

# Institutions and Populism in the Global South- Lessons for the Brexit-Trump Era

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After the 2011 Egyptian Revolution, the Muslim Brotherhood (M.B.) faction led demonstrations throughout the year chanting allegiance to the new military-led roadmap and promising to take back control from Mubarak and his cronies (Eskandar, 2013). They saw the end of the Mubarak regime as an opening into elite dominated state structures, and a chance at inclusion. Soon after, they won a parliamentary majority, secured the presidency, fashioned a new constitution, and were overthrown in 2013 by a military coup (Ibid.). The chance to penetrate the ruling establishment thus did not transpire.

In 2016, the U.K Independence Party (UKIP) embraced similar slogans throughout their campaign to leave the European Union. “Taking back control” became the tagline for groups disenfranchised by a ruling system that did not better their livelihoods (Barnett, 2016). Since the referendum, the political establishment has yet to reach a Brexit plan that would support this envisioned British autonomy, without increasing economic hardships (Puglise, 2017).

The UK referendum emphasised the contribution of outlying provinces in determining the final outcome (Goodwin and Heath, 2016); which was also the case following the Trump win, with tipping support from the Rust Belt states<sup>1</sup> (Florida, 2016). Similarly, spatial analysis proved overwhelming support from poorer provinces that led to the 2011 win of the MB in Egyptian parliamentary elections (Eskandar, 2013), as well as in Tunisia’s Constituent Assembly elections by the Islamist party- Ennahda (ACPRS, 2014).

As such, strong contestation against the hegemony of the urban centre has long emerged in the Global South, with the latest ‘populist’ backlash in the North following suit to express anti-establishment sentiment (Ridley, 2016). These are compounded by global experiences of urban-rural inequalities, desolation of industrial cities, and the exploitation of state failures by non-state actors bearing nationalistic and/or religious divisive discourses (Roy, 2009; Ben Nefissa, 2009).

This essay thus argues that the recent voter backlash, rise in populist affiliations and imaginaries of exclusions can be understood alongside conceptions emerging from experiences in the South. It appears that the failure of institutions has provided the fertile ground for support of populist movements. Experiences from the Global South will be discussed to support this viewpoint, namely the failure of the social contract, networks of urban informality and elite privilege, and exclusionary populist movements.

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<sup>1</sup> The term Rust Belt is given to states around the Great Lakes, Midwest and other North-Eastern areas that traditionally formed the economy’s manufacturing core before its decline.

## Failure of the Social Contract

One rationale put forth for grassroots support to oppositional movements is the breakdown in state-sponsored services in provincial areas and the retreat of the developmental state<sup>2</sup>. In the middle of the 20<sup>th</sup> century, after achieving independence, nationalist movements in the South grappled with securing universal prosperity to citizens now under their rule (Rogan, 2010). Developmental states emerged across the South, valuing industrial advancement and production, providing universal education and healthcare, as well as guaranteeing different forms of labour (D. Davis, 2004).

These endeavours were short-lived however, as 'globalised' notions of connectivity and competitiveness prescribed certain types of productivity and industries. With the dominance of neo-classical economics and the era of 'Thatcherism' and 'Regan-omics', neoliberalism took root across the global (Ridley, 2016). This resulted in new standards of modernisation, including the affinity to urban cities, a finance economy, and decentralisation (Merrifield, 2014).

Consequently, countries of the Global South faced the dilemma in embracing modernity and also appeasing their populations with traditional service provision functions. As such, in many instances, revoking social entitlements was immediately met with resistance. This occurred in 1970s Egypt against subsidy removal and in 2008 with bread riots (Abdelrahman, 2015), as well as in Latin America during the 1990s and early 2000s against privatisation (Almeida, 2007).

The breakdown of state efficiency has led to an inevitable lack of services in most provinces of the Global South (Roy, 2009). What remains underreported, however, is the role of non-state actors as providers in light of this failure (Ben Nefissa, 2009). In Egypt, for example the MB had long provided healthcare, education and food supplies both in urban slums and provincial villages (Abdelrahman, 2015). They were able to bank this support when they launched their successful parliamentary and presidential campaigns after 2011 (Ibid.).

On the other hand, reactions to the decline of industrial institutions was different. The decline of traditional powerhouses coincided with increased technological advancements, privatisation of state-owned enterprises, and outsourcing to countries with competitive cost structures and lax legislative regimes (Merrifield, 2014). The desolation of the UK's northern cities bears great resemblance to those of the US Rustic Belt, symbolised by the bankruptcy of Detroit in 2013 (Ridley, 2016). Similarly, cities across Egypt dominated by state-owned industries such as Mahalla El-Kubra, came under new labour regimes. These created flexible contracting, removal of worker protection, and others strategies increasing labour precarity (Abdelrahman, 2015).

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<sup>2</sup> The developmental state is defined in the narrowest sense as a state that focuses on economic prosperity through pursuit of industrial policies. (D. Davis, 2004)

No viable alternatives were given to these cities as a means to stay competitive in the global market, and the dispossessed were left to fend for themselves. It should not be surprising that an alternate nationalistic rhetoric thus found large footing in English Northern cities and Middle America, leading to a break with traditional labour loyalties (Burnett, 2016).

Ultimately, the breakdown of the original social contract between the state and its citizens has left many disillusioned by the ruling elite's promises, and systems of survival gained more importance, as the following sections will discuss.

### Paralegal Networks of Privilege and Survival

In past decades, neoliberalism has created a large amount of wealth, coupled with great inequalities (Harvey, 2004). In the Global South, the rise of industrialists in places like Egypt, India and the Asian Tigers, was the hallmark of the 70s and 80s (D. Davis, 2004); while the 90s technology boom brought in a new class of technology elites across global value chains (Sassen, 2016). Recently, these have been swallowed by the sheer power and magnitude of the financial sector concentrated in 'global cities', including London, New York, Tokyo and Paris (Sassen, 2001).

