Last year John Stewart left *The Daily Show* because covering the news had become “incredibly depressing”.¹ For news junkies this year has been even worse. The front pages are a mix of domestic terrorism, xenophobia and police shootings; a daily diet of violence, misery and fear. Western liberal democracies used to import these stories from overseas. Now we are locavores, gate-to-plate consumers of humanity’s dark side. Rather than providing strength or solace, politics seems a harbinger of worse to come. From our cultural kin in the United States and Britain there is Donald Trump as presidential nominee and the British referendum on European Union membership (Brexit) presenting the looming spectre of ugly-isms: populism, nativism and even fascism. In Europe, extreme right-wing popular reaction is rife; from French polls favouring Marie Le-Pen, to the Freedom Party’s showing in the Austrian presidential election to the rise of neo-Nazis in the austerity-stricken states on the Eurozone’s margins. At home, an Australian federal election campaign derided for its mediocrity has produced a splintered primary vote and allowed Pauline Hanson to reemerge from the deep north. To anyone convinced of our political system’s merits these events have been more than disheartening. They have made undeniable the inadequacy of our current liberal democratic arrangement.

When we talk about liberal democracy we tend to treat its two parts, liberalism and democracy, as cognate and indivisible. They are in fact separate and susceptible to conflict. While the establishment of broadly-franchised representative democracy did flow from the liberal revolutions of the 18th and 19th Centuries, it did not do so inevitably or irreversibly. Liberalism, the political philosophy in which individual freedom - “the pursuit of happiness” in Thomas Jefferson’s sunny phrasing - produces the greatest overall benefit to society, preceded democracy. The potential for conflict between the two was foreseen by John Locke. He identified the possibility that liberalism’s attacks on aristocracy were self defeating: for all its promises of equality of individuals, in a society based on free enterprise a new aristocracy of those most able, the “industrious and rational” has the potential to dominate.² Alexis de Tocqueville saw this in action while travelling in America almost two

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¹ John Stewart is not alone. Political humour is struggling to compete with reality; *The Chaser’s* ratings have plummeted and this year’s Gold Logie went to *The Project’s* straight man, Waleed Ali. In retrospect their failure is likely our own. The whole time we were laughing in the dark without acknowledging how dark it had become. Hadley Freeman. “Jon Stewart: Why I Quit The Daily Show.” *The Guardian*. April 18, 2015; Neil McMahon “The Chaser team Should Think Twice About Returning After Election Desk Mess.” *The Sydney Morning Herald*. July 6, 2016.

centuries ago. He observed two complementary phenomena that are of relevance today. Firstly he saw the rise of an industrial aristocracy without conception of obligation to their workers; “one of the harshest that ever existed in the world”. Secondly, he noticed that broadly franchised democracy has the potential to degenerate into ‘soft despotism’, wherein the political class and the influential hold power and democracy is illusive. There is ample evidence that these processes are the motivation for the current populist reaction.

The rise of populism has exposed the intrinsic contradiction between liberalism and democracy. From both extremes of politics there is a loudly held view that benefits of freedom have accrued to the few. Most worryingly, the anger generated by this apprehension has been cynically exploited by right-wing populists like Trump. Trump, with his promise to “build a great, great wall on our Southern border” because Mexicans are “rapists” and his call for the “total and complete shutdown of Muslims entering the United States” has deflected this anger towards religious, ethnic and national minorities. His supporters seem immune to reason. This was no less true of a majority of Britons during the Brexit vote. Rival politicians seem helpless.

All is not lost, however. I contend that we can learn from the populists and make our political institutions stronger. Trump and his British equivalents, Boris Johnson and Nigel Farage, may be proven liars but there is truth in the kind of anger that their supporters express toward mainstream politics. While their expression may be troubling and misdirected, these sentiments are not irrational. At their core they are justified disaffection with the structural changes rendered by neoliberal economic policies on their lives and communities. In this essay’s first section I will analyse the current state of liberalism. In the second I will examine the consequences of inequality and the role of emotions in democratic politics. I will conclude by suggesting that a justice based regime be instituted to address their underlying causes such that passions cannot so easily be exploited by populists.

