Populism can be defined and is generally viewed as a regime where the people rule. What distinguishes populism from democracy is a matter of degree: under populism, the people rule more effectively, with fewer blockages from representative assemblies, judges, experts, and elite. The purpose of this paper is to examine if such a regime is feasible.

I will try to keep as far from ethics and as close to economics as possible, although any policy proposal with distributive implications (which favors some individuals at the detriment of others) ultimately relies on value judgments—that is, on moral values (Lemieux 2006). When I do touch on value judgments (mainly when envisioning libertarian populism at the end of the paper), I try to rely on a minimal “live and let live” ethics in order not to strain my reader’s moral credulity, as Anthony de Jasay suggests (1997, 152).

The People and Its Will

The immediate problem in the definition of populism is, What is “the people”? Just like “society,” “the people” certainly does not exist as a biological organism. Contrary to cells and organs, individuals in society don’t occupy fixed places or fill predetermined functions. An individual has personal preferences and goals and acts accordingly. (I take preferences as including both tastes and values, values being simply preferences

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regarding the state of the social world.) One cannot apprehend society or “the people” as a whole in the same way one can see or touch a biological organism—say, a porcupine. To conceive “the people” in this way is to fall victim of an organicist or anthropomorphic illusion (Hayek 1973, 52–53). The people does not exist except as a group of individuals who in a certain geographical location share some common preferences, which are fewer and more abstract the larger the number of individuals. Individual diversity is an unavoidable feature of any human society, the more so in a society past a primitive stage—that is, in an open society (Popper 1966, 173–74).

If “the people” is not some kind of superindividual, then it cannot have an intelligence or a will of its own. “The will of the people” or “the general will,” as imagined by Jean-Jacques Rousseau or (most of) his disciples, does not exist (Rousseau [1913] 1923, [1762] 1966; Hayek [1952] 1979a, 99–103, 145). How, then, could the people rule? It would seem that governing or ruling necessarily means that a section of the people rules the rest.

One may object that the organicist vision or the personification of society is just an analogy. But it is a misleading analogy that can have dangerous consequences. The analogy enters history in 493 B.C. when the Roman consul Menenius Agrippa stopped a Plebeian revolt by telling the fable of the belly and the members of the body. Once upon a time, he told the rebel Plebeians, the members of the body revolted against the belly for being forced to provide it with food enjoyment. They stopped feeding it, only to realize that they were thereby weakening themselves to the utmost. Hence, the Plebeians should not revolt against the ruling Patricians (Livius 1919, book 2, chap. 32). Karl Popper reports that the Austrian scholar, writer, and inventor Josef Popper-Lynkeus (who was Popper’s uncle) thought that the Plebeians should have replied: “Right, Agrippa! If there must be a belly, then we, the plebs, want to be the belly from now on” (1966, 294).

Since then, the organicist conception or intuition of society or “the people” has been regularly used to justify the domination of one social group over another. Charles Beudant, a nineteenth-century professor of law, wrote that the organicist figure of speech was now “taken literally and becoming a reality,” notably in Germany at the end of the century. He explained that Johan Kaspar Bluntschli, a Swiss German jurist, saw the state as “an organic person . . . a human person,” “the organized person of the nation.” Bluntschli even thought that this social organism was male and had come of age in 1740 (Beudant [1891] 1920, 206–7). For Adolf Hitler a few decades later, the state was a folkish or national organism. Vienna was the brain and will of the organism. The “body of the people” was affected by diseases that included the Jews, the Marxists, and the press (Rash 2005).

In America during the first half of the twentieth century, the organicist metaphor was used to justify eugenics, including forced sterilization. The “degenerates” were “an insidious disease affecting the body politic,” “the wild cells of a malignant growth” (O’Brien 1999, 194, 191). For the good of the social organism, the defectives should not be prevented from dying: a well-known eugenicist, Leon J. Cole, declared in 1914...
that “[d]eath is the normal process of elimination in the social organism. . . . [I]n prolonging the lives of defectives we are tampering with the function of the social kidneys” (qtd. in Lombardo 2019, 3–4). A cell must not endanger the whole organism.

The People’s Choices

The formalization of how “the people” makes choices confirms that it is not a rational superindividuum. A first step of this formalization lies in the “paradox of voting,” known since the Marquis de Condorcet in the eighteenth century, rediscovered by the mathematician Charles Dodgson (a.k.a. Lewis Carroll) in the nineteenth century, and then found again by the economist Duncan Black in the mid–twentieth century (Arrow 1963, 92–96; Lemieux 2020–21). The gist of the paradox is that as “the people” tries to govern through elections or referenda, incoherent results often follow. Even if each and every individual is rational, the people can be irrational.

