



Biden Time: Markets, Democracy and Eurasia

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The result of last week's US presidential election was closer than most commentators had predicted, and the drama undeniable. But Joe Biden's party did not triumph in Congress and there is general agreement that the new President will not find it easy to implement his policies in the next four years. What are these policies? On paper, the most radical commitments are those that concern climate change, the so-called Green New Deal. More "progressive" elements in the Democratic Party wanted their candidate consolidate socio-political traditions that stretch from Roosevelt's original New Deal through Lyndon Johnson's Great Society agenda down to Obamacare. But in a country where, for the great majority, "socialism" remains an emphatic term of abuse, if the veteran pragmatist Biden had moved any further to the left (for example by espousing universal health care), his narrow victory would probably have been a big defeat.

Trump's presidency brought dividends for some US citizens, especially the very wealthy. This was reflected in the welcome he received on Wall Street when he was elected in 2016. Stock markets elsewhere were more concerned. They had good reason, because the protectionist inclinations of the inflammatory populist who proclaimed the need to "Make America Great Again" presented a real threat to capitalism globally. In 2020, however, markets almost everywhere seem to be highly satisfied with the outcome of the US democratic electoral process.

This may not be a good omen. Will the centrist liberals whose worlds have been so unsettled by Trump in the last four years understand that there can be no return to the previous status quo? After all, Trump received more votes than last time, even in Pennsylvania. Over 70 million US citizens apparently wanted four more years of his boisterous megalomania. If, in spite of congenital lying, corruption, racism and overwhelming vulgarity, Trump had managed to perform a little more *competently* in combating the corona virus in 2020, there is every likelihood that he would have won this election. It therefore behoves political opponents to

probe the deeper causes, in order to prevent another celebrity demagogue, someone less narcissistic but equally beholden to plutocrat interests and better organized, from mobilizing a similar mass support base to undermine the possibility of more tolerant and inclusive communities.

The fundamental causes lie in long-term political economy. In the framework elaborated by Karl Polanyi (1944), to which reference has been made regularly in this blog, over-extensions of the principle of the market, in particular marketization of the “fictitious commodities” of land, labour and money, provoke countermovements to protect the integrity of society. The outcomes of this contestation are often malignant. The immediate sentiment outside the US following Joe Biden’s victory may be one of relief. But many aspects of this election (and other elections and referenda in recent years) have tended to weaken trust in the evolved norms and institutions of western democracies. Political stalemate in the US in the next four years will open the door to new incarnations of Donald Trump (or to the return of the man himself).

From the Eurasian perspective of this blog, two further points need to be made. It is widely assumed that Joe Biden’s victory will lead to an easing of the new Cold War that has developed with China. However, it may equally stoke smouldering embers of the earlier Cold War, the one in which Biden’s world view was formed, which holds that the arch enemy is the occupant of the Kremlin. To give themselves a chance of winning next time in states such as Florida and Texas, Biden’s Democrats may find it expedient to divide Europe by reinvigorating the North Atlantic military alliance, rather than rejuvenate Great Society programmes at home.



Phytophthora infestans - Potato Blight.

(Source: https://commons.wikimedia.org/wiki/File:Phytophthora_infestans-effects.jpg)

Finally, it is instructive to consider the family histories of the two septuagenarian white men who have dominated the world’s headlines for most of this year. Ancestors of Trump and Biden had existential reasons for abandoning the Old World for the New in the nineteenth century. Their decisions to migrate were driven by new forms of market economy in Bavaria and Great Britain respectively. The forefathers of President-elect Biden left Ireland because of the potato famine, a public health catastrophe triggered by the global mobility of a pathogen that bears comparison with the mobility of the corona virus in 2020. The potato blight was

“natural”, but such disasters always have a range of human institutional causes. The austerity policy of the British government in the 1840s (Read 2016) can be compared with the neoliberal ideologies of today, which have hampered responses to corona so far, and will continue to do so for as long as vaccines are treated as market commodities rather than public goods.

The responses of different types of society and civilization to the current global pandemic are rich in lessons for the future cohesion of human communities. The main difference between the 1840s and the 2020s is that humanity no longer has a New World available to be opened up as a safety valve, to offer a new lease of life to contradictions generated in the old Eurasia. These abiding contradictions therefore demand new solutions.

References

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