequences - policy characteristics of the populists' political supply. The "short term protection" focus is common to most types of populism: the protection from immigrants, protection from Chinese products or protectionism more generally - mostly by right-wing populists - and protection of entire classes or the whole people from unequal treatment or exploitation - mostly left-wing redistributive policies - can easily be found in the platforms of Trump, UKIP, the Five Star movement in Italy, and all other recent examples.

How does this "short term protection" component of the definition interact with the commonly emphasized anti-elite rhetoric? We argue that anti-elite rhetoric simply plays the role of a "disinformation supply," making it possible to win elections with short term oriented policies. For example, if an incumbent non-populist politician counters a populist policy proposal by a challenger with statements about future costs, future debt accumulation or banking crises, the rational response by the populist challenger is to claim that all such statements of concern for the future consequences of the demanded protection policies are instead driven by self interest of the elites. Economists and incumbent politicians may well know something about how to evaluate future costs, but since conserving the status quo policies is in their elite interests, the information statements become non-credible.

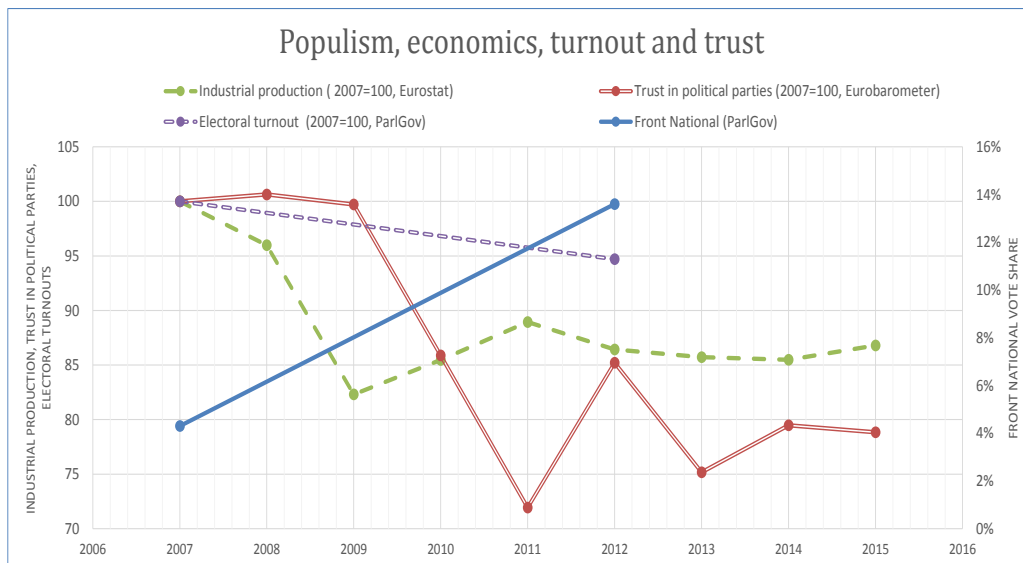
The second common feature - the key role of shocks to perceived economic security - is based on a comprehensive study of seven waves of surveys in 26 European countries along with the contemporaneous endogenous dynamics of the supply of populism, entry of new parties, and platform changes in the mainstream parties' manifestos. In Guiso et al (2017) we perform the empirical analysis of the determinants of populism on the demand as well as on the supply side, taking into account the neglected *turnout selection* problem: shocks to perceptions of economic security induce, above all, an incentive to abstain. Neglecting this leads to downward bias in the estimation of the direct effect of economic variables on the decision to vote for a populist. Moreover, we show that the main cultural variables, far from being exogenous and stable or independent, have been systematically affected by the economic insecurity perception shocks, hence creating a second, indirect, channel for the key economic determinants of the populist wave.