Consider three voters, V1, V2, and V3, and three alternatives presented to them: X, Y, and Z. Table 1 gives the preferences of each voter. V1 prefers X to Y and Y to Z, which we can summarize by the expression “X Y Z”. V2 and V3 have different preferences, but, by hypothesis, every individual’s preferences are transitive. V1, who prefers X to Y and Y to Z, naturally prefers X to Z. V2, who prefers Y to Z and Z to X, prefers Y to X. And V3, who prefers Z to X and X to Y, prefers Z to Y. We define rationality as transitivity or coherence in that sense.

<table>
<thead>
<tr>
<th>V1</th>
<th>X Y Z</th>
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<tbody>
<tr>
<td>V2</td>
<td>Y Z X</td>
</tr>
<tr>
<td>V3</td>
<td>Z X Y</td>
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It can easily be checked that if the voters are asked to choose between X and Y, two out of three, V1 and V3, will vote for X because it is higher in their respective preferences; the result of the vote (or, we may say, the “social choice”) is thus X. If our three voters are asked instead (or later) to choose between Y and Z, the result of the vote would be Y because V1 and V2 vote for Y; the social choice is Y. Now, if the same three voters are asked to choose between Z and X, the majority, V2 and V3, will vote for Z; the social choice is Z. Social choices thus indicate that for “society” or “the people” X is preferred to Y, Y to Z, but Z to X. Despite all voters having transitive individual preferences, the people’s preferences and thus its choices are not transitive or rational. Such incoherence leaves an unstable cycle among alternatives: X preferred to Y, Y preferred to Z, Z preferred to X, and so forth. A related phenomenon is that among X, Y, and Z there is no “Condorcet winner”—that is, no alternative that would win against all others if paired successively against each.
Playing with table 1 and trying different preferences for our three voters, we can find some combinations that would generate no incoherence. But if we don’t limit the diversity of preferences that voters can have, some configurations of preferences will at times produce incoherent social choices. It can be shown that the more voters or the more choices there are, the more likely the paradox of voting will materialize. With three alternatives and eleven voters, for example, the probability of observing an incoherence is about 80 percent (Riker [1982] 1988, 121–22).

**Lessons of Social Choice Theory**

Kenneth Arrow generalized these conclusions in his Impossibility Theorem (originally called the General Possibility Theorem), a major result that in the mid-twentieth century caused an earthquake in economics and political science and pioneered the field of social choice theory. Arrow, who later won a Nobel Prize in economics for his work in that area, proved that *any* social choice is either irrational or antidemocratic. This result can be reformulated in terms of the “social choice function,” which is a rule or voting mechanism for aggregating individuals’ preferences into a political choice: there is no social choice function that is not either irrational or dictatorial.

The proof of the theorem uses symbolic logic (a field of mathematics) and cannot be explained (at least simply) in a nonmathematical language, but its meaning can perhaps be grasped as follows (Arrow 1963, 96–100). Note that we are dealing with ordinal preferences—that is, with the mere ranks that each voter assigns to alternatives in his preferences: no assumption is made regarding the intensity of these preferences, and it is impossible to weigh them between different individuals.

Start with an axiom and a few conditions that define the sort of voting systems that will fall under the theorem. These conditions are meant to ensure that the social choice function is rational and based on individual values.

- The axiom (call it **Condition 0**) is that of collective rationality: if society prefers alternative X to Y and alternative Y to Z, it will also prefer X to Z. This axiom is the minimal definition of “collective rationality” that we have met in the paradox of voting.
- **Condition 1** (the Pareto condition): if all members of a society prefer X to Y, the social choice function (the voting mechanism) will choose X.
- **Condition 2** (unrestricted domain, already encountered in the construction of the paradox of voting): the preferences of individuals are not restricted. Otherwise, of course, the analyst could get the social choice he wants by assuming the right individual preferences. For example, by restricting all voters to “single-peaked preferences,” we can derive the median-voter theorem, which avoids any social irrationality.
• **Condition 3** (*independence of irrelevant alternatives*): irrelevant alternatives don’t affect the social choice. For example, if X is preferred to Y given the social choice function, the disappearance of an alternative Z (for example, a candidate dies before the election) that was not preferred to X or to Y will not bring the voters to change the social choice from X to Y. This condition can be thought of as another requirement of collective rationality.

