

Analysis of Populism on British Economy, Politics and Society

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Abstract: In the wake of the rise of populism in the UK, impacts of populism are increasingly realized by scholars nowadays. However, although scholars focus more and more attention on populism, there is few research of the influence of populism in multi-area. This essay focus on impacts of populism on economy, politics and society in the UK. Using document analysis method, the essay intends to illustrate the fall of British economy, the fragmentation of British society and the rise of populist parties based on relevant literature. In line with the research, populism drives the decrease of British economy. Besides, populism contributes to the fragmentation of British society. Last but not least, populism plays an significant role in the rise of populist parties. Despite of populism generally imposing negative influence in the UK, populism is an opportunity for British citizens to reflect. For instance, citizens should think twice before make decisions. Simultaneously, government should pay more attention to the requirement of the public and reduce the gap between the rich and the poor.

Keywords: populism, the UK, economy, politics, society

1. Introduction

When it comes to the rise of populism in the UK, the collapse of public confidence in the political class should not be overlooked. In line with a report, citizens hold a belief that politicians tell the truth towards public only share a proportion of 21%. It can be attributed to scandals, which have plagued several British establishment pillars [1]. For instance, during the period of financial crisis, which occurred from 2007 to 2008, a number of celebrities in major financial institutions were accused of tax avoidance. Besides, British mainstream news media struggled in scandal of hacking into personal communication of residents. Another classic illustration often cited is that Tory MP Sir Peter Viggers spent his expense building duck house in his pond, which he claimed for an island.

Socioeconomic inequalities drives the rise of populism. According to recent research, despite significant economic development, most people's real incomes in affluent Western countries have stagnated or even decreased in recent decades. The benefits have mostly gone to the top ten percent of the population, in particular, the top one proportion [2]. A majority of citizens are not well-educated so that they only receive fairly low wages and minimal job security, nevertheless, they take up the most dangerous and demanding occupations in poor work condition, which means that they are extremely vulnerable to social risks. That is the reason why most of the underclass citizens feel economic insecure. However, people's complaints and opinions are routinely disregarded by

governments, major parties, and the media [1]. On the contrary, populists frequently support protectionist measures like trade restrictions and tariffs, they also frequently criticize governments for failing to foster the rising wealth and sense of communal belonging that characterized postwar societies [2]. In this way, populists seem that they stand for public, in particular, underclass. Simultaneously, populists make themselves look affable and they usually use the word “our” so that citizens easily regard populists as people who can really understand them and concern about their interest. Extremist movements share a lot of similarities [2]. They appeal to people who are dissatisfied, psychologically homeless, personal failures, social outcasts, monetarily insecure, illiterate, unsophisticated, and dictatorial in nature [2].

In the wake of the rise of populism in the UK, populism turned into a way for people to express their grievances and opinions, which are disregarded by governments, major parties, and the media from a political terminology [1]. Nowadays, the word “populism” is used abusively among British citizens. They no longer care about the substantial meaning of “populism”, instead, they use it to criticize or even to curse political figures that they do not like or support. As it is known to all, Brexit is considered one of the most important events of populism in the UK. During the process of Brexit, it was the Brexit vote that caused enormous arguments and divisions. British residents regarded Brexit vote as the first time for them to exert their political right directly.

As populism is becoming increasingly popular in Britain, not only it imposes deep influence on political life of British citizens, but it also brings uncertainty to their daily life-income issue, unemployment, immigration problem, etc. Therefore, this essay intends to focus on analysis of influences of populism in the areas of politics, economy and society in the UK with a case study of Brexit. By using the document analysis method, this essay intend to illustrate the fall of economy in the UK, fragmentation of British society and rise of populist parties.

2. Definition of Populism

As it has been mentioned above, concept of populism is unclear and confusing, in the meanwhile, people increasingly criticize and curse political elites, which they do not in favor of by calling them “populists”. Thus, it is necessary to define populism. There are mainly two kinds of definitions of populism accepted by scholars.

On one hand, an ideology contends that populism reflects the popular desire of the populace and that society is ultimately split into two homogeneous and antagonistic groups, “the pure people” and “the corrupt elite” [3]. The majority of populist experts concur that there is an antagonistic conflict between “friends” and “enemies” in the relationship between the “people” and “the elites” [3]. From the definition, it is obvious that advocates distinguish political elites and public by morality. Nevertheless, opponents argue that it is too subjective to label political figures as “corrupt elite”, in the meanwhile, regarding public as “pure people” unadvisedly without taking the real situation into consideration is irrational. The assertion that “the people” of all populisms is “pure”, however, disputed by a number of academics [3]. Besides, scholars find that it is difficult to define the range “people”, since it is a extremely abstract and unclear concept. As it is known to all, the word “people” is fickle, which means that it is given different meanings in different situations and cultures so that it might refer to various groups of citizen within diverse backgrounds. For instance, according to researchers from the United States and Europe, “the people” might refer to “hard workers”, however, they also extend “the people” to the “heartland” in many ways [3]. Therefore, it seems impossible to give a perfect definition of “people”, which suits each condition or situation. In order to be more objective, scholars prefer to define “populism” as the conflict between “people” and “political elites”, without adding the adjective of “pure” and “corrupt”. On the other hand, an ideology describe populism as a “thin-centered ideology” with a constrained core and a more constrained set of ideas [3]. Unlike thick ideologies, thin-centered ideologies do not put forward solutions of grand socio-

