

Illiberalism Is Suffocating Europe

di Gerard Baker

It took a certain chutzpah for Vice President [JD Vance](#) to [lecture](#) European leaders last weekend about their subversion of the old Continent's democracy. This from a man who [endorses](#) his boss's attempt to overturn the result of a legitimate presidential election, who [lambastes](#) restrictions on free speech in Britain but apparently can't find anything [bad to say](#) about [Vladimir Putin](#)'s Russia, and whose administration, on the day Mr. Vance upbraided his hosts in Munich, was [using](#) the criminal justice system back home to blackmail the mayor of New York City into supporting its policies. The effect was a little like listening to Al Capone admonishing an associate for filing his tax return late.

But hypocrisy is the homage vice pays to virtue, and just because Mr. Vance smiles at his own team's trashing of democratic institutions and norms doesn't mean he's wrong about the state of European liberalism. The examples he cited of oppressive elites stifling opposition to their hegemony are valid and troubling. The way the law has been used, in the U.K. especially, to intimidate and punish dissent against the prevailing cultural and political order is disturbing.

In time-honored fashion, those elites in government and media blame "extremism" and "far-right" agitators when, having been excluded from mainstream public discourse, voters turn to political parties that do articulate their views. The reason parties like the Alternative for Germany (AfD) and Marine Le Pen's National Rally in France are surging is precisely because the opinions they represent—hostility to uncontrolled immigration, support for traditional social and religious values, rejection of environmental eschatology—have been delegitimized by mainstream parties.

You would have thought by now that political leaders would have grasped a basic reality of democratic politics—that you can't beat an argument by marginalizing or

silencing it, and that when you try you only make the weakness of your own arguments all the more apparent.

All this adds new significance to Sunday's German federal elections. Riding the wave of popular resentment, Mr. Vance's new friends in the AfD seem set to achieve the party's highest [share of the vote](#) ever—perhaps over 20%—complicating further the usual messy process by which German coalitions are formed. The conservative Christian Democratic Union, [likely to top](#) the polls, has said it won't work with the AfD, regarded as a pariah. (While its leaders offer populist solutions to issues like immigration, the party includes a minority of neo-Nazi characters.)

That may well mean the only coalition capable of forming a majority in the Bundestag will be that between the CDU and the center-left Social Democrats, the increasingly discredited party of Chancellor Olaf Scholz.

Yet another stitch-up among elites like this will only feed the impression of the collusive illiberalism of Europe's establishment, but it will also underscore the much larger existential threat to the Continent: its chronic economic torpor.

Friedrich Merz, the CDU leader and likely new chancellor, [talks a good game](#) about revitalizing the moribund German—and by extension the European—economy. He has promised a tougher line on immigration, says he will rein in some of Germany's wilder green-energy regulations, and promises to lead an economic renaissance by eliminating red tape and rolling back an overweening state.

The economic gulf between Europe and the U.S. is widely known and getting wider; Europe lags behind not merely in demand growth but in the investment to bolster productivity, raise living standards and revive competitiveness.

To have any hope of lifting itself from its slump, Europe needs a dose of economic liberalism to free up its markets and more Continentwide economic integration to develop the sort of wide and deep capital and services markets that give the U.S. a huge advantage. The problem is that these two economic imperatives push in the opposite direction from the one in which political sentiment wants to drive the major European Union countries.

More market-driven dynamism means less regulation of labor, capital, goods and services. The EU's obsession with tight regulatory control of technology is a major factor behind the sclerotic state of its productivity.

While the economy demands more freedom to grow, voters live in an age of accelerating insecurity. They want more protection. Those populist parties are pushing not only to roll back the liberal establishment's ambit but to keep and even strengthen the costly social protections in labor markets, pensions, healthcare and education. Facing a highly uncertain future, rapidly advancing artificial intelligence, and geopolitical changes that have raised energy costs and eaten into export markets, they want more protection, not less.

The same problem holds true for the Continent's other economic need: greater integration and the removal of national barriers to investment and capital flows. Nationalist sentiment is ascendant and voters want to reinforce their national borders and economies after decades of ceding authority to the EU's centralized bureaucracy. In Europe illiberal democracy and illiberal economics go hand in hand. The new populists won't give us one without the other.