To illustrate the key role of economic variables we could use many countries, and in Guiso et al (2017) the main illustrations are about Italy and Greece. Given the imminent French elections we zoom on the case of France in Figure 1, showing the sequential effects we described. First, we observe a sharp decline in economic performance. Second, exactly when the industrial production has decreased by almost one fifth with respect to pre-crisis years, people start losing trust in political parties. As a result, elections in 2012 are characterized by a lower turnout and a strong increase in the populist party's vote share. We find this sequence of events repeated across most countries in Europe.

continued on page 5

Guiso, Herrera, Morelli, & Sonno Feature Essay...continued from page 4

Figure 1: Populism, Economics, Turnout and Trust in France



Source: Guiso et al (2017)

One of the consequences of these events is a tendency by traditional parties to adopt some of the populist parties' policies. One problem with this tendency is that a greater convergence of non-populist platforms toward populist proposals results in a higher abstention of non-populist voters. On the other hand, when populist parties are expected to be stronger, the abstention of non-populist voters decreases. To contest rising populist sentiment and avoid losing their core voters, non-populist parties should avoid getting too close to the populist parties' policy platforms.

It is important to emphasize that both the analytical key and the empirical regularity point in the same direction. Far from being "deplorable," those who vote for populists have legitimate demands for protection due to inequality, poverty, and related fears. Parties and politicians should offer a nuanced set of answers to such fears rather than focusing exclusively on the polarizing rhetoric of anti-populism and anti-elitism. A consequence of anti-elite supply is the selection and endogenous salience of divisive issues, sometimes at the cost of neglecting campaign and policy-making efforts on important common-values issues. Using the US congressional record Ash et al. (2017) show the significant tendency to emphasize divisive issues for reelection incentives.

Future work on political polarization through the mass-elite signaling will involve the construction of a two-dimensional metric capable of distinguishing the selection of divisive issues due to the need to signal preferences from the anti-elite rhetoric needed to cover up the future costs of populist policies. The texts of political speeches can be a useful complement to the study of disinformation supply and popular demand in understanding the relative role of economic anxiety and the cultural backlash against progressive civil-rights policies. In the UK, for example, it would be interesting to see how the rise of UKIP impacted parliamentary discourse for the incumbent Labor and Conservative MPs. Preliminary studies conducted on the political speeches in the Italian parliament before and after the entry of the Five Star movement shows an interesting phenomenon: after the entry of a clearly populist movement into parliament, the policy proposals and the rhetoric of the pre-existing parties (perhaps excluding the existing populist regional parties) changed in opposite directions: policy proposals of non-populist parties converged towards them, but the rhetoric became anti-populist (D'Angelo, 2017). Besides increasing political polarization, the populist platforms aimed at addressing growing fears with short-term protection seem to have had the additional undesired consequence of inducing a general neglect of future costs across the political spectrum.

References

Ash, Elliott, Massimo Morelli and Richard Van Weelden. forthcoming. "Elections and Divisiveness: Theory and Evidence from the US Congressional Record," *Journal of Politics*.

D'Angelo, Francesco. 2017. "Populism and Divisiveness: Evidence from a text analysis on Italian Legislative Discourse," Bocconi University. mimeo.

Guiso, Luigi, Helios Herrera, Massimo Morelli and Tommaso Sonno. 2017. "The Demand and Supply of Populism." CEPR Discussion Paper 11871.

Inglehart, Ronald F., and Pippa Norris. 2016. "Trump, Brexit, and the Rise of Populism: Economic Have-Nots and Cultural Backlash." Working Paper.

FEATURE ESSAY

The Perspectives of Populism

Katherine Cramer, University of Wisconsin-Madison

Under what conditions do populist¹ candidates win elections? My experience doing fieldwork since 2007 may help us understand. Serendipitously, I have been inviting myself into the conversations of people who eventually voted for Donald Trump in the 2016 presidential election long before any of us knew he would be a candidate. This enabled me to understand their perspectives, and then watch the ways in which the Trump campaign successfully tapped into them.

