



The Argument For TechnoPopulism As Solution To Economic Problems

Populism and Technocracy are at opposite ends of the political spectrum, so what better application of the Hegelian Dialectic that merging them together by thesis-antithesis-synthesis? Technopopulism is in vogue but Technocrats will win if it continues. □ TN Editor

Trade technocracy is on the brink of a crisis as the United States-China trade war continues to brew. Dissatisfaction over trade policies, particularly in advanced economies, has opened the door wide to populists and demagogues alike to capitalise on the free-trade malaise.

Economists and trade policy experts are always ready to defend free trade by showing that trade never fails to provide the public with win-win situations. Populists, on the other hand, say trade is detrimental to certain groups, albeit in an exaggerated manner — explaining the appeal of protectionism.

Indeed, public debates on technocracy versus populism often demonstrate that they stand at the opposite ends of the spectrum. Pundits and policy experts disapprove of hyper-politicised populism, warning about the disastrous consequences if economic policies are left to the populists.

Meanwhile, populists argue against technocrats whom appear to have discovered scientific solutions to many economic problems. Populists outrightly dismiss the legitimacy of a small circle of hyper-depoliticised technocratic elite, simply because they fail to represent the masses.

How did we end up here? How should the right balance between evidence-based trade policy prescriptions and fair democratic representation be formed?

First, until recently, there had been widespread refusal among trade policy circles to acknowledge the distributional effects of trade on public — that trade creates winners and losers. Benefits of trade are often highlighted through general macroeconomic indicators, which often make very little sense to firms and individuals.

Being professionally biased towards free trade, economists repeatedly use simplistic models such as David Ricardo's theory on trade. This theory illustrates how countries will be better off by exporting goods that they have a comparative advantage on and import those goods in which they have a comparative disadvantage.

The argument of a "win-win trade" based on comparative advantage often overlooks the fact that comparative advantage is not a permanent feature of the country. In fact, the United States accuses China of engaging in currency manipulation and other "unfair" trade practices to gain a comparative advantage in certain sectors, causing the US to have comparative disadvantage in these sectors.

Nevertheless, economists would argue that monetary compensation such as safety net programmes would provide some cushion to workers whom are forced to be laid off due to cheaper imports of similar goods they produce. But such compensation is insufficient when these groups have already been stripped away from their values and community. And,

what's more if such compensation remains largely on paper.

This is where trade technocrats might have failed the legitimacy test. They are insulated from being held politically accountable for their decisions, thus, more likely to pick winners and losers from trade arbitrarily.

Second, even if economists acknowledge the distributional effects of trade and attempt to communicate these effects to the public, economists, by training, are unfortunately not quite excellent communicators. That did not really matter in the past when trade policies were left at the hands of the trade policy elite. But when the public has started to take an interest in trade policy, with the incorporation of labour, health and environmental issues into trade negotiations, there is an enormous task for technocrats to unpack economic jargon-laden trade narratives into messages that would resonate well with people's daily lives.

Benefits of trade need to be presented based on firm-level and localised trade data as these would show differential impacts of trade across firms and consumers. More personalised trade policy advice to businesses can materialise if such data are accessible and more importantly, digestible to the public.

Third, technocrats and politicians need to settle on what should be the bottom line of trade policy. Perhaps, pundits need to recognise that free trade is not a timeless truth, and hence, moderate their grand ambition of a fully-liberalised global economy.

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WAPO: Shift At EPA Shows Technocrats Are Replacing Big-Personality Cabinet Members

This might be considered a weak link, but Washington Post themselves came up with the idea that Technocrats are infiltrating the Trump Administration. At the least, this lends support to the new political philosophy sweeping Europe, called 'Technopopulism', or a blend of Populism and Technocracy. □ TN Editor

Scott Pruitt was known inside the Environmental Protection Agency's headquarters for sipping \$10 organic juice infused with kale, sporting Ferragamo shoes with his Hickey Freeman suits, and making biblical references in texts and conversations with aides.

[Andrew Wheeler](#), on the other hand, is a policy wonk who keeps his religious views private and collects Coca-Cola memorabilia.

