Book Review: Anti-System Politics: The Crisis of Market Liberalism in Rich Democracies by Jonathan Hopkin

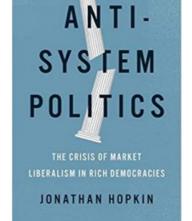
In Anti-System Politics: The Crisis of Market Liberalism in Rich Democracies, Jonathan Hopkin studies the political counter-movements that have arisen on the Left and the Right since the 2008 financial crisis, positioning these as forms of 'anti-system politics' that are a response to the failures of neoliberal orthodoxy. Scott Timcke finds this book one of the most compelling reads of 2020, deserving of serious engagement and discussion by anyone interested in politics, philosophy and economics.

If you are interested in this book, you can listen to a podcast of author Dr Jonathan Hopkin speaking at an LSE event on 'Anti-System Politics in Europe', recorded on 30 May 2019.

Anti-System Politics: The Crisis of Market Liberalism in Rich Democracies. Jonathan Hopkin. Oxford University Press. 2020.

Joining books like Mark Blyth's *Austerity* and Yanis Varoufakis's *And the Weak Suffer What They Must?*, Jonathan Hopkin's *Anti-System Politics* adds to the constellation of contemporary literature covering the fallout from the 2008 Great Recession to confidence in the capitalist political economy. Like others, Hopkin readily admits that during the recession he was swept up in the belief that the 'neoliberal consensus had met its demise' (ix), but he concedes this assessment was premature considering the subsequent European austerity programmes that followed. 'We should have expected years of rising inequality and a massive financial crisis to produce a political backlash' (50), Hopkin writes.

It is with this background that Hopkin studies the resultant counter-movements to the long, steady transformation of liberal democracy into 'neoliberal democracy' (5) that generated the recession in the first place. His aim is to produce 'a basic theory to explain political instability after the financial crisis' (83). Through compelling case studies of political developments in the US (Chapter Three), the UK (Chapter Four) and well as Southern European and Northern European countries (Chapters Five to Seven), Hopkin labels these counter-movements as 'anti-system politics'. He argues



that they primarily reject the so-called settled debate over the appropriate role of the market and government and the general downplaying of the contradictions between capitalism and democracy.

Effectively, anti-system movements are a forceful response to 'cartel politics' (39) where major neoliberal political parties had decided not to 'interfere too much with the workings of markets' (39). Hopkin's analysis identifies a nationalist-authoritarian anti-system Right and an egalitarian interventionist anti-system Left. Brexit and Trumpism are examples of the former, while political parties like Greece's Syriza and Spain's Podemos are examples of the latter.

Conceptualising these political figures, parties and movements as responses to the failures of neoliberal orthodoxy, Hopkin is adamant that these are a predictable rejection given that during the 2008 Great Recession, rich democracies prioritised safeguarding the wealth of shareholders over the general interests of citizens. 'Anti-system politics is born out of the failings of our political institutions to represent popular demands' (6), Hopkin writes. Indeed, 'the upheavals of the second decade of the twenty-first century stem from the failure of neoliberalism to deliver widely shared economic prosperity and democratic accountability' (250). Hopkin displays considerable empathy for these movements: 'banking bailouts and austerity were political choices, and citizens could not be expected to be indifferent to their consequences' (14). If, as Dan Drezner argues in *The System Worked*, bailouts blunted the full extent of economic catastrophe, then the subsequent austerity quickly called this conclusion into doubt.



Certainly, dissatisfaction with neoliberal democracy pre-dates the 2008 Great Recession. For example, Silvio Berlusconi's rise to become the Italian Prime Minister in 1994 through the formation of Forza Italia — a political party less than a year old that placed first in that year's general election — was both a 'political earthquake' and an early indicator of 'the vulnerability of our political institutions to a hostile takeover [showing that] even in wealthy, consolidated democracies, the political system could be captured by anti-system forces' (2). But this precursor is a point in favour of Hopkin's thesis, for it makes his argument less dependent on the characteristics of a single event and more on the building pressure of markets narrowing political options over decades. The most powerful expressions of anti-system politics are 'where inequality is highest, and where the social and economic effects of the Global Financial Crisis have been most severe' (3) as well as where 'political institutions have been least able to address [these] consequences' (14).