Back in 2007, I began a study of the role of social class identity in political understanding in the upper Midwestern U.S. state of Wisconsin. I have found in my past work (e.g. Cramer Walsh 2004, 2007) that a useful way to examine political understanding is to listen to conversations of groups of people who normally spend time together, in the places in which they normally spend time. For that reason, I invited myself into groups of “regulars” primarily in morning coffee klatches in places like diners and gas stations in 27 communities that I had sampled from across the state. I chose these places to provide variation in socio-economic and political indicators. They were located throughout the state, in the populous metropolitan areas in the south, in some of the mid-sized cities in the central, western and eastern parts of the state, as well as in the sparsely populated rural counties beyond the two main metropolitan areas. Between 2007 and 2012 I invited myself into the conversations of 39 different groups, multiple times in most cases. In 2016 and 2017, I have revisited 6 of these groups, several multiple times.

I did not intend to focus my attention on rural places, but the sentiments I heard in the smaller communities and rural places outside the two main metropolitan centers of Madison and Milwaukee surprised and intrigued me. In those types of places I heard a pervasive and intense resentment toward the cities and city people (Cramer 2016). The political importance of this perspective was undeniable when gubernatorial candidate Scott Walker successfully tapped into it during his initial run for the state governorship in 2010, his defeat of a recall attempt in 2012, and his re-election in 2014. Donald Trump’s success in rural America in the 2016 election further demonstrated that rural resentment is an important part of contemporary political culture in the United States.

This perspective of rural vs. urban is important for our understanding of populism because within it is a basic understanding of “the people” as equivalent to rural residents and “the elite” as primarily urban dwellers. I call this perspective “rural consciousness” to build on the group conscious literature that explains when social identities become politically relevant (Miller et al. 2016). The rural consciousness that I have observed is at root an identity with people living in small communities combined with a perception of distributive injustice. In other words, it is a perception among people living in rural places that people in such places do not get their fair share. Part of this perspective is about perceptions of the distribution of resources - that people in rural communities pay more than their fair share of taxes, and that the bulk of the wealth and the good paying jobs are located in urban areas. However, this rural consciousness also extends to power and respect. The people I spent time with perceived that political decision makers as well as those in authority in other sectors made decisions based on urban values and interests, not those of people in smaller communities. They also believed that urban decision makers saw themselves as culturally superior to rural residents.

I found that when people were telling me that they were not getting their fair share, they were making arguments about who is and is not deserving. Often, they were claiming that they were deserving because they were hard-working Americans (Soss and Schram 2007). They perceived that too much taxpayer money was going to people who did not work hard, and were therefore less deserving. The less deserving included racial minorities on welfare, white neighbors on disability, as well as urban professionals.

These perspectives have been fertile ground for the populist messages of Scott Walker and Donald Trump. Both politicians have validated claims that people in rural areas are the real Wisconsinites, or the real Americans - in other words “the people” - and are the deserving ones, and have also fed the notion that government is enabling undeserving others to get more than they deserve. In Walker’s case a key target was public employees; in Trump’s, immigrants, Muslims, and the urban elite have played that role.

Notice how these are arguments about social identity-psychological attachments to social groups, and interpretations of whom one stands with and whom one stands against. They are not about specific policies. General arguments about policies can become a part of this arsenal, but the perceived beneficiaries of those policies are perhaps more important to the effectiveness of the arguments than the content of the programs themselves.

After the 2016 presidential election, the power of tapping into notions of deservingness became even more apparent. I have resumed my fieldwork across the course of 2016 and to the present. When I visited with two groups composed mainly of people who had voted for Trump in the week following the election, I asked them what they expected or hoped would change in the next 4-5 years. They told me they did not expect much to change in their town. The answers were nearly identical even though these two groups met in places 195 miles apart. When I asked for more elaboration, they did have hopes of job creation that they might get access to. However, the change they did have faith in was that Trump would stop the flow of resources to undeserving others.