That contrast has come to the fore as Wheeler prepares to take the helm of the agency on Monday in the wake of [Pruitt's resignation amid allegations](#) of overspending and ethical misconduct. It speaks to the shift that has been underway — in fits and starts — as **Trump's Cabinet transitions from a team stocked with high-profile personalities who joined in the early days of the administration to one with a growing number of technocrats.**

While the Cabinet still includes unconventional picks, such as Housing and Urban Development Secretary Ben Carson, a former surgeon, it is increasingly filling with more experienced Washington hands. The Department of Health and Human Services is now led by [Alex Azar](#), a former pharmaceutical executive who served as the department's deputy secretary under George W. Bush. And Trump has nominated [Robert Wilkie](#), who developed his military policy experience over three decades on Capitol Hill and in the executive branch, to serve as Veterans Affairs secretary.

Josh Holmes, a longtime adviser to Senate Majority Leader Mitch McConnell (R-Ky.), said in an interview Friday that almost every administration has high-profile secretaries who “usually give way to lower-profile folks that actually run the department. I think they probably run them better.”

“You're dealing with people who know how to actually do bureaucracies,” Holmes added.

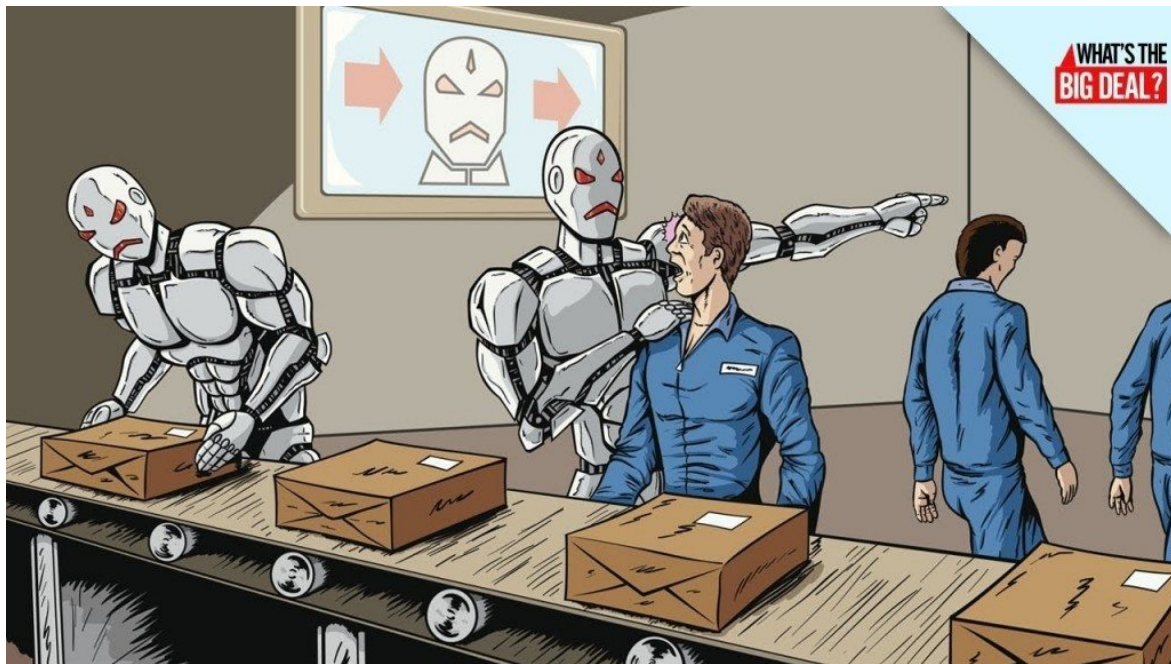
In some cases, the handovers have been spurred by Cabinet members' own behavior: In addition to Pruitt, HHS Secretary Tom Price and VA Secretary David Shulkin lost their jobs after their costly travel practices came under scrutiny.

Max Stier, president and chief executive of the Partnership for Public Service, noted that Trump moved quickly to fill his Cabinet after the 2016 election and largely ignored the materials prepared by his transition head, Chris Christie, then the governor of New Jersey.

“You have to ask the question, did he choose right? It's hard to argue yes,” Stier said.

Trump, according to two of his advisers, remains unhappy about having to get rid of Pruitt. But White House officials — particularly Chief of Staff John F. Kelly — made the case that Wheeler could accomplish the same regulatory rollbacks without the drama.

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Claim: Robots Don't Destroy Employment, Politicians Do

This article is thought-provoking, attempting to make the case that robotization will make the world better and create more employment. Although there are individual instances where this may be true, there are horrible pitfalls that are ignored. □ TN Editor

I'm not worried about artificial intelligence, I'm terrified of human stupidity.