1. Liberty at the End of History

In the heady atmosphere of 1989, Francis Fukuyama put pen to paper and wrote “The End of History?”, a refashioning of Hegel that he has been walking back ever since. Writing of 20th Century liberalism’s victory over the competing ideologies of fascism and communism he noted that the “people sense dimly that there is some larger process at work, a process that gives coherence and order to the daily headlines...an unabashed
The report of history's death was an exaggeration of course; no intellectually serious person shares this sense today. The contrast is, however, instructive. What went wrong in the intervening quarter century? Having survived its external enemies, why has 21st Century liberalism started crumbling from within?

Fukuyama’s triumphalism belied the fact that the liberal edifice - the state, its citizens - had not remained static. The guiding liberal principles of liberty and equality may have been unchanged since Hegel first declared history over in 1806 but the experience of the 20th Century shaped the values and ideals of the citizens of the west as much as their shared legacy of the the French Revolution. Much as the grim reality of the First World War’s trenches extinguished romanticism in its cultural and political forms, so too did the Great Depression and Second World War put laissez faire economics to the sword. Put simply: a victory for democracy was not a victory for economic liberalism. This had important social consequences.

In the West, the war solved the problem of socially destabilizing inequality that had been liberalism’s endemic failing since the Industrial Revolution. The Keynesian economic arrangements of the postwar "Pax Americana" enshrined the centralising and regulatory aspects of the war economy. Coupled with the destructive and inflationary effects of total war on private wealth, the middle of the century saw unprecedented levels of economic and social equality. The French call these years “les trente glorieuses” - the glorious thirty. It is not merely the French who are nostalgic. Anyone with a grandparent who lived through the Depression can tell you that the positive social and psychological effects of these changes cannot be overstated. Entire communities were conditioned to the notion of increasing prosperity and equality of opportunity.

Western society has since returned to the principles classical liberalism. Over the last 40 years the notion of economic freedom being both the most utile and most just organising principle for society has been re-enshrined in economic and political orthodoxy. It has had bipartisan political support; from Thatcher and Reagan to Keating and Clinton. Some pursued these policies under the philosophical and ideological aegises of Robert

6 Liberalism is of course a plural tradition that varies in its history and form from state to state. One generalises about liberalism in the same manner one does about “the West”, in the hope of making useful generalisations without being overly reductive.
Nozick, Frederick von Hayek and Leo Strauss (of whom Fukuyama was an acolyte). Others sought only to bring growth and economic stability to stagflationing nations. These policies achieved their objectives; inflation was reduced, growth returned and red tape reduced to confetti. But they did so at the long term cost of rising economic and geographic inequality and declining social mobility.

There are many measures of inequality. Since the publication of Thomas Piketty’s impressive *Capital in the Twenty-First Century* the focus has been on wealth. Its title riffs on Marx and its conclusions are based on the empirical findings the great historian would have killed for. Mining a century’s worth of income tax receipts, Piketty showed that since the neoliberal reforms of the 1970s private wealth relative to national income and the share held by the rich has been concentrating in a manner not seen since the Belle Epoque. In the US and Europe the ratio of private wealth to output has grown from 2:1 to 6:1, while at the same time the top deciles’ share of wealth increased substantially. In short, the gains from economic liberalisation have accrued to the rich. The rising tide has not lifted all boats.

Few Trump and Brexit supporters will have cracked *Capital*. Fewer still, I imagine, will have finished it. They don’t need to. Anyone travelling through America’s Rust Belt or Britain’s formerly industrial North has witnessed the areas’ decline. Today geography is a clear a marker of inequality as wealth. Industrial relics, vacant shops and homelessness are all testament to the receptiveness of these regions to populist calls to “Make America Great Again” and “Believe in Britain.” These slogans rightly imply loss. It is not necessarily individual loss - Trump’s supporters are not confined to a single class - but rather the loss of community. Is it any surprise, then, that the populists’ greatest supporters are the elderly, those who built those communities in a less liberal age? Trumpists and Brexiters are at best an inchoate group. But there is an emotional truth to their jeers. They should be taken as a popular examination and rejection of the prevailing teleology that liberalising reforms imply progress for all.

