

Human resource management practices in the context of rising right-wing populism

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Abstract

We review the relationship between the causes and impact of rising right-wing populism and human resource management practice, drawing on the recent experiences of the United States and the United Kingdom. Specifically, we explore the links between right-wing populism and firms and their HRM practices. Although the links between declining standards of work, employment, and populism may be indirect and spatially uneven, each impacts the other in a manner that reinforces existing trends. We pay particular attention to migration and labour mobility, pay dispersion, and job and occupational security. At the level of the workplace, the populist turn undermines workforce diversity and makes transnational mobility more difficult. At the same time, structural pressures mitigating against a greater commitment to employees and their development and well-being contribute to a general climate of insecurity, which, in turn, reinforces populism.

KEYWORDS

Brexit, entrepreneurship, human resource management, international business, right-wing populism, Trump

1 | INTRODUCTION

The populist turn in the United Kingdom and the United States has already impacted firms and their employees. However, much of the existing literature has focused on contextual causes and outcomes, rather than an exploration of how this is articulated through organisations. This essay explores the links between HRM and populism, in terms of both causes and effects. Populism is a broad catch-all phrase that encompasses not only a formal rejection of the status quo but also “antipluralism”; populist leaders claim to be authentic voices of the people and render alternative voices illegitimate, in some manner or other (Mueller, 2017). Many causes may be labelled as populist in their

WHAT IS CURRENTLY KNOWN

- Many countries have seen right-wing populists attain political high office.
- This has included not only many emerging markets but also the United States and the United Kingdom.
- The drift to right-wing populism in many countries has been linked to insecurity in work and employment.

WHAT THIS STUDY ADDS

- This study seeks to trace the interlinkages between HR practice and the populist turn, which can make better informed decisions regarding HR strategies at firm level.
- Again, it highlights the way in which political developments may impact back on firms and the range of viable HR policies and practices open to them.

WHAT ARE THE IMPLICATIONS FOR PRACTITIONERS

- Contemporary HR practice is vested with a wider political significance.
- Hence, the utility of HR strategies should be reviewed not only in terms of firm-specific outcomes but also with due consideration as to how they might have amplified political risk.

challenging of the political status quo, ranging from the right-wing Tea Party in the United States to the left-wing Momentum in the United Kingdom; however, antipluralism (hostility to immigrants, specific categories of the poor, and, in many instances, women) is what sets right-wing populism apart from left-wing manifestations (Espejo, 2017; Mueller, 2017). A further defining feature of contemporary right-wing populism in the liberal market is a tendency for the traditional centre-right politicians to try and appease or coopt the populist right, and the latter overwhelms and subsumes the former, with far-right ideas becoming mainstream (Kallis, 2013); there is a disturbing historical analogy with the rise of the far right in continental Europe in the 1930s (cf. Wetz, 2018). In line with common usage, we use the term “populism” to denote its contemporary right-wing embodiment (Berlet & Lyons, 2018).

Right-wing populism is spreading worldwide, often with considerable business and economic consequences. Although political extremism and uncertainty is most commonly associated with peripheral and emerging markets, it has recently engulfed the United States and the United Kingdom, the two largest liberal market economies (LMEs; Wood and Wright, 2015; Mead, 2017), challenging the view that more mature capitalist archetypes are inherently stable, with self-reinforcing complementarities between their political, social, and economic spheres (cf. Hall and Soskice, 2001). Grounded in a strong political ideology that questions and even abhors globalisation, populism has sparked considerable economic and cultural debates that are likely to affect the very nature of the workplace. This essay builds on a key strand of the HRM literature, which locates it within the broader historical and spatial context (Godard, 2004; Kochan, 2007; Kochan & Bamber, 2009, 2011; Kaufman, 2015; Marchington, 2015; Bamber, Lansbury, Wailes, & Wright, 2016; Guest, 2011). More specifically, we reflect on some of these changes and their implication for the effective management of human resources in contemporary organisations. We accord particular attention to the interrelationship between, and the effects of, populism on migration, pay dispersion, and job and occupational security, all elements of interdependence between employers and employees (see Whitley, 1999). However, we acknowledge effects in other areas, such as delegation to employees (which would include collective bargaining, cf. Whitley, 1999).