• **Condition 4** (*nondictatorship*): between any two alternatives X and Y, it cannot be that one of them—say, X—will necessarily be the social choice simply because a certain individual (the dictator) prefers X to Y.

Arrow goes on to demonstrate that there exists no social choice function that respects all five conditions. Assuming that conditions 1 (Pareto), 2 (unrestricted domain), and 3 (independence of irrelevant alternatives) are met, and thus focusing on conditions 0 (collective rationality) and 4 (nondictatorship), the latter two cannot be satisfied together: the social choice will be either dictatorial or irrational.

Arrow’s theorem is very general. No voting system can avoid the conundrum between dictatorship and irrationality except if it does not respect conditions 1 to 3 (which are also necessary for the social choice to be rationally based on individual values). Different electoral systems and voting gadgetry, including proportional representation, will produce different results but cannot fill all of Arrow’s conditions. The underlying problem, it seems (although Arrow may not have recognized this), is that any social choice function that imposes a choice on parts of the voters necessarily implies imposing the preferences of some individuals on others.

To what extent a unanimous social contract can avoid this problem is a question worth asking and one on which James Buchanan provides interesting analyses. Following Buchanan, two points are worth noting. First, the rational signatories of a social contract can agree unanimously only on very general *rules* that serve their common interests. Second, they would want to constrain the state to prevent it from becoming Leviathan and exploiting them. As a consequence, they would not want electoral majorities to change individual rights in the name of “the will of the people” (Brennan and Buchanan 1985; Buchanan [1975] 2000; Lemieux 2018).

A free market can be viewed as a sort of voting system: “Each man can vote, as it were, for the color of tie he wants and get it” (Friedman 1962, 15). Does the Arrow Impossibility Theorem also apply to the market? Although Arrow may not have been very clear or consistent on this point, the answer is quite obviously no because the very purpose of a social choice function is to *impose* some individuals’ preferences on other individuals. There would be no point voting in a referendum on “the national tie” or “the people’s tie” if any consumer could then go and get whatever tie he wants—no point, except if the purpose of the referendum were only symbolic or for tourism marketing, as when a state bird or state flower is chosen. We may say, by analogy, that the market is a voting system, but we must add that it is a sophisticated system that...
allows each individual to be decisive on the goods and services he chooses to buy according to his own preferences.

In Buchanan’s terms, “[T]he market does not call upon individuals to make a decision collectively at all” (1954, 122, my emphasis). Market choices are not social choices. Criticizing the relevance of Arrow’s theorem, Buchanan argues that the very notion of social choice is anthropomorphic and meaningless. “Rationality or irrationality as an attribute of the social group,” he writes, “implies the imputation to that group of an organic existence apart from that of its individual components” (1954, 116). He also argues that voting cycles between different majorities (presumably within the constraints imposed by the Constitution) are preferable to a stable situation in which the tyranny of the same majority always exploits the same minority (1954, 118–23). This approach emphasizes the idea that there is no “will of the people” that is comparable to the will of an individual human being and that could make “the people” want or do something.

Our results thus far suggest that populism, defined as a regime where the people rule, is impossible. “The people” is not a social organism and does not have a mind that can govern like an individual who has coherent preferences and takes actions to pursue them. There is no voting method capable of producing a rational and democratic choice. As William Riker says, “[W]hat the people want cannot be known. Hence the populist goal is unattainable” ([1982] 1988, xviii). Populism is impossible because it is not clear who “the people” is and what it wants.

The People Incarnate and Its Enemies

What is possible, though, is dictatorship. In the terms of Arrow’s theorem, a dictator can impose his own political choices, whatever his subjects’ preferences. In populist practice, if not in theory (populists generally come short on theory), the dictator or dictator-to-be incarnates the people. Jean-Marie Le Pen, the right-wing populist who ran the National Front (now called National Rally) in France before his daughter, Marine, took over, once declared: “I, and only I, incarnate democracy” (qtd. in de la Torre 2019, 140). The leftist populist Hugo Chávez said on the tenth anniversary of his election as the president of Venezuela, “Ten years ago, Bolivar—embodied in the will of the people—came back to life,” wherein the nineteenth-century South American liberator Bolivar, Chávez, and the will of the people appear to be all the same (qtd. in de la Torre 2019, 75).