1 By “populist,” I mean a candidate who taps into a perception that corrupt elites are operating against the interests of the (virtuous) people and pledges to put power back in the hands the people (e.g. Laclau 1997; Mudde 2007). See Bonikowski and Gidron (2016) for a great summary and specification of populism as an attribute of political claims.

continued on page 7

THE POLITICAL ECONOMIST

Cramer Feature Essay...continued from page 6

In one meeting (all men) before the workday in a small agricultural community several hours north of Madison, the Friday after the election, I asked, “How do you think he [Trump] is going to improve life for people around here?”

Ronny: We’re not sure.

Lou: Nobody knows.

KJC: What are you hoping for?

Lou: Without knowing what his plan is...

Fred: I don’t think no matter what president gets in it’s going to change any lifestyle around here for us.

KJC: You don’t?

Fred: I’m hoping, that one thing, he gets in there and he quits spending and controls the spending.

KJC: Okay.

Fred: Because this country can’t just keep going deeper and deeper in the hole.

Lou: Yeah, the spending, and the deficit is what is really killing us.

And then across the state, the following Monday, in a group of working and retired men meeting in a gas station in the morning, I asked a similar question and received a similar answer.

KJC: So I would love to know. What do you think he [Trump] is going to do for folks around here?

Ron: Nothing. Nothing. We’re used to living in poverty, we’re used to it. It ain’t never going to change. How many times we got to tell you that?! But you don’t listen.

KJC: I know. I hear it! I hear it!

Ron: We’re used to living in poverty.

KJC: Okay, but you think he’s going to drain the swamp, but it’s still not going to help people around here?

Ron: No well, and I’m not saying it won’t help, but you got to try something.

KJC: And why?

Ron: Because this country has got to change. It’s wrong and when you got guys that are on these programs that are driving around \$60,000 pickups, it’s not fair to the people who have been going to work all their life. And when they go out and do things like he said [pointing to a friend across the table who had just told a story about people living off of disability payments], it’s not right.

Mitch: The illegal aliens are coming in and doing the jobs that those people should be and not paying taxes.

Ron: You got to cut them. You got to cut the strings so they don’t get all the free money so they - when their guts start groaning because they are hungry, they’ll go to work.

Bo: You got that right.

Mitch: I agree with that now and I’m on the other side of the fence. I vote mostly Democratic, but I hate the giveaways, I can’t stand it. It’s wrong. It’s real wrong.

Ron: Enough is enough.

Those responses, and the conversations going back nine years earlier, suggested to me that a populist message of government-as-enemy can mobilize votes for change if it taps into uncertainty and anxiety by giving people concrete targets of blame. The main mobilizing force may not be a promise of a better life, but of making America great again by returning to a time when undeserving others are not getting more than their fair share.

The Democratic Party is currently scrambling to figure out how to counteract these appeals. There is a tension between those who want to spend more time and resources on paying attention to rural residents, and those who perceive doing so will come at the expense of urban concerns. Some perceive that the answer is to concede defeat in rural America for now, and let demographic change take its course in the direction of growing urban and left-leaning populations and declining rural ones.

However, is it politically feasible for the Democratic Party, the “party of the people,” and the party of inclusivity to not attempt to connect with people across massive geographic areas of the country? The path forward that the Democrats choose may tell us whether it is possible to resonate with the resentments I have observed in a way that does not require reinforcing social divides.

Listening to the perspectives that underpin support for a populist candidate can also illuminate how populist appeals simultaneously tap into economic and cultural anxiety. When people were talking with me about their perceptions of being left behind, of not getting their fair share, and of certain groups of people in society getting more than they deserve, these were perspectives rooted in both economic stress as well as fears about their social status in a changing world.

One might conclude that what this means is that racism is driving right-leaning populist success. However, the key role of con-

2 KJC = Katherine Cramer

THE POLITICAL ECONOMIST

Cramer Feature Essay...continued from page 7

siderations of deservingness should encourage us notice how racism, and social fear more broadly, are inextricable from economic fear. Racism has been used as a way of defining who is and is not deserving by those who have had a major stake in preventing broad coalitions of lower-income people from forming. For example, in the post-Civil War era, enemies of left-leaning populism used racism to prevent alliances between newly freed slaves and struggling white farmers that might have resulted in greater federal redistributive policy (Alesina and Glaeser 2004). Racism is a key part of the story, but it is not separable from economics.