2 | INSTITUTIONAL CHANGE, CRISIS, AND POPULISM

In both the United States and the United Kingdom, right-wing populism has captured the political agenda. However, the form assumed by right-wing populism differs considerably between the two countries. In the case of the United States, right-wing populism has centred on the personality of President Trump, a phenomenon that has been associated with both family government (Pfiffner, 2017) and the quiescence or active support of a large proportion of the Republican Party around both his personality and his political agendas (Allin, 2016). One might argue that the space for such a personality becoming president was opened up by the early efforts of the Tea Party and the Bush II administration. In the case of the United Kingdom, despite bitter divisions within the Conservative Party, those promoting Brexit as a vehicle for rolling out more extreme market reforms and social conservatism have dominated the debates prior to and post the referendum; the majority of party rank and file support hard Brexit (Allen, 2018), ultimately leading to the accession of Alexander "Boris" Johnson as Prime Minister. A preoccupation with Brexit has led to a drift in other areas of the government, with continued austerity and cuts in social protection a default position (Bloom et al., 2018). This position has also led to more extremist language and policy prescriptions, particularly around immigration, becoming somehow socially acceptable (Allen, 2018) in both nations. The Trump administration has, despite some notable setbacks, already succeeded in curtailing social protection and the regulation of corporations (e.g., around environmental standards; Kenworthy, 2018). Finally, although in the United States, the Democrats have made advances in the recent congressional elections, they have yet to define a clear alternative policy agenda and leadership. In the United Kingdom, Jeremy Corbyn and the Momentum movement have been able to mount a serious challenge to both right-wing populism and conservative rule (Whiteley, Poletti, Webb, & Bale, 2018). However, by early 2019, this countermovement ran into difficulty because of an inability to develop coherent policies around Brexit (Bailey, 2018). Very recently, there has been an effort to establish a new centrist party in the United Kingdom; however, the electoral system makes it difficult for new political players to make headway in winning parliamentary seats; this has led to the Liberal Democrats recapturing at least a proportion of the seemingly diminishing centre ground (cf. Huq, 2019).

Although the relative benefits of neoliberalism, and the tenability of alternatives, remain a subject of much debate, it has also been associated with, by accident or design, rising inequality and insecurity, and, in turn, this has led to populist political backlashes (Sandel, 2018). Hence, although neoliberalism is distinct from right-wing populism, the former, at least in part, helped create the conditions for the populist turn (Sandel, 2018). For rank-and-file employees, this process has resulted in the diminishment of employment and, by the 2000s, retirement and security (Pierce & Schott, 2016). There has also been further diminishment of security in occupation and working time, the rise of low-end unskilled service sector work, and rising pay dispersion (Connelly, Haynes, Tihanyi, Gamache, & Devers, 2016), whereas union power has diminished and traditional political representatives of labour have become less responsive to the needs of working people (Kreisi and Pappas, 2015). Simply, changes in work and employment relations and in social protection have led to a system that no longer works for a significant proportion of the electorate; it can be argued that, under such circumstances, common ground erodes and there is increasing conflict over ideas within the political domain (Peters, Pierre, & King, 2005), opening the way for populist leaders and movements. In other words, fundamental changes in the global economy and the diminishing political voice of a traditional core labour force have driven down the quality of work and employment and, in turn, have led to a political backlash (Berlet & Lyons, 2018).

Although right-wing populists have made strong headway in many national contexts, the United States and the United Kingdom can be considered exceptional cases (cf. Mead, 2017; Wood and Wright, 2015). The *Varieties of Capitalism* literature divides the advanced societies into two broad taxonomies: the LMEs (the United States, the United Kingdom, Canada, Australia, and New Zealand) and coordinated market economies (CMEs; the Rhineland economies, Scandinavia, and Japan; Hall and Soskice, 2001); other strands of comparative institutional analysis have made broadly similar assumptions as to the mature status of such economies (La Porta, Lopez-De-Silanes, Shleifer, &

Vishny, 1998; Whitley, 1999). Hall and Soskice (2001) argued that that only within the LMEs and CMEs were complementarities most advanced, leading to optimal conditions for growth and prosperity; it was assumed by Hall and Soskice (2001) that all other countries would converge on this model. By implication, this would vest a populist capturing of the political agenda in cases of the LMEs with greater historical importance than in less mature and evolving varieties of capitalism, such as Mediterranean or emerging market economies (see Glassmann, 2016). The fact that the two largest LMEs, the United States and the United Kingdom, have now entered open-ended political crises thus raises questions as to the structural viability and sustainability of their national recipes (Wood and Wright, 2015), especially as they lack the relatively up-to-date constitutional checks and balances and associated institutional supports erected in the CMEs after World War II. Again, if there are strong global pressures to converge with the LMEs, any crisis within the latter model is ground for particular concern; LMEs no longer represent stable models associated with coherent policies and growth (Wood and Wright, 2015; Green, 2016).