With each new wave of shifting elite settlements came the consolidation of advantageous networks guaranteeing certain privileges in laws, governance schemes and imaginaries of citizenship (Roy, 2009). The influence of these networks can be discerned from cases such as the institutional backing of the 'The City'<sup>3</sup> in London, bailout packages offered to US banks after the financial crisis (Ridley, 2016), and constitutions in the Global South protecting military economic establishments (Eskandar, 2013). Institutions in the latter can in fact cater specifically to elite aspirations. For example, Indian courts uphold bourgeoisie environmental ideals by implementing laws driving the poor out of public spaces (Baviskar, 2005); whilst in Egypt, state agencies under Mubarak approved sales of state-owned land to businessmen at token prices (Abdelrahman, 2015).

Nonetheless, while these exclusive networks seemingly dominate political and economic structures, those left behind have used diverse mechanisms to extract advantages for their own survival. The informal sector in the Global South is described as the illustration of how communal networks can support jobs, housing, service provision, social welfare and others with minimal state interventions (Ben Nefissa, 2009). While an informal sector in the North seemingly does not exist, but emerging research on the invisible spaces of estates, ghettos and banlieues could be the starting point for further study (Wacquant, 2001).

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<sup>3</sup> The City of London is a special authority with London. It is known for the concentration of financial and business power located within its 'square mile'; the equivalent of the New York's Wall Street.

The strength of these networks has not been well researched in the South as well since they overtly erupt at certain moments and under certain conditions. It seems that these 'non-movements', as Bayat calls them, play a major role in the continued resistance against the hegemony of the elite settlement (2013). Yet, in many cases, some of these parallel support systems were built on divisive rhetoric from the start. For example, in Egypt much of the MB's social assistance is contingent on imposed cultural ideals (Ben Nefissa, 2009); while in Latin America, organised crime groups and church movements insist on 'taking care of their own' (Arias, 2006).

As such, the failure of traditional liberal institutions to advocate the aspirations of the marginalised has warranted a parallel rise of populist movements, which will be discussed in the following section.

### The State and Populism

As Western communities settled into the relative peace following the 1960s New Left movements; various waves of populism in the last decades have greatly contributed to politics of the state and institution-building in the South.

In the Middle East and North Africa region (MENA), nationalist movements were formed from the early 19<sup>th</sup> century against the Ottoman Empire and continued into the 20<sup>th</sup> century against colonial powers (Rogan, 2010). As direct colonial rule was overturned, many of these movements used their popular support to secure their own positioning in spaces of power, such as Nasser in Egypt, and Gadhafi in Libya (Ibid.). They also attempted an overhaul of societal power relations through agrarian reforms, socialist welfare policies and the privileging of certain sectors of society, such as the military (Ibid.).

Although the pursuit of neoliberal ideals has replaced socialist dreams, many of the original leaders or families remained in power up to the 2011 uprisings, like Libya, Tunisia, and Syria. These now represented the autocratic ruling class, siding with traditional elites, and the populist vacuum was filled by the promises of heaven, through different strands of Political Islam. As such, institutions were barricaded against the infiltration of factions, such as fraud cases during the 2005 Egyptian parliamentary elections against the Brotherhood, and other opposition parties (Abdelrahman, 2015).

In Latin America, however, recent populist rhetoric has been mostly co-opted by candidates, turning state institutions into a type of mediator between the elites and the masses, where candidates right of the spectrum have come to power (The Economist, 2016). Social welfare programs, such as La Bolsa Familia in Brazil, and promises of inclusion have gained an imaginary appeasement of the people; while the rise of Pentecostalism and entrenched organised crime welfare networks tell a different story about the mobilisation of the disenfranchised (Arias, 2006; M.Davis, 2004;). With Rio de

Janeiro electing its first Pentecostal mayor (The Economist, 2016), the state may be witnessing a challenge to its perceived role as mediator, and a confrontation against its alliance with elites may be forthcoming.

The rise of seemingly latent movements seems to have also caught commentators off-guard elsewhere. This includes the popularity of Bernie Sanders and Donald Trump in the US, left-wing Podemos in Spain and the Italian Five Star Movement (Desideri, 2016); as well as right-wing factions across Europe. Yet, despite these ascents, bureaucratic institutions and the political settlement have not allowed for an actual destabilising of the establishment. For instance, in the US, despite Trump's Muslim ban decrees, courts halted their implementation by using legislative caveats (Farrer, 2017). Similarly, Syriza in Greece could not deliver on its promises of radical political and economic restructuring, as it faced backlash from its creditors and new austerity measures (Grollios, 2016).

Hence, it is important to further study the roots of state- building and the constellations of power in society in order to fully understand how institutions can support or impede the rise of populist undertakings.

## Conclusion

Finally, this essay is intended to be a starting point to bring together cases from both hemispheres, in an attempt to look at the rise of populist movements across the globe. There seems to be many overlaps between the adverse mentality of a "Yes, Minister"<sup>4</sup> civil servant against European hegemony and a MB member's unrelenting belief in a theocracy. Yet, the case of Tunisia differs, where initial populist support for the Islamist forces diminished following representative elections and an entrenched checks and balances system (Filalil-Ansary, 2016). Perhaps the initial comparative approach used in this essay could provide important insights for the multitude of countries now grasping at a societal compromise.

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<sup>4</sup> 'Yes, Minister' and 'Yes, Prime Minister' were British political satire series aired in the 1980s to coincide with a changing political landscape, including resistance against Britain entering the European Union.

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