The debate about technology and its role in society that we need to have is being used to deceive citizens and scare them about the future so they accept to submit to politicians who cannot nor will protect us from the

challenges of robotization.

However, there are many studies that tell us that in 50 years the vast majority of work will be done by robots. What can we do?

We have lived the fallacies of dystopian estimates for decades.

I always explain to my students that, if we believed the fifty-year-forward studies of the past, it has been seventeen years since we have run out of water, oil, and jobs. Fifty-year estimates always suffer from the same mistakes. First, presentism. Take the current situation and exaggerate it. Second, sweeten the past. No, no past time was better. Third, always estimate an impossible and negative future by ignoring the evidence of human ingenuity and innovation.

The reality is that today, the world population has grown to 7.5 billion, and we have more work despite the technology revolution. Global unemployment is at historic lows, 5%, global poverty has fallen to unprecedented levels, from 80% in 1820 to 10% today. Infant mortality has been reduced to less than half, from 64.8 deaths per thousand births in 1990 to 30.5 in 2016.

We have plenty of natural resources, proven oil reserves have grown and we have more diversified sources of supply. All this has happened with - and thanks to- the greatest technological revolution ever seen.

More than half of the jobs that exist today were not even known twenty years ago. The empirical demonstration is that data from more than 140 years shows that technology creates much more employment than it destroys and that it is a lie that low-skilled jobs disappear forever. Others are created. A study by [Ian Stewart, Debapratim De, and Alex Cole](#) shows clearly that technology displaces the most boring, dangerous and hard jobs, that is, those that we do not want anyway, and creates many more jobs in service sectors, human knowledge, and interaction.

In fact, Deloitte studies, Ernst / Young, and others also foresee that we will need many more jobs in the future in support tasks and services adjacent to the new technology activities. What the prophets of doom

always forget is that **as long as the customer is human, the experience and interaction with other humans is not reduced.**

The most robotized societies do not suffer more unemployment, they have much less. According to data from the OECD of 2016, South Korea, Singapore, Japan, and Germany have the highest rates of robotization of work functions (530, 400, 305 and 301 robots per 1,000 employees respectively) and unemployment is less than 3.9%. Meanwhile, countries that subsidize low-productivity sectors and place the State as a “protective” agent have higher unemployment rates. France, which has less than half the robots of South Korea or Singapore (127 per thousand employees), has almost a three times higher unemployment rate than highly robotized countries. Spain has less still, 60% fewer robots than the leaders, and five times higher unemployment rate. McKinsey estimates that almost half of the competitiveness gain of the next 50 years will be explained by digitization and automation. This means higher salaries in all sectors, even lower-skilled labor.

I am sure that, as in the past, those estimates will fall short, both in the improvement of productivity and quality of life and in the advance of creative robotization. It will create many more and better jobs. Even for the sectors with low qualification, because they move to services and support.

The most representative companies in this phenomenon are denominated under the union of their initials: FAANG (Facebook, Amazon, Apple, Netflix, and Google). The spectacular development of these companies has not reduced employment. Unemployment in the United States has been reduced to the lowest level since 1968 while the companies that were supposed to lose due to technological progress have been strengthened by having to compete.

In the world, unemployment has continued to decline despite the fact that these companies were growing to be 27% of the joint capitalization of the US S&P 500, with business models that have created services and jobs that did not exist only a few decades ago. These companies have created many more indirect jobs than they have “destroyed”.

The excuse of “what happens with less qualified jobs?” hides the fallacy of interventionism.

Protectionism, subsidies, and welfare assistance neither protect nor create those positions in obsolescent sectors. The way to adapt low-skilled workers to technology is with training, but real training, at work. Technology has created up to 40% more unskilled jobs in addition to those it destroys, as we have seen in California, Texas or Illinois and in Asian countries.

A first positive impact on the use of digitalization is caused directly by these companies, which together employ more than 800,000 people worldwide, with a productivity level that is clearly superior to the companies in traditional sectors, and with better salaries.

Companies like Facebook and Google have more than 27,000 and 88,000 workers on their payroll, respectively, and pay more than 50% on top of the average salary of industrial sectors. Their business model is based mainly on advertising in digital media, a market that did not exist until a few years ago. Another 115,000 net creation of jobs came from new technologies in the US. Amazon, meanwhile, with a 44% share in the e-commerce market, is one of the main groups responsible for the creation of the more than 400,000 jobs generated by e-commerce companies in the United States, according to Michael Mandel. In addition, in the case of this company, the impact has to be extended to sectors close to electronic commerce, such as logistics, parcels, electronic payments, etc.