Listening to the conversations of people sympathetic to populist appeals helps reveal how social and economic fear are intertwined in the public mind. It also suggests it may be fruitful to conceptualize interests at the community level. Researchers on populism and public opinion have revealed a great deal by looking closely at individuals' assessments of their own lives or the nature of the democracy and economy in which they live as a whole (e.g., Oliver and Rahn 2016; Hawkins, Riding and Mudde 2012). However, the role that place identity played in the populist sentiments I observed suggest it may be productive to ask people about more local geographies. Social and economic fear are apparently a global phenomenon, but the way some people interpret them through the lens of their local economy is an important part of the way populist appeals take hold.

References

- Alesina, Alberto, and Edward L. Glaeser. 2004. *Fighting Poverty in the U.S. and Europe: A World of Difference*. Oxford: Oxford University Press.
- Bonikowski, Bart and Noam Gidron. 2016. "Multiple Traditions in Populism Research: Toward a Theoretical Synthesis." *Comparative Politics Newsletter* 26 (2): 7-14.
- Cramer, Katherine J. 2016. *The Politics of Resentment: Rural Consciousness and the Rise of Scott Walker in Wisconsin*. Chicago: University of Chicago Press.
- Cramer Walsh, Katherine. 2004. *Talking about Politics: Informal Groups and Social Identity in American Life*. Chicago: University of Chicago Press.
- . 2007. *Talking about Race: Community Dialogues on Race and the Politics of Difference*. Chicago: University of Chicago Press.
- Hawkins, Kirk A., Scott Riding, and Cas Mudde. 2012. "Measuring Populist Attitudes." (January): 1–35. http://www.concepts-methods.org/Files/WorkingPaper/PC_55_Hawkins_Riding_Mudde.pdf.
- Laclau, Ernesto. 1977. "Towards a Theory of Populism." In *Politics and Ideology in Marxist Thought: Capitalism, Fascism, Populism*. London: New Left Books. 143-199.
- Miller, Arthur H, Patricia Gurin, Gerald Gurin, and Oksana Malanchuk. 2016. "Group Consciousness and Political Participation." *American Journal of Political Science* 25(3): 494–511.
- Mudde, Cas. 2007. *Populist Radical Right Parties in Europe*. New York: Cambridge University Press.
- Oliver, J Eric, and Wendy M Rahn. 2016. "Rise of the Trumpenvolk: Populism in the 2016 Election." *The ANNALS of the American Academy of Political and Social Science* 667(1): 189–206.
- Soss, Joe, Sanford F. Schram, and Bryn Mawr. 2007. "A Public Transformed? Welfare Reform as Policy Feedback." *American Political Science Review* 101(1): 111–27.



FEATURE ESSAY

The Challenge of Populism

Kirk A. Hawkins, Brigham Young University

Academics and journalists these days are fond of saying that populism represents a challenge: to liberal democracy, to the EU, to the global economic order, etc. So it seems fitting to argue that populism also represents a challenge to the study of political economy - an intellectual challenge, but a challenge just the same. Just as populism's challenge to liberal democracy can be a helpful corrective if politicians respond thoughtfully (not an easy feat), so too it provides opportunities for political economists to re-examine their theories of rationality.

Populism challenges the study of political economy by highlighting the importance of ideas as drivers of human behavior. Scholars traditionally defined populism in structuralist or macroeconomic terms that would be familiar to scholars of political economy today. Structuralists saw populism as a response to delayed modernization, in which charismatic leaders used anti-status-quo rhetoric to build cross-class coalitions around policies of Import-Substituting Industrialization (Di Tella 1965). Economists saw it in a somewhat more sinister light, as an approach to economic policymaking that sacrificed long-term growth to short-term consumption (Dornbusch and Edwards 1991).