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11 In fairness to Fukuyama, these consequences were not foreseen by any but the brightest. A brief technical explanation: The post-war rates of growth that disappeared in the 1970s appear to be chimerical, the result of technological and organisational catch-up rather than the product of innovation. Furthermore, the real-world long term relationship between low growth, returns on capital and capital accumulation were not well understood before Piketty’s compiled his dataset. Piketty and Goldhammer. *Capital.* 140-163.
2. The Consequences of Inequality in the 21st Century

What do the emotions provoked by liberalism’s structural inequality mean in a liberal democracy? John Lanchester lamented that the outcome of Brexit is “the end of the idea that politics is based on rational argument”. In the short term, this may be true. I believe, however, that we should neither despair of emotions in politics nor downplay them. They may be central to the appeal of populists but they are also intrinsic to our liberal democratic system. Without passion, after all, liberal values would never have revolutionised western society. There would have been no one to man the barricades, no soldiers in Napoleon’s army.

Political emotions are of course both positive and negative. Affective sentiments are the basis of communal solidarity whilst reactive sentiments form the basis of conflict. In his words and actions Donald Trump has proven adept at manipulating both kinds of political emotions. Daily Tweets on the order of “We will bring back the American Dream!” appeal to a sense of forsaken community. Whereas others, often little more than slurs and name calling, think of “#CROOKEDHILLARY”, appeal to base reactive instincts. These are not mere playground taunts, as the violence at his rallies attests. It is not that Trump cannot not make rational arguments, but rather that his modus operandi is emotion. His public presentation is calculated to form an emotional connection. So while to his opponents he is crass and unpolished, speaking (inarticulately) without notes or being insecure about the size of his hands, to his supporters he is authentic and endearing. It does not matter how rigorously the media fact check him. His outright mendacity has no effect on his supporters. As one Trump partisan put it; “What you see is what you see, all the cards are on the table, the words are non-rehearsed, flowing forth and engendering a sense of trust”.

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14 Those liberal movements made up of middle class intellectuals, like the Carbonarists, were far less effective than those that included the passionate masses. Eric Hobsbawm. Age of Revolution. (New York: Vintage, 1996) 109-130.
18 Even CNN, America’s milquetoast news network, has gotten in on the action. Who can forget the watershed moment in which Jack Tapper held Donald Trump to account for his views on race, asking the same question 23 times until he prevailed with an answer? If you haven’t seen it I’ll spoil it for you: Donald Trump does not think it is racist to say a judge should be disqualified by his race. Callum Borchers. “Jake Tapper asked Donald Trump if his judge attack was racist then followed up 23 times.” The Washington Post. June 3, 2016; “Fact Checks of the 2016 Election.” The New York Times. 2016.
The Brexit vote is the most concrete example of the strength of emotional appeals over rational arguments. At stake was the central liberal value of freedom. Continued membership in the EU promised greater individual and economic freedom; freedom of movement, freedom of commerce and freedom of trade. The Stay vote was backed by a consensus of both parties. The likely consequences explained rationally by experts. Yet reason did not prevail over disaffection. The Leader of the UK Independence party Nigel Farage put it bluntly: “people feel they have lost control completely.” Leave voters perceived that while they bore the costs of EU membership, the benefits of those freedoms would not accrue to themselves.

In this liminal moment, the consequences of populism are unclear. With the US election still in play Donald Trump is more embarrassing than harmful. However, in the UK the passions ignited by the Brexit vote has seen an increase in race-based hate crimes. These have been committed in an atmosphere of violence encouraged by politicians like Farage, who said “If people feel that voting doesn't change anything then violence is the next step.” Indeed, there is concern that populism is just the beginning of a process that will ultimately end in the rise of fascism; each populist success engendering the “cognitive liberation” of like minded people. While most discussion of Fascism has been more rhetorically indulgent than serious, it bears consideration as a possible outcome of the populist moment. The failing liberal state is central to all analyses of Fascism. Trump has also proved adept at exploiting and encouraging the "motivating passions" of his supporters that Robert Paxton lists as the fundamental precursors to Fascism; anxiety about the insolubility of the crisis, victimhood and communal decline.