Carlos de la Torre (2019), an expert on South American populism, adds to the definition of populism the idealization and glorification of the elected strongman (I define “strongman” as a dictator or quasi-dictator). This new feature, however, can be considered a simple corollary of the definition of populism as the rule of the people, for if the rule of the people is impossible, then the real ruler must be an individual who somehow incarnates the people. This leader can be elected or otherwise approved—in
demonstrations, plebiscites, or quiet-majority acquiescence. That the populist leader believes, even more than his supporters do, that he incarnates the people would explain why he does not like elections or believes he cannot lose them: “If I incarnate the people,” he seems to think, “how can the will of the people reject me? There must be some fraudulent conspiracy.”

We can expect people to be soon disappointed with their supposed will incarnate. Government propaganda can delay that moment but not prevent it. The basic problem is the same as in an unlimited democracy: individuals have different preferences, and each time the ruling majority imposes a policy to implement the will of the people, some individuals are harmed and unhappy (de Jasay [1985] 1998, chap. 5 and passim). Discontent will deepen as economic freedom and thus prosperity weaken. Because populism is an extreme form of democracy, such a regime will be especially affected by discontent. The more the populist strongman does for some people, the more other people are disgruntled and ask some form of compensatory intervention. Ultimately, the populist strongman must restrict political competition. Hence, the populist regime naturally drifts from an elected strongman to an autocrat ruling with rigged elections, from the early Hugo Chávez to Nicolás Maduro.

It has been so often observed that populist regimes crave enemies and scapegoats that this feature is sometimes included in the definition of populism. Foreigners are convenient scapegoats, as can be observed in both late nineteenth-century populism in America and in Donald Trump’s recent version. In the late nineteenth century, American populists viewed Chinese immigrants as “moral and social lepers” and a “tide of Mongols” (Postel 2007, 185). Just like today’s populists in America and the rest of the world, these earlier populists opposed immigration and free international trade. We could add this feature to the definition of populism, but it would risk diverting attention from the fact that the perceived enemies also include internal ones within “the people” itself.

To counter the people’s disenchantment, populist leaders blame internal enemies: experts, elites, domestic minorities, even opposition parties, who are said to work against “the common people” or “ordinary people.” The online *Oxford/Lexico* dictionary defines populism as “a political approach that strives to appeal to ordinary people who feel that their concerns are disregarded by established elite groups.” In the “populist playbook,” to use Carlos de la Torre’s expression, domestic enemies come to include the opposition press and any group, such as judges, who represent an obstacle to the implementation of the supposed will of the people. For example, Evo Morales, the socialist populist who was recently president of Bolivia, identified the media as his “number one enemy,” just as Donald Trump called the media the “enemy of the American people” (both quoted in de la Torre 2019, 151, 164).

The trick of amputating the people in order to maintain the fiction of its organic unity with a will of its own helps the populist leader pretend that he represents “the people.” In reality, he represents only a faction in the people, a faction that diminishes as discontent inevitably rises.
Other features of nineteenth-century American populism are relevant to a current inquiry on populism. Nineteenth-century populism started with the agrarian movement and the Farmers’ Alliance in the 1870s and 1880s and culminated with the People’s Party (a.k.a. the Populist Party) in the 1890s. The nineteenth-century populists favored progress, modernity, knowledge, education, and expertise. They also favored strong government intervention, notably in money, banking, and trade. They liked state corporations and wanted the nationalization of the railroads. They participated in the Napoléon infatuation that hit America at that time, viewing the early nineteenth-century French dictator as an expert in government organization and planning. Governor William McKinley of Ohio was known as “the Napoleon of Protection”—that is, of protectionism. The populists were also racist: for example, the Farmers’ Alliance accepted only white members, although it offered unusual opportunities to (white) women (Postel 2007).

As populism can theoretically and historically be either on the right or on the left, it is not altogether surprising that nineteenth-century American populism brought some grist to the mill of two posterior ideological developments: progressivism and fascism. Many of the populists’ interventionist demands were satisfied in the Progressive Era, which followed the demise of the Populist Party in 1896: the federal income tax and the Federal Reserve System are examples, among others, of a generally more interventionist federal government. “In the early twentieth century,” Charles Postel writes, “former Populist strongholds in Texas, Kansas, Oklahoma, California, and elsewhere, provided fertile recruiting grounds for the new Socialist party” (2007, 286).