However, as the recent rise of radical right populists in the Europe and the US shows all too well, populism is not limited to settings of delayed modernization, nor does it have to be unfriendly to business. There are populists of both the left and the right, and even within these ideological groups there is variation in issue positions. Populist forces come in a variety of organized forms, from niche parties to large movements.

Consequently, many scholars studying populism today emphasize the one thing that seems to unite all of these parties and movements, historically and today: their ideas. Scholars find that the leaders of populist parties and movements all frame politics as a Manichaean or morally dualistic struggle between the reified will of the common people (seen as the embodiment of democratic virtue) and an equally reified, conspiring elite (seen as the embodiment of democratic vice) (Mudde and Rovira Kaltwasser 2013). These leaders and followers believe the democratic system has been subverted by this elite, and they are willing to bend the institutions of liberal democracy to restore popular rule. Thus, they oppose a pluralist outlook that values compromise or attributes policy failure to impersonal forces.

This ideational approach to populism has been scientifically productive, generating significant new data and theory. For example, scholars have now done considerable work to measure these ideas at both the elite and mass level. At the elite level, using both human-coded and automated textual analyses, my colleagues and I have found populist ideas in the campaign speeches of Donald Trump, Ted Cruz, and Bernie Sanders; the presidential addresses of Hugo Chávez, Rafael Correa, and Evo Morales; the campaign speeches of US Presidential candidates; and in the manifestos of European parties such as the Front Nacional and the Dutch Party for Freedom (Bonikowski and Gidron 2016; Hawkins 2009; Hawkins 2016; Hawkins and Silva 2015; Rooduijn and Pauwels 2011). But, just as importantly, populism is not a constant feature of political rhetoric; in studies of presidential discourse from 20th century Latin America, we find it less than half the time, nearly always among leaders who are referred to by scholars as populists (Hawkins and Rovira Kaltwasser forthcoming).

At the mass level, public opinion surveys across multiple countries now show that populist attitudes are widespread (Akkerman, Mudde, and Zaslove 2014; Hawkins, Riding, and Mudde 2012; Spruyt, Keppens, and Van Droogenbroek 2016) and that they are connected to important political behaviors, such as vote choice (Akkerman, Mudde, and Zaslove 2014; Hawkins, Rovira Kaltwasser, and Andreadis 2016).

Scholars using the ideational approach have also theorized about what motivates citizens to support populist politicians. While economic globalization plays a role in creating conditions conducive to populism (Ivarsflaten 2008; Oesch 2008; Van der Brug, Fennema, and Tillie 2005), most ideationally-oriented accounts of populist voting emphasize the inherent appeal of populist ideas (Hawkins 2010; Kriesi 2014; Oliver and Rahn 2016). Voters are persuaded to support populist forces when they have evidence that policy failures are the result of intentional elite neglect. When elites knowingly create policies that benefit some constituents at the expense of others, and fail to provide any realistic compensation or a way for disadvantaged voters to get out of their predicament, voters can reasonably claim that their representatives have violated their rights as citizens. Populism speaks directly to these violations with its accusatory language and its references to democratic identities.

The ideational argument helps us explain much of the regional variation in populist voting. In many countries, especially the advanced industrial democracies, the situations that produce this democratic resentment are less severe and tend to be limited to specific policy areas - EU overregulation, trade adjustment, or the treatment of migrants. Here populism is more likely to take the form of third party movements, as has historically been the case in the United States. But in many of the developing countries, where corruption is rooted in centuries-old problems of state formation, the demand for populism is much stronger and more constant. In these countries, populist forces tend to be more radical and win a much larger share of the vote (think of Venezuela or Greece) (Hawkins, Rovira Kaltwasser, and Andreadis 2016).

continued on page 10

THE POLITICAL ECONOMIST

Hawkins Feature Essay...continued from page 9

At first glance, this research paints a bleak picture for political economists. Much of the work in political economy privileges the role of material factors and sees ideas as instrumental. Clearly, if the ideationally oriented work on populism is correct, it is impossible to fully explain the emergence and success of populism with this kind of thick rationality.