In Asia, a continent where robotization is a usual element in companies and production methods, they already know the positive effects of this phenomenon. According to the Asian Development Bank, the greater economic dynamism generated by robotization in 12 Asian developing economies between 2005 and 2015 has compensated for the destruction of employment derived from the implementation of automation processes and has created more additional employment. This transformation has led to the creation of 134 million jobs a year, a figure clearly higher than the 104 million jobs a year “transformed” by the substitution effect of labor due to automated processes. Between 43% and 57% of the new

jobs created in India, Malaysia, and the Philippines during the last 10 years come from the technology sector. But the most important thing is that the increase in employment in services, tourism, hotels and adjacent sectors has doubled.

In Europe, digitalization is measured through the DESI (Digital Economy and Society Index), measured by the European Commission. Denmark, Finland, Sweden, the Netherlands, Luxembourg and the United Kingdom are the leaders in the digital economy. All of them stand out for three factors: A very high level of liberalization reflected in the Economic Freedom Index, a high labor flexibility and a superior level of digitization and robotization. All these countries have historically low unemployment rates (below 6%) and saw minor impacts on the labor market derived from economic shocks.

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European Democracies In The Age Of Populisms And Technocracies

Technocrats in Europe are masters of interjecting fear at just the right moment in order to shift political power to themselves. Politicians and citizens are little more than 'useful idiots' used to further the Technocrat agenda, or the scientific social engineering of the whole continent. □ TN Editor

In Europe, home to one of the most ambitious political and institutional experiments in recent history, the European Union, populist movements and technocratic elites have been among the most active actors in taking advantage of the use of fear, beginning immediately after the global financial and economic crisis of 2008.

The nature of populisms and technocracies differs in many aspects. Populist movements build their success substantially upon what we may define as "input legitimacy", or popular legitimacy, while technocratic elites are supported by "output legitimacy", in other words legitimacy derived from the implementation of efficient policies. This dualism is particularly visible in the EU and its peculiar typology of multi-level governance, with Institutions such as the European Commission acting at the supra-national level, often in contrast with EU Member States' politics at the domestic level.

The difference between populist movements and technocratic elites is reflected in the strategies adopted by the two: the nature of the arguments, the uses made of them, the languages and the strategies of timing adopted, are utterly far apart. However, on closer analysis, populist movements and technocratic elites in Europe share one key element: mastering the art of influencing the political debate by producing and evoking fear and anxiety through an effective use of communication tools.

Populist Fears: The Force Of Simple And Vivid Language

In Hungary, the growing political hostility over the role of international NGOs, with their alleged aim of secretly influencing the national agenda or even worse, culminated in the crackdown on George Soros's Open Society Foundation; in Poland, school textbooks are changed following nationalistic and anti-intellectualistic arguments, portraying minorities as a danger for the country; Italy is continuously depicted as being a German colony. The arguments of European populists are indeed simple and of a generalizing nature, evoking with concrete, vivid images fears such as of invasion, unfairness and conspiracy, to mobilize masses of citizens. These anxious feelings are easily stoked by fallacious narratives such as the "conspiracy of the financial sector" or of the elites, the "immigrant invasion" or the "Muslim threat" (trivial reduction of the Clash of Civilizations thesis).

Technocratic Fears: The Mis(Use) Of Complexity

Fears produced by technocratic elites in Europe are based on complex and specific arguments, posed in technical and bureaucratic language, with masterly timing: using specific moments of political instability or paralysis that result in uncertainty to justify the necessity of implementing the political agenda they support. Mentioning the possible reaction of financial markets, the "spread" (the differential between interest rates on local public debts and Germany's) or the action of the Troika (EU Commission, IMF and European Central Bank), has become increasingly common, in what takes on the traits of a self-fulfilling prophecy. More and more frequently, we record statements from high-level EU bureaucrats or politicians such as "the risk of default will eventually lead to...", etc. In particular, before and after referendums or elections, continual references are made to possible sovereign debt defaults or the risk deriving from re-defining the Maastricht criteria (in Italy, from 2011 until recently) or the economic price to be paid for leaving the EU (in the United Kingdom, in the wake of the Brexit in

2016), resulting in limiting *de facto* the space for political debate.