What we should take seriously is the potential cost of Fascism. Should the populist moment end in the dissolution of the democratic state, in nationalistic foreign conflicts or isolationists disengagement from the world as it did or Italy and Germany in the 1920s and 30s or France in the Second Empire there will likely be severe economic consequences.

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23 “Three Things Nigel Farage Has Said.”
Consider the cost of the relatively minor shocks of the last 15 years. The ‘War on Terror’ cost America $1.6 trillion, to say nothing of the costs in terms of lives and money that were inflicted on the battleground nations themselves.\textsuperscript{27} Exclusive of foreign entanglements, September 11 cost the world on order of $1.7 trillion.\textsuperscript{28} The global financial crisis cost $15 trillion.\textsuperscript{29} Doctrinaire liberals should take heed. Should democracy crumble, the likely costs will far exceed any net losses from making economic distribution in our societies more fair.

3. The Need for Fraternity

If the lack of honest deliberation of the implications of our liberal economic regime has left voters vulnerable to the emotional appeals of populists then the solution lies in a social contract which subordinates economic freedom to equality. Furthermore, this must be equality as understood by voters. The question, then, is how to distribute of costs and benefits in society in a way that would be deemed more equal - let’s say fair - by its citizens. John Rawls proposed the notion of justice as fairness as an answer to how distributive justice might work in a liberal society. In this section I will explain how his theory might offer a solution to the current crisis.

Rawls reasoned that a rational individual would not be in favour of the collective maximisation of advantages if it does not benefit her. Were she to reason from behind a ‘veil of ignorance’, she would hold that “no one should be advantaged or disadvantaged by natural fortune or social circumstances.” Blind to any advantage she may have in life, she would conceive of a fair distribution of society’s resources as governed by two principles; the liberty principle and the difference principle. The first principle holds that everyone is entitled to equal basic liberties. The second, subordinate principle, holds that equality must be organised such that any necessary inequalities are to everyone’s advantage.\textsuperscript{30}

The advantage of the justice-as-fairness model is that it closely conforms to voters’ intuitive understanding of liberty and equality. It preserves liberalism’s emphasis on freedom choice and success through merit but ensures closer-to-equal outcomes that could be generally agreed upon as fair. For our political class, reasoning behind the ‘veil of ignorance’ creates the essential precondition of equality of origin such that their intuitions of justice and reasoning correspond. To put it in emotional terms, it is an empathetic

mechanism that allows the beneficiaries of neoliberalism to find common ground with Trumpists and Brexiteers. Of course, one could ask why would a self-interested person step behind the veil? Why should a beneficiary of freedom’s advantages - a member of the ruling class more explicitly - enter into a thought experiment that would be to their detriment? They are not, after all, ignorant of the benefits of their situation. I would suggest that the potential for fascist reaction puts them in such a situation as to see the rationality of it.

I want to make it clear than I am not arguing for equality on moral grounds. I am not even arguing that people are equal. Rather, I am suggesting the suitability of justice as fairness as political philosophy because it accords with the public’s perception of, and demand for, equality. When Thomas Jefferson wrote, “We hold these truths to be self evident, all men are created equal”, equality was not defined. Nor was the question of whether they would remain equal. In the recent years the dissonance between statements of liberal ideology like Jefferson’s and the reality of inequality amounts to what John Kenneth Galbraith called ‘innocent fraud’. I am arguing, then, that for stability’s sake in a democracy the notion of equality needs to correspond to widely held belief, irrespective of its morality.