However, ideational approaches to populism leave room for a thinner rationality, one that treats citizens and politicians as calculating decisionmakers. According to this view, populists are not merely directed by their emotions, but consider the costs and benefits of mobilizing opportunities to maximize their impact on the political system. Such populists still confront collective action problems and respond to institutional constraints, but they do so with a different set of motivations. Hence, free riding problems might be small (because of sincerely held populist ideas about the imperative for individual citizen participation), but coordination problems could be large (because of mistrust of professional politicians and party bureaucracy).

Adopting this minimal rationalist perspective potentially helps explain the patterns of organization that we find in studying populist forces - why successful populist forces often take the form of charismatic movements, for example. (Charismatic leaders help solve coordination problems without offending populist sensibilities.) Likewise, it is probably the only way of explaining which ideological stripe of populism voters choose to support; the choice between left and right populists may be strongly influenced by economic interests. Finally, traditional political economy approaches can help identify the types of critical junctures and historical legacies that give rise to corruption and other disconnects between politicians and their constituents.

Populism also provides a powerful opportunity to explore the bounds of rationality. Scholars of political economy are not unaware of these boundaries - incomplete information, especially, and the cognitive shortcuts people take to deal with this - but they sometimes struggle to situate them in an overarching framework. Much of the current ideationally-oriented research on populism tries to understand the psychology of individual populist voters (Bos, Van Der Brug, and De Vreese 2013; Hameleers, Bos, and de Vreese 2016). Results suggest that emotions loom large, but also that populist rhetoric performs a crucial framing function, helping citizens attribute their problems to knowing political agents. Furthermore, populism polarizes citizens and activates biases. Studying the conditions under which populist attitudes are formed and activated could help us identify the boundaries of rationality more generally and the conditions that redraw them. Given how plentiful populist parties and voters are right now, this is an opportunity worth seizing.

Citations

Akkerman, Agnes, Cas Mudde, and Andrej Zaslove. 2014. "How Populist Are the People? Measuring Populist Attitudes in Voters." *Comparative Political Studies* 47 (9): 1324–53.

Bonikowski, Bart, and Noam Gidron. 2016. "The Populist Style in American Politics: Presidential Campaign Discourse, 1952–1996." *Social Forces* 94 (4): 1593–1621.

Bos, Linda, Wouter Van Der Brug, and Claes H. De Vreese. 2013. "An Experimental Test of the Impact of Style and Rhetoric on the Perception of Right-Wing Populist and Mainstream Party Leaders." *Acta Politica* 48 (2): 192–208.

Di Tella, Torcuato S. 1965. "Populism and Reform in Latin America." In *Obstacles to Change in Latin America*, edited by Claudio Véliz, 47–74. London: Oxford University Press.

Dornbusch, Rudiger, and Sebastian Edwards, eds. 1991. *The Macroeconomics of Populism in Latin America*. Chicago: University of Chicago Press.

Hameleers, Michael, Linda Bos, and Claes H. de Vreese. 2016. "'They Did It' The Effects of Emotionalized Blame Attribution in Populist Communication." *Communication Research* preprint issue. doi:10.1177/0093650216644026.

Hawkins, Kirk A. 2009. "Is Chávez Populist? Measuring Populist Discourse in Comparative Perspective." *Comparative Political Studies* 42 (8): 1040–67.

———. 2010. *Venezuela's Chavismo and Populism in Comparative Perspective*. Cambridge: Cambridge University Press.

———. 2016. "Populism and the 2016 US Presidential Election in Comparative Perspective." *Comparative Politics Newsletter*.