A Mutual Reinforcement: The Example Of Italy

The result of the strategy of building up fear, implemented by populist movements and technocratic elites in Europe alike, is a dialectical relationship between the two that paradoxically brings mutual reinforcement. For instance, the irrational nature of populist economic policies triggers crisis and turmoil, favouring indirectly the recourse to top-down approaches by national and supra-national elites, based upon their recognised competences and expertise. However, their action is often unsupported by transparent democratic legitimacy, especially when the tasks at hand consist of implementing severe cuts in spending upon social policies. This, in turn, fosters a reinforcement of populist movements, with the process following that pattern, as can be seen by the recent history of Italy: the action of a technical government (PM Monti), born from the inadequacy of the policies implemented by the previous executive (PM Berlusconi), lead after some years of centre-left governments, to one of the most populist governments of the EU (the *Five Stars* and *Lega* “yellow-green” coalition government).

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Technopopulism: The Dangerous Bonding Of Hyper-Populism And Technocracy

Technopopulism is rising at an alarming rate in Europe and England and can be seen in the United States as well. Articles describing the phenomenon are appearing almost weekly in the foreign press, and it is being discussed in leading academic think-tanks like The Brookings Institution. □ TN Editor

It was Michael Gove who before the Brexit referendum said “[people in this country have had enough of experts](#)”. The highly educated Mr Gove was mining a rich seam of voters fed up with, and disregarding of, expert opinion. Brexiters have continued in this pejorative style. Only last week the foreign secretary, Boris Johnson, reportedly gave a terse and pungent imprecation to diplomats who raised the issue of companies doubting his wisdom about the UK leaving the EU without a trade deal. “[Fuck business](#),” Britain’s top diplomat replied undiplomatically.

In fact both rabble-rousing Brexiters and experts have more in common than either would admit. Populists claim to have a special insight into

the will of the people, able to dispense with debate and discussion. Hence Mr Johnson warning prime minister Theresa May against a “bog-roll Brexit” that was [“soft, yielding and seemingly infinitely long”](#). Technocrats also [argue](#) it’s necessary to insulate policies from political challenge. They want more independent agencies to take over arms of the state. This unfortunately has captured thinking in the UK, where the last few decades have seen a steady [growth](#) in the number of agencies, commissions and regulators which draft legally binding rules. These bodies provide a way for politicians to look as if they are doing something while allowing them to duck tough decisions until they cannot. Just look at public sector pay, which could only apparently be raised via [independent pay review bodies](#) - until politicians under pressure decided they were [unnecessary](#).



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In an age of subdued economic growth, wage stagnation and a concentration of wealth among the very richest, it is not complete fantasy, as the former Bank of England official Paul Tucker, in his latest book [Unelected Power](#), puts it, to see our democracy “flirting with a peculiar cocktail of hyper-depoliticised technocracy and hyper-politicised populism, each fuelling the other in attempts to maintain effective government and to re-establish majoritarian sensibility”. Mr Tucker’s hyper-depoliticised technocracy hovered into view last week when the head of Ofsted, Amanda Spielman, [responded](#) in Govian terms to claims her inspection system is biased against schools serving white working-class communities. She claimed poorer, white students lacked the drive of migrants. Ms Spielman is a public servant who has the right to judge schools and teachers but not social groups. Continuing to do so risks her legitimacy with audiences that she needs.

Unelected power is not new. Democracies have found ways of accommodating the military and the judiciary. Central banking has become part of that story. These power centres have realised that they

cannot act in too overmighty a way, that circumstances and politics matter in a democracy and that people's livelihoods cannot be sacrificed on the altar of intellectual purity.

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Brookings: Italy's Hazardous New Experiment - Genetically Modified Populism

The Brookings Institution is an elitist, Trilateral Commission connected think tank in Washington. When they write on Technopopulism, you can bet that it has arrived and had better be considered, because Italy is now a model of what is happening in the U.S. □ TN Editor

Finally, three months after its elections, Italy has produced a new creature in the political biosphere: a “populist but technocratic”

government. What we will be watching is not really the result of a Frankenstein experiment, rather something closer to a genetically modified organism. Such a pairing is probably something unheard of in history: Into a populist coalition was inserted some technocratic elements in the most critical ministries. The rationale might be less abstruse than it seems: You can make the nationalist at home, but only if you keep your populist fingers away from interdependent policies

The two anti-establishment parties that form the coalition, the Five Star Movement (FSM) and the League, will grant a parliamentary majority, though not a large one, to the new government. They will also pretend, through their rhetoric, that their government will be close to the ordinary people. This slogan may resound and even create a sense of community in a disoriented electorate, growing disenchanted with democracy.