political problems. Ideologies with a narrow focus refrained from promoting their own brand of programs on topics like social justice or the conditions for personal growth [4]. They either confined themselves to a small core, developing into single-issue or, at most, double-issue political advocacy discourses, or they borrowed from and added to other ideologies to thicken out [4].

3. Brexit and Its Influences in Economy, Politics and Society in the UK

3.1. Fall of British Economy

British economy will plummet no matter Britain leaves European Union in any way. According to a research, British economy will go through a decrease in the following 15 years, no matter in the way of “soft Brexit” or “hard Brexit” [5]. To be precise, British GDP will dip by nearly 3.9% in the next 15 years if Britain leaves European Union in the way of Theresa May, former Prime Minister of the UK, has put forward [5]. In the way of no-deal Brexit or developing relationship like Canada with European Union, British GDP will experience a fall by 9.3% and 6.7% respectively [5]. Besides, Brexit led to a subtle relationship between the UK and other member states of European Union. In other word, trade relationship between them became extremely fragile so that other European countries probably make a deal with Britain with reservation and hesitation. Last but not least, Britain had to pay an enormous amount of liquidated damages, which includes a large sum of “break up” fee with European Union [5]. It was a really thump to the British economy. When British government spent a huge amount of time and expense to negotiate with European Union, it was difficult for it to focus on economic development of the country.

In terms with the income per capita, as it is shown in Table 1, although fiscal benefit reduces the costs of Brexit by 0.09% and 0.31% in two scenarios respectively, the influence of Brexit in economy is still negative.

Table 1: The effects of Brexit on UK living standards [6].

	Optimistic	Pessimistic
Trade effects	-1.37%	-2.92%
Fiscal benefit	0.09%	0.31%
Total change in income per capita	-1.28%	-2.61%
Income change per household	-£850	-£1,700

3.2. Fragmentation of British Society

Brexit was an outburst of populism in the UK. Brexit deteriorated fragmentation of British society. For one thing, British populism has further divided fractured social classes [5]. Populism is regarded as a reaction of unequal distribution of wealth and exploitation of classes. Boom of populism in the society leads to hatred of the rich and scepticism of elites among the public, underclass in particular. Therefore, conflicts between citizens and elites are fueled. In the past, the middle class usually played a role of mediator between political elites and the underclass. However, in the wake of the deterioration of inequality of society and the rise of populism, middle class prefers to stand with the public of underclass so that the gap exists in the middle of elites and underclass extended. Nowadays, there are conflicts almost in each social problem between elites and the public, which means that British society is bound to be further divided.

For the other thing, the result of Brexit referendum let approximately a half of British residents down. In line with a report, by a margin of 52 to 48 percent, the United Kingdom chose to exit the European Union [7]. On one hand, the political and economic establishment fully anti-Brexit and claimed that Britain must stick to the EU [1]. On the other hand, the Leave movement was backed by

other political and media elites [1]. As it is displayed from the statistics, the number of advocates and opponents was fairly close. Choosing to leave the European Union meant that there was more or less 50 percent of British citizens cannot meet their expectation. Therefore, social consensus and harmony no longer exist anymore.

3.3. Rise of Populist Parties

In the wake of the rise of populism in the UK, populist parties have increasingly come into public's horizon. There are two main populist parties in Britain, which are the British National Party and the UK Independence Party. The essay intend to focus on the UK Independence Party to illustrate the rise of populist parties.

The UKIP, a single-issue, euroskeptic party created in 1993, did not have much success in its first ten years [7]. Except for euroskepticism, the UK Independence Party developed with economic liberalism, national conservatism and new right-wing populism. As soon as the establishment of the UK Independence Party, it fought for a supreme goal of "bringing the UK to leave the European Union". The UKIP was able to capitalize on the irate public mood by merging its initial message of secession from the EU with vehement resistance to immigration, and its leader Nigel Farage and his self-declared "People's Army" soon gathered significant support, especially after the 2010 election [7]. Besides, identity question of whether or not they are "English" or "British" fueled euroskepticism in the history. The UKIP affirms that they are "English" instead of "British", which fully stands for its advocates [8]. The influence of the UKIP had gone through an increase year by year before it reached the peak in the 2016, which was the year of leave vote. As it is displayed in Table 2, the UKIP gained 12.6% votes in the 2015 parliamentary election, which meant that the UKIP became a competitive party in the UK. It overtook the Conservative Party and the Labor Party in one fell swoop and become the largest party in the context of the European Parliament elections [8].

