



## Right wing extremism and the retreat of democracy

### Description

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Liberal democracy has long been in retreat, and more so in the last ten years as widely documented in multiple studies and reports. Two examples are the V-Dem Institute's report from the University of Gothenburg in Sweden and the Economist Intelligence Unit's *Democracy Index*. The retreat in democracy is manifested in increasing numbers of authoritarian regimes, or rising authoritarianism within otherwise democratic regimes. Increasingly, citizens are embracing right-wing extremism and turning away from the values of pluralism, respect for minorities and human rights. Resurgent nationalism and majoritarianism, the latter advocating the primacy of a majority based on specific characteristics, are the predictable responses. But correlation and causality are not necessarily the same, and we are more interested in the latter. In this article we look into the causes and consequences that underlie the retreat in democracy and the rise in right-wing extremism. Lamentably, the retreat will endure and will unavoidably underlie much agitation and disunity in western societies for years to come.

### Lines of inquiry

There are two lines of inquiry in the literature. One is more focused on economics and looks at income inequality and the failures of neoliberal capitalism as the main explanatory culprit. This line of enquiry is expounded by people like Joseph Stiglitz at Columbia University. The other takes a broader view and looks at it through the lens of

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rising insecurities, which are both economic and cultural. This latter line of inquiry is presented by Pranab Bardhan, an economist at the University of California at Berkeley, in his recently published book titled, *A World of Insecurity, Democratic Disenchantment in Rich and Poor Countries*. The two lines of inquiry are distinct, but also overlap, and are more complementary to one another rather than substitutes.

### **The rise of right-wing extremism and the retreat of democracy**

What actually challenges one's intellectual curiosity, is not only the rise in right-wing extremism and authoritarianism, but the support that right-wing populist leaders are receiving from the working class populations that traditionally voted left. Examples and cases abound. In the United States Trump is now the favourite to win the Republican nomination for the 2024 presidential election. In France, Marine Le Pen may have lost the last presidential election, but she won 43% of the vote. Similarly in Brazil, the right-wing candidate, Jair Bolsonaro, may have lost the last election but received 49% of the vote. Giorgia Meloni, Italy's prime minister, heads a coalition of right-wing parties, and her own party, Brothers of Italy, has fascist roots. Victor Orban in Hungary won a fourth term as prime minister in 2022, by a landslide. In Poland, the far right PiS government is likely to win next month's election. The Sweden Democrats, who support the ruling coalition, are a nationalist, conservative, anti-immigration, anti-Islamic and Eurosceptic far-right party. In the developing world, examples of right-wing authoritarian regimes are Erdogan's in Turkey and Narendra Modi's in India. This list is not exhaustive, but it is indicative of the general direction of national politics in rich and poor countries.

### **Income inequality as the culprit**

There is a clear connection between rising income inequality, rising authoritarianism and right-wing extremism. Unavoidably, economic inequality leads to political inequality, argues Joseph Stiglitz, and when both become extreme, as they do in the end, people start to reject democracy and embrace authoritarianism instead. This comes about when, for instance, political parties accept large donations, giving their donors power over public policies. Political inequality in turn can be self-reinforcing, and then income tax on the rich is cut, or social spending is curtailed, or the quality of publicly offered goods, including education, deteriorates. Then private education flourishes to the benefit of those who can afford it. As a result, confidence in democracy is undermined by a pervasive feeling of exclusion and the unfairness of outcomes.

### **Wider insecurities**

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But income inequality may not be the main explanation according to Bardhan and other scholars. In a broader sense, the major explanation is insecurity, which is both economic and cultural. Economic insecurity is not only about current jobs and incomes but also about the future of jobs and incomes. Cultural insecurity is about national identity, and the sense of one's own. In this sense, immigration necessarily factors in prominently.

The rising globalisation of the 1990s and 2000s, meant the internationalisation of industrial production. Domestic companies would expand their operations in low-wage countries like China. They would then repatriate the output and sell it at home and around the world. This has led to large numbers of job losses in the industrial belts of the United States and Europe. Correspondingly, people suffering from exclusion would find commonality with other disenfranchised groups, against the establishment. The internationalisation of production was accompanied by the internationalisation of capital. The notion of national unity and national identity was eroded, and societies have remained split from within as a result.

### **The elusive Left**

We digress and come back to the question we posed at the start: why are the working classes abandoning the left for right-wing extremist leaders? There can be many explanations but two feature prominently, according to Pranab Bardhan we mentioned earlier. First, right-wing extremist parties, and right wing parties more generally, have been moving to the centre and the centre-left of the political spectrum, in many instances, adapting their policies. Second, the weakening of trade unions in the wake of the rise of neo-liberal globalised capitalism, has meant that their roles as platforms of integration and community, regardless of race and nationality, has been severely weakened.

In turn, there are many reasons for the decline of trade unions, including for instance the decline of manufacturing and the concomitant expansion of the services sectors, as well as influences from technology and globalisation. If the working classes are more diverse, and remuneration more unevenly distributed, it becomes more difficult to meaningfully organise them.

### **Cultural insecurity**

Issues of minorities and immigration feature prominently in the resurgence of nationalism. In Europe, immigration is already a big issue from a cultural or identity point of view. But

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this is not in a vacuum and immigration policies are not upto the task they are facing. The huge gap in living standards between the global north and south, has become unsustainable. People are hugely aware of these differences and as long as they remain large and widening, people will keep pushing north in search of better lives. The continuing drama in the Mediterranean and the immigration crisis in the United States' southern border illustrates the point. But this is only the supply side of immigration. On the demand side, the demographic decline in advanced countries underpins severe labour shortages and creates strong incentives to bring in people to do the jobs locals will not. In the absence of well-designed immigration policies, smugglers fill the void and feelings of insecurity among the local populations are then easily exploited by right-wing extremists.

## **Closing**

Economic and cultural/identity factors, reinforce each other in the retreat of democracy and the rise in right-wing extremism. Both rest on a system that internationalised production and labour allocation, which alienated working populations and underpinned exclusive, not inclusive, societies. This produces splits and divisions and allows right-wing extremists to exploit the insecurities so created. The changing nature of jobs and the diversity in skills and remunerations has weakened the labour unions in their crucial role of integrating the labour force and taming societal divisions. War, climate change and the sheer widening income gap between the global north and south, have stimulated unprecedented waves of immigration that current immigration policies were not designed to handle. These accumulated societal stresses, fan right-wing extremism and combating it will not be easy. It will certainly require more inclusive and fair societies that narrow divisions and foster a sense of belonging across the population.

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