However, during the final negotiations, the president of the Republic, Sergio Mattarella, managed to insert a number of external and technically competent figures in the list of ministers. The all-important Finance Ministry will be led by an economist, Giovanni Tria, who has no known familiarity with either FSM and League, although he had some proximity with past center-right governments. The foreign minister, Enzo Moavero, was a member of the non-partisan and pro-European Monti Cabinet, between 2011 and 2013. Other ministers have no political affiliation. Even Prime Minister Giuseppe Conte, a relatively unknown professor of private law, has no previous political or administrative experience.

Genetically modifying the coalition led by Luigi di Maio, head of the FSM, and Matteo Salvini, head of the League, was crucial, given how unusually inexperienced the two leaders are (they now both serve as ministers and vice-premiers). Di Maio, for instance, was barely 20 years old in 2007 when the global financial crisis erupted. He dropped out of his studies and never had a job before entering the FSM. So his first job will be as labor minister.

The two populist leaders will have to learn fast. In recent weeks, leaked coalition plans—indicating that Italy could abandon the European

monetary union—provoked a strong bout of financial instability. Yields on Italy's sovereign bonds immediately escalated to dangerous levels. Di Maio and Salvini appeared shocked, and probably for the first time became aware that the margin of error is very slim for a highly indebted country.

However, the real reason a GMO government became urgent was probably the need to avoid a new election. A new vote could have turned into a referendum on the rules of the euro and ultimately on Italy's permanence in the monetary union. Political deadlines of this kind lure financial investors into "asymmetric bets" where selling sovereign bonds, rather than buying them, brings higher rewards and little risk. In a matter of weeks or even days, Italy would have lost access to markets. A European country that cannot fund its debt could still request financial assistance by the European institutions. However, the government needs to underwrite a memorandum of understanding and get it approved by parliament. A purely technocratic government would have not been able to ensure the parliament's approval. An unintended inertial exit from the euro could have ensued.

According to the polls, although nationalist feelings are on the rise, 70 percent of Italians favor the euro, rather than returning to their own currency. Abandoning the euro would also change Italy's position as a European country and a founding member of the European community. Such a dramatic change, envisaged in the original plans of the FSM-League coalition, could even violate the letter of the Italian constitution. The "Carta" states Italy's adhesion to the international treaties, thus binding the country to the European and Atlantic communities. Leveraging the constitution, the president of the republic was able to win the first confrontation with the populist parties, vetoing the nomination of a fiercely Eurosceptic economist, Paolo Savona, as finance minister, but will the nomination of more technocratic ministers be enough?

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Wired: Italy's Weird Technopopulism Could Be The New Normal

Castellani believes that “far from being foes, technocracy and populism are increasingly becoming allies in a war against a common enemy: representative democracy and traditional politicians.” Whether intentional or not, a major European nation was just flipped into Technocracy by Populists. □ TN Editor

So Italy has a government. On Wednesday June 6, Giuseppe Conte, an obscure academic handpicked by a coalition between the far-right League party and the anti-establishment Five Star Movement to be prime minister, secured the Parliament’s backing. He already made clear that banging his fist in Brussels to relax the eurozone’s rigorous budget rules is high on his list of priorities. He also seems keen on getting cosy with Russia.

The European Union is not happy, Italian bonds are doing badly on the markets, and Trumpist impresario Steve Bannon - recently in Rome gallivanting on rooftops and having over the creme de la creme of the Nationalist International, including leaders from the League and Five

Star - is hailing Italy as the epicentre of the populist revolution he has been peddling all over Europe. Among all the drama and the coattail-riding, one thing about Italy's new government has almost gone unnoticed. This is not a populist government; it is a techno-populist one.

The Conte cabinet is a chimeric organism. Within it, populist and extremist politicians cohabit with the very best of Italy's technocratic elite. While both the League's Matteo Salvini and Five Star's Luigi Di Maio have been assigned ministerial posts to pursue their political hobby horses, the key levers of power are in technocratic hands: the Minister of Foreign Affairs is a former EU official; the Treasury is run by a university dean; Conte himself— a civil law professor whose face and voice had never been heard and seen by any Italian up until a couple of weeks ago— is a technocrat through and through.