Hawkins, Kirk A., Scott Riding, and Cas Mudde. 2012. "Measuring Populist Attitudes." Working Paper Series on Political Concepts, ECPR Committee on Concepts and Methods.

Hawkins, Kirk A., and Cristóbal Rovira Kaltwasser. forthcoming. "The Ideational Approach to Populism." *Latin American Research Review*

Hawkins, Kirk A., Cristóbal Rovira Kaltwasser, and Ioannis Andreadis. 2016. "The Activation of Populist Attitudes: Evidence from Contemporary Chile and Greece." In *Team Populism January Conference: The Causes of Populism*. Provo, Utah.

continued on page 11

THE POLITICAL ECONOMIST

Hawkins Feature Essay...continued from page 10

Hawkins, Kirk A., and Bruno Castanho Silva. 2015. "Mapping Populist Parties in Europe and the Americas." Presented at the annual conference of the Asociación Latinoamericana de Ciencia Política, 22-24 July, Lima.

Ivarsflaten, Elisabeth. 2008. "What Unites Right-Wing Populists in Western Europe? Re-Examining Grievance Mobilization Models in Seven Successful Cases." *Comparative Political Studies* 41 (1): 3–23.

Kriesi, Hanspeter. 2014. "The Populist Challenge." *West European Politics* 37 (2): 361–78.

Mudde, Cas, and Cristobal Rovira Kaltwasser. 2013. "Populism." In *The Oxford Handbook of Political Ideologies*, edited by Michael Freeden, Marc Stears, and Lyman Tower Sargent, 493–512. Oxford: Oxford University Press.

Oesch, Daniel. 2008. "Explaining Workers' Support for Right-Wing Populist Parties in Western Europe: Evidence from Austria, Belgium, France, Norway, and Switzerland." *International Political Science Review / Revue Internationale de Science Politique* 29 (3): 349–73.

Oliver, Eric J., and Wendy M. Rahn. 2016. "The Rise of the Trumpenvolk: Populism in the 2016 Election." *Annals of the American Academy of Political and Social Sciences* 667 (1).

Rooduijn, Matthijs, and Teun Pauwels. 2011. "Measuring Populism: Comparing Two Methods of Content Analysis." *West European Politics* 34 (6): 1272–83.

Spruyt, Bram, Gil Keppens, and Filip Van Droogenbroek. 2016. "Who Supports Populism and What Attracts People to It?" *Political Research Quarterly* online. doi:10.1177/1065912916639138.

Van der Brug, Wouter, Meindert Fennema, and Jean Tillie. 2005. "Why Some Anti-Immigrant Parties Fail and Others Succeed: A Two-Step Model of Aggregate Electoral Support." *Comparative Political Studies* 38 (5): 537–73.



THE POLITICAL ECONOMIST

GENERAL ANNOUNCEMENTS

CALL FOR NOMINATIONS "WORTH A THOUSAND WORDS"

The *TPE* editors are accepting nominations for the new column, "Worth a Thousand Words." This column aims to highlight important new political economy research by reproducing (with permission) a graph or diagram from a recently published article or book that displays a particularly interesting, provocative, important, or controversial relationship of interest to our readers.

Nominations should include:

- The nominated image (only one per article or book chapter)
- A brief (<100 words) description of the image (i.e., define the axes and data points; bibliographic information for the source publication; one sentence describing its importance)
- A .pdf copy of the article. If a book then a link to the google books or Amazon site should suffice.

Some additional details:

- All nominations should be sent to political.economist@ucsd.edu. Please put the text "1000 words nomination" in the subject line.
- Nominated figures need not be from empirical work; they can reflect the results of a theoretical model or conceptual exercise.
- Self-nominations are welcome, as are nominations from section non-members.
- Nominated works must be published or accepted for publication in a peer-reviewed outlet. No working papers or dissertations.
- Please do not nominate graphics from publications more than 18 months old.
- We will review nominations on a rolling basis but publication decisions will be made every February & September, beginning February 2017.

A

P

S

A