After the Progressive Era, fascism found many adherents in America. “In the social matrix of the Depression, the New Deal, and the shadow of World War II,” argues Victor Ferkiss, “various intellectual and popular leaders developed doctrines which were the American equivalent of European fascism and national socialism. . . . The most important single ingredient in this new creed was American Populism brought up to date” (1957, 359–60, 361). U.S. senator Huey Long, a populist Democrat, said in 1935, “Down in Louisiana we have no dictatorship, but what I call a closer response to the will of the people. . . . Everything we have done in Louisiana is merely to carry out the will of the people” (qtd. in Ferkiss 1957, 364–65).

It is no surprise to meet the will of the people in a book published in 1936 by Lawrence Dennis, The Coming American Fascism. The man who was described as “America’s number one intellectual fascist” (Younge 2007) favored a “national plan” as “an expression of the popular will” (Dennis 1936, title of chapter 13). Emphasizing the importance of this national plan, he wrote: “Liberalism assumes that individual welfare and protection is largely a matter of having active and powerful judicial restraints on governmental interference with the individual; Fascism assumes that individual welfare and protection is mainly secured by the strength, efficiency, and success of the State in the realization of the national plan” (160). Many on the left could say the same.

If history repeats itself, we should not be surprised if the recent resurgence of populism in America were followed by heightened socialism or fascism, which are not as
different as conventional wisdom would have us believe. Whereas libertarianism wants liberty for individuals, populism, socialism, and fascism want power for “the people.”

Feasible Populism?

Can we conceive of a sort of populism that would be both feasible and immune to dictatorial temptations? On a theoretical level, yes. It would be a noncollectivist, nonpolitical populism where the people (plural) rule in their individual capacities. Randy Barnett, a law professor, argues that such was the original meaning of “we the people” in the U.S. Constitution; it meant “We the People as individuals” (2006, 72, 63–81). In this perspective, each individual is sovereign and rules over himself—literally “self-government”—the exceptions being some activities that can be realized only in common, broadly what economists call “public goods.” Economic analysis suggests that this individual sovereignty, this sort of populism, is possible in large swatches of social life. Only laissez-faire in this sense can simultaneously allow the satisfaction of ordinary people’s preferences and the recognition of specialized knowledge and noncoercive experts. Neither ordinary people nor the cognoscenti should coercively rule over others.

This populism is of course opposed to crony capitalism—government privileges to corporations and organized interests (Zwolinski 2013). It also opposes the domination of a class of rulers over the class of the ruled, if we want to speak in terms of social-political classes (Hart 2020).

Taking “populism” in this sense, however, can be more confusing than useful because the doctrine already has a name, perhaps two: (classical) liberalism or, in its most radical forms, libertarianism. The concept of libertarian or liberal populism risks blurring many features commonly associated with populism and ignoring many features and values of liberalism and libertarianism. Not being based on “the people” or its supposed will, liberalism and libertarianism do not sacralize the outcomes of voting and see elections basically as just a means of peacefully changing the depositories of government power (Hayek 1979b, chap. 18; Riker [1982] 1988).

The moral values of liberalism may also be at risk in an association with populism. Several years before the Trump experience, Matt Zwolinski (2013) suggested that libertarian populism tends to be more populist than libertarian if only because it falls easily into the nationalist ruts of traditional populism, while libertarianism is cosmopolitan. From a moral viewpoint, a libertarian would think the nation should not be sovereign against the individual. John Hicks represented liberal values when he observed: “The Manchester Liberals believed in Free Trade not only on the ground of Fairness among Englishmen, but also on the ground of Fairness between Englishmen.

1. After this article was written, its argument received confirmation from the new U.S. president’s inaugural speech of January 20, 2021. However moderate Joe Biden appeared, he invoked “the will of the people” twice.
and foreigners. The State, so they held, ought not to discriminate among its own citizens; also it ought not to discriminate between its own citizens and others” (1942, 112–13).

The “will of the (national) people” lurks behind populism, which not only is a dangerous illusion, as this paper has argued, but also contradicts the core values of the liberal and libertarian tradition. The experience of Trump populism, which attracted some libertarians, has shown this opposition in action. We can also mention the liberal value of truth, which disappears in populist worship.

If populism is defined as a political regime where the people rule, I have tried to show that such a system is impossible. Confronted with this reality, populism requires the illusion of a ruler who incarnates the people but who, in reality, can rule only a part of the people (plural) to the detriment of the rest. One could redefine populism as a political regime where the people, plural, self-govern, but this political philosophy does not need a new name, especially as populism of the right or of the left carries a heavy baggage.

References