The whole thing seems odd: we instinctively tend to think of populism and technocracy as warring parties. Technocrats deal in numbers, graphs and allegedly science-backed solutions; populist parties deal in emotions, despise unelected bureaucrats, and champion the real people's very real will. These guys should be at each other's throat. Yet they are ruling together. How come?

Lorenzo Castellani, a political historian at Rome's LUISS University, recently explored the subject in an [essay](#) that did the rounds both in Italy and France, titled *The Age of Techno-Populism*. His theory is that, far from being foes, technocracy and populism are increasingly becoming allies in a war against a common enemy: representative democracy and traditional politicians.

In Italy's case, this is so obvious to be almost didactic. The Five Star Movement started off in 2009 on the proposition that traditional politics was no longer fit for purpose, and that the parliamentary process should give way to direct democracy instead (the Conte cabinet features a [Department for Parliament and direct democracy](#)). They took pride in running online primaries that allowed anyone to run for office under the Five Star banner - according to the principle that ordinary citizens rather than professional politicians should be in power. But when they actually won the elections, the Five Star bunch realised that they had

not enough experience to actually run a country. So they called the professors in.

“The world is too complex to renounce the technocrats,” Castellani explains. He says that the very same reasons that are catapulting populists into power – popular discontent with globalisation, economic crisis, technological disruption – also mean that running a country has never been harder for inexperienced upstarts. “Grappling with matters such as climate change, the environment, the European Union, is becoming too complex, even for experienced but non-specialist politicians,” Castellani says. People in this and other countries might well have had enough of experts, but they still need them – whether to calm down the bond markets, or even to implement a populist agenda without making an utter mess of it.

Granted: the Five Star Movement is not just any populist party. It is not the League, nor UKIP, or France’s Rassemblement national (erstwhile National Front).

Its ambitious—if half-baked— vision of a futuristic internet-powered society always presupposed the injection of huge doses of technocracy. Its flagship proposal for a “citizenship income”— a vast unemployment benefit reform, often misleadingly touted as an Universal Basic Income programme— will need a lot of technical expertise to be pulled off. (Not to mention all the eggheads you’ll need to transform colossally bureaucratic Italy into a direct democracy.)

While Italy is the first Western European case of pure techno-populism, Castellani thinks that similar dynamics have already started manifesting elsewhere. He gives the example of French President Emmanuel Macron, whose brand of personalistic, disintermediated politics goes hand in hand with a cabinet stuffed with apolitical wonks. And one could make the case that the way the uber-populist Brexit project fell into the lap of Theresa May – possibly the most technocratic of the Conservative roster – was a very British case of techno-populism.

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European Democracies In The Age Of Populisms And Technocracies

Techno-populism, a curious blend of Populism and Technocracy, is rising in Europe and is being openly discussed. However, the same phenomenon is seen in the U.S. with Trump (populism) partnering with Technocrats. Because the Technocrats wind up being the only people able to run complex systems, they end up with the upper hand. □ TN Editor

In Europe, home to one of the most ambitious political and institutional experiments in recent history, the European Union, populist movements and technocratic elites have been among the most active actors in taking advantage of the use of fear, beginning immediately after the global financial and economic crisis of 2008.

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A Mutual Reinforcement: The Example Of Italy

The result of the strategy of building up fear, implemented by populist movements and technocratic elites in Europe alike, is a dialectical relationship between the two that paradoxically brings mutual reinforcement. For instance, the irrational nature of populist economic policies triggers crisis and turmoil, favouring indirectly the recourse to top-down approaches by national and supra-national elites, based upon their recognised competences and expertise. However, their action is often unsupported by transparent democratic legitimacy, especially when the tasks at hand consist of implementing severe cuts in spending upon social policies. This, in turn, fosters a reinforcement of populist movements, with the process following that pattern, as can be seen by the recent history of Italy: the action of a technical government (PM

Monti), born from the inadequacy of the policies implemented by the previous executive (PM Berlusconi), lead after some years of centre-left governments, to one of the most populist governments of the EU (the *Five Stars* and *Lega* “yellow-green” coalition government).

Legitimate Problems, But Wrong Answers?

In conclusion, it is important to highlight again that both populist movements and technocratic governance did not come out of nowhere in Europe. The former represent the inevitable result of a real and pervasive socio-political malaise, and are there to signal something has been going wrong in the EU; the latter adhere to arguments which may be fully legitimate per se, exhibiting profound competence and sound technical expertise in facing complex problems across national borders, although their protagonists insist on (mis)using those arguments with the certain knowledge they are provoking fear.