What might justice-as-fairness look like? It is not simply the language of equality and justice. During the election campaign Bill Shorten accused Malcolm Turnbull of “creating the preconditions for disadvantage and inequality.” Barack Obama has also made repeated reference to inequality throughout his presidency. None of these statements assuaged the concerns of those drawn to populists. Neither proponents of right wing populists nor the populists themselves are calling for equality in the language of justice, preferring to frame their platform in inchoate negative emotional calls. Indeed, many rally against the use of

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31 Deneen and Stephens. “Political Philosophy In The World.”
32 Although it is quite possible to do so, there are also reasonable objections as to why inequality might not be immoral. Harry Frankfurt, for example, has suggested that poverty is more important problem than inequality. According to his framing, our chief moral concern should be the absolute not comparative character of material well being. That is to say government should be concerned with sufficiency of means to pursue a satisfying life. Harry Frankfurt. On Equality (Princeton, New Jersey: Princeton University Press, 2015) 4-15.
37 This is a polite way of saying what often amounts to shouting obscenities about minorities. Berenstein, Corasaniti and Parker. “Voices.”
rights and justice language by the left in recent years, which they associate with political correctness.\textsuperscript{38}

In action justice-as-fairness must address the people’s central complaint, the sense that the political elite is not governing in their interests and that society become unfair. To this end globally it may mean greater redistribution of plutocratic self-accumulating wealth as Piketty suggests.\textsuperscript{39} In Europe it may mean a more robust federalism such that the people of Greece or Spain or Estonia don’t suffer for the sake of Germany’s currency stability and trade surplus.\textsuperscript{40} In the anglophone world it may mean structural economic policies to prevent the kind of economic and geographical Götterdämmerung seen in America’s Rust Belt, Britain’s North or our steel and mining towns.

These are, of course, just lazily cribbed ideas. I am not suggesting these specific policies for debate, but rather suggesting the shape of debates \textit{and actions} to come. Liberal democratic government’s principal economic task must be distributive. They must consider to whom benefits accrue and what the communities of those who are not beneficiaries will look like as a consequence of change, rather than blindly working to maximise the net level of benefits. In short the emphasis should not be on liberty and equality, but rather achieving \textit{fraternity}. After all, it is the good-will of voters on which the stability of a democracy depends.

This all may seem a bit abstruse, so let me give you a concrete example. So far Australia has been spared the worst of the populist reaction. We despair at One Nation and the havoc they will wreak in the Senate but their primary vote in the 2016 election stood at 1% nationally.\textsuperscript{41} The portion of the population that identifies as a disempowered ‘White Australia’ is miniscule in comparison to the representation of Little-Britain evident in the Brexit vote or Rust-Belt America in Trump’s presidential nomination. This is despite our pursuit, in the finest of lucky-country traditions, of rudderless political mediocrity in which a succession of leaders have squandered their political capital and rested on the reformist laurels of the previous generation.\textsuperscript{42} I put this down to what Donald Horne as “the doctrine of fraternity.”\textsuperscript{43} Or, more simply put, the culturally ingrained idea of the ‘fair-go’. Though this doctrine is neither formalised, complete, nor unchallenged it has established a democratic test of fairness that curbs liberal excess.

\textsuperscript{38} Friedersdorf. “Trump Supporters.”
\textsuperscript{39} Piketty and Goldhammer. \textit{Capital}. 515-539.
\textsuperscript{40} George Megalogenis and Yanis Varoufakis. “And The Weak Suffer What They Must?” \textit{Sydney Writers Festival}.
\textsuperscript{41} “Federal election 2016: No Need To Hug One Nation.” \textit{The Australian}. July 7, 2016.
\textsuperscript{43} Donald Horne. \textit{The Lucky Country: Australia in the Sixties} (Sydney: Penguin, 1964) 17.
"Liberty, equality and, it followed, fraternity." Thus Eric Hobsbawm introduced the 18th Century conception of liberalism in his seminal work, Age of Revolution. In the pause between the two ideals on which the liberal revolutions were based and the presumed result lies the last two centuries of Western political history. Recent history has again demonstrated fraternity does not necessarily follow. We must remake our democratic institutions to ensure that equality and fraternity are our primary concerns. If we don't, our liberty is at stake.

Word Count: 3359

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44 Hobsbawm. Age of Revolution. 21.
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