

When Elites Fail

By Louis Gave

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The most timeless analysis of American political culture was provided by Alexis de Tocqueville, who wrote the following of American democracy:

“The election becomes the greatest and, as it were, the only matter which occupies people’s minds. Then political factions redouble their enthusiasm; every possible phony passion that the imagination can conceive in a contented and peaceful country comes out into the light of day... As the election draws near, intrigues multiply and turmoil spreads. Citizens divide up between several camps each of which adopts the name of its candidate. The whole nation descends into a feverish state; the election becomes the daily theme of newspapers, the subject of private conversations, the object of every maneuver and every thought, the only concern of the present moment. It is true that as soon as the result has been announced, this passion is dispelled, all returns to calm, and the river which momentarily overflowed its banks returns peacefully to its bed.”

Now the Burkean conservative in me wants to agree with de Tocqueville: the passions unleashed by this election will hopefully once again, go back into their box for the next three and half years, only to be stirred up again the next time the electoral cycle comes around. Still, there are two elements of this week’s vote that do raise discomfort.

1) Back in 2004, John Kerry had made the theme of his campaign the problem with the “Two Americas”. And of course, back then Kerry referred to the rich and the poor. But this vote illustrates that the US really is dividing into two countries as the gulf in voting patterns widens along income, education, gender, class, and urban/rural divides. Increasingly, Americans seem to live in self-reinforcing echo-chambers where they solely interact with people who hold the same beliefs and values. Combine this new reality with the news filtering capacity provided by social media algorithms and it is clear that growing parts of the country will never have to confront uncomfortable facts, or opinions. Illustrating this is the fact that, while a generation ago, the median US congressman was elected by a margin of less than five percentage points, once again in this election the median US congressman will be elected by a sizeable double digit margin. This cannot be a healthy development.

2) However one cuts it, the unique feature of the 2016 election has been the rise of the populist vote; Bernie Sanders’ insurgency was by far the best a red-blooded Socialist candidate has done in any big western democracy in recent years. Donald Trump’s solutions to the challenges confronting our societies are broadly in line with those offered by France’s National Front. Although, not even Marine Le Pen would dare propose a ban on Muslims entering France! Clearly, we have entered a new era where domestic

discontent, not just in the US but across the Western World, is sky high. And behind this discontent sit factors such as technological disruption (see our 2012 book [*Too Different For Comfort*](#)), dislocations caused by the ascent of emerging economies as industrial powers (see our 2005 book, [*Our Brave New World*](#)), the ageing of Western societies and the shift that immigration has caused to the cultural make-up in these countries. And this brings us to the timeless observation by Arnold Toynbee who, in *A Study of History* argued that the role of an “elite” in any society is to handle challenges that allow the group to survive and so move on to the next phase of their shared journey. If bad solutions are offered up then problems intensify and rising pressures eventually trigger a change in the elite. This can happen in various ways. Needless to say, elections are by far the best case scenario (no bloodshed or destruction of property). But if elections do not trigger the required changes (e.g. France during the Fourth Republic and the challenge of decolonization), then this can engender a change of regime (a distinct possibility across euro-land?), or even revolutions. Judging by Donald Trump’s likely win in the US presidential race, it would seem that the US for its part does not believe that political dynasties should be left to solve the country’s problems. Looking forward, the hope must be that the new president will rise to the huge challenges facing the US and the wider world with genuine solutions to real problems.

But I am doubtful, which is why we prefer countries and markets that have the advantage of small scale as entrenched interests tend to run less deep and finding common ground for the “shared journey” is politically easier. It is also why we prefer overweighting countries with the Queen’s head on the bank note (and as a Frenchman, it really hurts to say this!).