

ongoing education and skills challenge, are all far more important. As crucial as successful trade engagement is with the rest of the world, a country's trade policy shouldn't be an end goal. I suspect this is equally as true for many other western countries.



*More global solidarity will also provide higher well-being.*

**KLAUS F. ZIMMERMANN**

*Professor of Economics, Bonn University, and President, Global Labor Organization*

**P**opulism is nurtured by the dream that regular people can take over from the elites and drive the fate of societies. But as is well known, populist movements end in autocratic regimes where a few narrow-minded people run the world in their own interest.

The natural enemy of populism is evidence-based policymaking, whereas populism relies on policy-based evidence making. This is also not new. Since elites conquer the facts, it is not surprising that the global rise in populism goes hand-in-hand with a devaluation of knowledge in favor of emotions.

While elites prefer to foster efficiency to create a larger amount of welfare, policymakers like to debate redistribution since this is closer to the hearts of their voters. Thus, policymaking is always endangered by populism. Openness makes people feel uncomfortable. Hence, free and open societies are more vulnerable than most elites think.

Globalization brings the ultimate openness to challenge and threaten people's lives, at least in their perceptions. In the growing territory of an evidence-avoiding world, migrants including refugees, and robots with other forms of digitalization, are the gundogs of globalization which seems to bring large uncertainty, if not even misery. Ignorance has become so strong that the clear evidence of the positive consequences of global economic and political integration is pushed aside. Since not all benefit from these processes equally, growing global inequalities engender tensions and cleavages with detrimental effects on economic development and security.

More and more people are feeling left behind in economic terms and with future perspectives. They have lost direction and economic position, with declining hope for future improvement. They no longer trust that internationalization, sharing, diversity, and integration will bring greater well-being and economic growth. Traditional parties everywhere are in decline after failing terribly by not providing guidance, social cohesion, and vision. People fear economic and social decline and try to escape by supporting nationalistic and anti-migrant policies.

There is no hope that this societal climate will quickly change. Ignoring important economic and social constraints will soon reduce wellbeing. But the price has to become significant to induce a turnaround.

Brexit is an excellent case study of the dilemma. Delivered by surprise, and despite substantial evidence of the huge irrationality of this decision, the country remains largely split and undecided. When the harsh reality after a cold Brexit shows its painful effects, it will be too late to return.

To avoid such mistakes and to oppose populism, it is not enough to present statistics about the positive effects of globalization and to redistribute part of the gains from the winners to the losers. One needs to add the human face of globalization and the vision that more global solidarity will also provide higher well-being.



*The G-20 summit legacy from the past decade is badly in need of updating or replacement.*

**GARY KLEIMAN**

*Senior Partner, Kleiman International Consultants*

**P**opulism as an anti-establishment and xenophobic political philosophy reflecting economic backlash against globalization, technological change, and income inequality is part of the historical cycle in both the developing and industrial world, and modern financial markets as instantaneous transmission mechanisms magnify strains.

In the Americas and Europe, with the United States, Brexit, Central Europe, and Brazil-Mexico examples, the phenomenon is best known, but no region has been spared