Table 2: Data of the UKIP in parliamentary election (1997-2015) [8].

Time	1997	2001	2005	2010	2015
Votes in Total (Thousand)	106	391	606	919	3881
Proportion of Votes	0.3%	1.5%	2.2%	3.1%	12.6%
Number of Candidates	193	428	496	558	624

4. Suggestions for Populist Countries

4.1. Rational Thinking

Citizens should think twice before make decisions. According to a recent YouGov poll, 53% of participants considered that leaving the European Union was a wrong choice for the UK [9]. In the meanwhile, basing on an Ipsos poll, 45% of citizens in the UK said Brexit worsened their daily life [9]. What's worse, more than half of Britons (53%) are in favor of holding a referendum on whether to leave the EU or not, based on the parameters of the government's proposed Brexit agreement [10]. Among those who are willing to ask for a second EU referendum, advocates of leaving the EU also play a significant part. A large number of supporter regret that they were just complaining about the EU, however, they did not really want to leave it. They said that they were in this way to draw attention of the government and voted for leaving without sensible consideration. Although there are a lot of citizens regretted about the result of EU referendum, it is impossible to change anything of the process. No matter how many residents regretted or were unsatisfied with it, they have no choice but to respect the result. Therefore, the only suggestion for this phenomenon is that British should

think twice before make decisions, especially important decisions. Only in this way, they can avoid making decision emotionally.

4.2. Consideration of Public

Government should pay more attention to the requirement of the public. As it is mentioned above, people's complaints and opinions are routinely disregarded by governments, major parties, and the media [1]. There are mainly two reasons of this phenomenon. For one thing, the rise of Cartel Party leads to increasingly similar policy. Finally, political parties and state power gradually merged [11]. The political party is no longer the middleman between the state and society, but gradually approaches the state, and the two merge with each other [11]. In fact, a majority of mainstream political parties in the Europe regards coming to power as their ultimate goal instead of representing interest of citizens. For the other thing, the government ignores requirement and proposal of the public on the pretext of following the EU constitution. In this way, government focuses on relationship between countries instead of the relationship between the state and the public. Eventually, the public found that it was the same to support any party and their will and interest cannot be represented at all. In order to solve this problem, it is necessary for the government to reconstruct the relationship with the public. The government must on behalf of interest and will of its supporters so that it can exert power stably.

4.3. Decreasing the Gap Between the Rich and the Poor

Government should reduce the gap between the rich and the poor. As it is mentioned above, socioeconomic inequalities drive the rise of populism. As a result, the anger and animosity toward the elite will fade once it is possible to meet the psychological expectations of the general populace. Nevertheless, when the economic crisis comes, all things change. Although big entrepreneurs suffer from the crisis and their profit reduces, it has no effect on their daily life at least. When it comes to the underclass, rising price of daily necessities and unemployment are fatal to them. During the outbreak of the economic crisis, the British people will not directly point the finger at the laws of the capitalist market, but will concretize their grievances into specific events, such as immigration, tariffs, capitalist monopoly, etc [5]. In order to relieve the anger of underclass, government need to focus more on fair rather than efficiency, in other word, government ought to decrease the gap between the rich and the poor.

5. Conclusion

This essay points out the definition of populism and puts forward some relevant questions of definitions of populism. In the meanwhile, the essay also demonstrates that populism imposes negative effects on British economy. Besides, populism plays an important role in the fragmentation of British society. Last but not least, populism contributes to the rise of populist parties in the UK. On the purpose of solving these problems, there are several suggestions. First of all, citizens should not make decisions without thinking rationally. In addition, government ought to pay more attention to the requirement of public, underclass in particular. Finally, government need to reduce the gap between rich and poor.

In the wake of the development of populism in the UK, populism is increasingly significant in different areas of the country. This essay contributes to the research, which intends to focus on the impact of populism on British economy, British society and the rise of British populist parties. Besides, the essay tries to analyze three different spectrums in the same time, which can be used as an example of multi-area research. In addition, the essay provides different angles to analyze influence of populism in the UK, which can be cited as a model of case study of British populism.

However, there are some drawbacks as well. For instance, research of impact of populism in each area is not very in-depth. Simultaneously, interrelationship among those spectrums is not very clear. Therefore, relevant studies in these areas can focus more on each domain itself or give a try to find out interrelationship between each spectrum.

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