The current situation in Europe suggests populist movements and technocracies may simply represent, albeit in an extremely polarised fashion, two sides of the same coin. Their strength, based on generating fear, sooner or later reveals its limits, while the real problem, the nexus between economic inequality and dissatisfaction with the Establishment, remains untouched, undermining our increasingly fragile democratic institutions.

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Technopopulism Is Born In Italy By Blending Technocracy And Populism

This is a watershed phenomenon in Italy where Technocrats and Populists are melding together to further common goals. However, note that the real reins of power are held by Technocrats. TN has previously suggested that the global populist movement would ultimately support Technocracy, the goal of which is to decentralize and weaken national governments. □ TN Editor

So Italy has a government. On Wednesday June 6, Giuseppe Conte, an obscure academic handpicked by a coalition between the far-right League party and the anti-establishment Five Star Movement to be prime minister, secured the Parliament's backing. He already made clear that banging his fist in Brussels to relax the eurozone's rigorous budget rules is high on his list of priorities. He also seems keen on getting cosy with Russia.

The European Union is not happy, Italian bonds are doing badly on the markets, and Trumpist impresario Steve Bannon - recently in Rome

gallivanting on rooftops and having over the creme de la creme of the Nationalist International, including leaders from the League and Five Star - is hailing Italy as the epicentre of the populist revolution he has been peddling all over Europe. Among all the drama and the coattail-riding, one thing about Italy's new government has almost gone unnoticed. This is not a populist government; it is a techno-populist one.

The Conte cabinet is a chimeric organism. Within it, populist and extremist politicians cohabit with the very best of Italy's technocratic elite. While both the League's Matteo Salvini and Five Star's Luigi Di Maio have been assigned ministerial posts to pursue their political hobby horses, **the key levers of power are in technocratic hands**: the Minister of Foreign Affairs is a former EU official; the Treasury is run by a university dean; Conte himself— a civil law professor whose face and voice had never been heard and seen by any Italian up until a couple of weeks ago— is a technocrat through and through.

The whole thing seems odd: **we instinctively tend to think of populism and technocracy as warring parties**. Technocrats deal in numbers, graphs and allegedly science-backed solutions; populist parties deal in emotions, despise unelected bureaucrats, and champion the real people's very real will. These guys should be at each other's throat. Yet they are ruling together. How come?

Lorenzo Castellani, a political historian at Rome's LUISS University, recently explored the subject in an [essay](#) that did the rounds both in Italy and France, titled *The Age of Techno-Populism*. His theory is that, far from being foes, **technocracy and populism are increasingly becoming allies in a war against a common enemy: representative democracy and traditional politicians**.

In Italy's case, this is so obvious to be almost didactic. The Five Star Movement started off in 2009 on the proposition that traditional politics was no longer fit for purpose, and that the parliamentary process should give way to direct democracy instead (the Conte cabinet features a [Department for Parliament and direct democracy](#)). They took pride in running online primaries that allowed anyone to run for office under the Five Star banner - according to the principle that ordinary citizens rather than professional politicians should be in power. But when they actually won the elections, the Five Star bunch realised that they had

not enough experience to actually run a country. So they called the professors in.

“The world is too complex to renounce the technocrats,” Castellani explains. He says that the very same reasons that are catapulting populists into power – popular discontent with globalisation, economic crisis, technological disruption – also mean that running a country has never been harder for inexperienced upstarts. “Grappling with matters such as climate change, the environment, the European Union, is becoming too complex, even for experienced but non-specialist politicians,” Castellani says. People in this and other countries might well have had enough of experts, but they still need them – whether to calm down the bond markets, or even to implement a populist agenda without making an utter mess of it.

Granted: the Five Star Movement is not just any populist party. It is not the League, nor UKIP, or France’s Rassemblement national (erstwhile National Front.)

Its ambitious—if half-baked— vision of a futuristic internet-powered society always presupposed the injection of huge doses of technocracy. Its flagship proposal for a “citizenship income”— a vast unemployment benefit reform, often misleadingly touted as an Universal Basic Income programme— will need a lot of technical expertise to be pulled off. (Not to mention all the eggheads you’ll need to transform colossally bureaucratic Italy into a direct democracy.)

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