Hopkin, quite rightly in my view, is pretty clear that 'rather than dismissing anti-system politics as "populism," driven by racial hatred, nebulous foreign conspiracies, or an irrational belief in "fake news," we need to start by understanding what has gone wrong in the rich democracies to alienate so many citizens from those who govern them' (3-4). If the goal is to explain 'why anti-system politics is on the march, and why different forms of anti-system politics prosper in different places and among different types of voters' (3), then Hopkin argues it is necessary to also look at the transformation of institutions during the neoliberal era. In brief, one tendency was delegating the management of markets to experts and their spreadsheets, while concurrently politics increasingly devolved into which party offered better administrative competency.

Yet these parties' platforms of "scientifically grounded technical fixes' (43) rarely raised issues of (re)distribution and so were unable to sufficiently address the 'slow deterioration of democratic health' (249), class decomposition, stalled wages, precarity, downward social mobility and the myriad of similar issues that stem from the ordinary operation of markets and the vast inequalities they produce. If these matters all relate to the social question, then as the 2008 Great Recession showed so concretely, neoliberal democratic parties were no longer seen as credible leaders able to provide a suitable answer. In this credibility gap, anti-system politics and the critique they presented were able to prosper by calling attention to the moral betrayal by elites of their fellow citizens. The key demand has been for a fundamental overhaul of the political economy by introducing forms of governance whereby responsive representatives self-consciously act in accordance with traditions of popular sovereignty.

Adjacent to Hopkin's argument is the 'cultural backlash thesis'. From this perspective, reactionary white supremacists are reasserting themselves to police de facto citizenship in their polities, and in doing so reveal the depth of racist, nativist attitudes. Certainly, the Far Right with its xenophobia and racism is a threat to democracy, but Hopkin observes that the anti-system Left seeks to expand social protections for migrants and minorities to further realise democratic values across the full social terrain. Indeed, the latter's critique is predicated upon how 'unregulated markets' starve governments of the resources to undertake service delivery and otherwise implement social welfare programmes that provide adequate protection against market forces. Accordingly:

To reduce anti-system politics to cultural unease, the anxiety of the "left behind" or the "places that don't matter," or the revival of national sentiment misrepresents the phenomenon. At a very basic level, anti-system politics is about reasserting the power of politics over markets and money (16).

It is not that the evidence for the cultural backlash is threadbare, but rather that it is incomplete and insufficiently comparative.

In this regard, Hopkin situates the 'fundamental changes to the political economy' (248) and the emergence of antisystem politics within a Polanyian double movement, which, as a reminder, demonstrated that capitalist development gave rise to organised opposition where people demanded protection against the effects of the market on their fragile societies. Hopkin keeps pointing to the similarities between the inter-war years in which Karl Polanyi was writing *The Great Transformation* and the 2008 Great Recession, highlighting the stakes of this conjuncture. 'Greece or the United States in the 2010s are certainly not Germany in the early 1930s,' he writes. 'But it is hard to dispute that citizens' expectations that their democratically elected governments would help the whole of society participate in rising living standards have been disappointed' (15). Thankfully, the key difference is that improvements in living standards provide something of a cushion compared to the conditions of the 1930s. However, as the last remaining social protections are eroded by neoliberal democracy and the austerity it brings, so the difficulties of the inter-war years loom large.

Finally, Hopkin provides an explanation for the character of anti-system politics in different countries. Generally, 'the nature of party politics and the development of economic and social policies' are key 'variables [that] explain why some countries have been far better equipped to survive globalization and its attendant economic shocks than others' (14). But more specifically, support for anti-system parties turns on the logic and mechanisms by which benefits and burdens are shared. 'Anti-system politics is stronger in countries that are structurally prone to run trade deficits, have weak or badly designed welfare states, and have electoral rules that artificially suppress the range of political options voters can choose from' (17), Hopkin writes. This model is predictive insofar as right-wing anti-system politics finds success in creditor countries where citizens fear an erosion of existing welfare systems. Left-wing anti-system politics tends to find success in debtor countries where highly educated young populations face the prospect of not enjoying the same social protections that older populations experienced.

By placing anti-system politics within the larger history of the open antagonism between capitalism and democracy, Hopkin focuses on the 'fundamentally unstable relationship that produces regular political upheavals' (16). He concludes that the current purchase of anti-system politics tells how the free-market model cannot deliver prosperity and security. If this is to change, political authority must be asserted over the market; and that authority must be legitimated by 'meaningful mass participation in political decision-making over whatever matters society thinks are important' (257). In summary, Hopkin has produced one of the most compelling reads of 2020, a book deserving of serious engagement and discussion by anyone interested in politics, philosophy and economics.

Note: This review gives the views of the author, and not the position of the LSE Review of Books blog, or of the London School of Economics.

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