3 | PRECARIITY AND EXTREMISM

A caveat is in order here: Although there is a clear link between the decline of decent work, financial insecurity, and support for right-wing causes, the very most precarious workers should not be conflated with the core of far-right voters (Johnson, 2014). Typically, far-right voters are more likely to be older, living in rural areas, or within peripheral towns or cities (Jennings & Stoker, 2018; Morgan & Lee, 2018). However, a general climate of insecurity is contagious, and this group of voters, in particular, has been affected by not only the decline of pensions but also the indirect effects of uneven and volatile growth (Jennings & Stoker, 2018). Although high inequality may affect individual psychological well-being (Ifcher, Zarghamee, & Graham, 2016), declining incomes (rather than low wages, *per se*) are more likely to trigger social discontent (O'Connor, 2017; cf. Cooke, 2018). Again, there are generational differences at play here. The elderly have a longer lived experience and are more able to benchmark a decline in well-being against an earlier, fairer, even if partly imagined, past (Covington, 2018). In contrast, younger workers in the most insecure jobs may have a much narrower base of comparison; again, immigrants working in such jobs may also compare terms and conditions of service against much worse experiences in their countries of origin. In short, although the capturing of the political agenda by the far right in the United States and the United Kingdom is certainly associated with a general decline in employment, work, and occupational insecurity, the relationship between events in the United States and the United Kingdom is a complex and indirect one. In other words, at present, the link between the diminishment of the social contract and the associated weakening of the terms and conditions of employment and the populist backlash is indirect; yet, as this article demonstrates, the populist backlash seems to have fed back to a further diminishment of worker rights (cf. Ennser-Jedenastik, 2018), the recent (September 2019) promises of the British Conservative Party to raise the minimum wage notwithstanding. Although a dominant political discourse has depicted finite and diminishing resources for social spending needing rationing (Sherer, 2017; Streeck & Livingstone, 2017), populist politicians and their allies in the media have tended to add that the very poor and immigrants have gained a disproportionate share of a limited pool of welfare resources and decent jobs (Flynn & Lazaridis, 2019).

4 | BRINGING HRM BACK IN

There are many subareas of HRM, each of which may be affected by the populist turn. However, we accord particular attention to migration, talent and income, and job security, all of which are indicative of the relative interdependence of employees and employers (cf. Whitley, 1999). Existing research would indicate that although poor HR practices (insecurity, low pay, and an underinvestment in people) may have contributed to the populist epidemic (Gidron & Hall, 2017, the United Kingdom; Berlet and Lyons, 2019, the United States), at the same time, they

make solving the epidemic much more difficult. The assimilation of immigrants within and beyond the workplace becomes much harder to accomplish, as does the potential to move over to higher value-added and more mutual gains-orientated production paradigms (Pecararo and Ruedin, 2016) while securing global talent (Khilji, Tarique, & Schuler, 2015; Hainmueller, Hiscox, & Margalit, 2015; Schneid et al., 2014). Richards and Sang (2019) highlight a trend towards in-work poverty in the United Kingdom and identify this with particularly instrumental approaches to strategic HRM. Again, a focus on individual, rather than collective, rights or societal concerns has gone hand in hand with precarity, as risk and responsibility for well-being has been shifted back onto employees (Baker & Kelan, 2018; Dundon & Rafferty, 2018). HRM represents not only the transmission belt, whereby the abrogation of the Keynesian settlement is translated into populism, but also where, in turn, populist policies can open up space for harder line HR policies, making things worse, rather than better for workers.

4.1 | Global talent and immigration

In many advanced societies, an influx of immigrants since the early 1950s has allowed vast access to talent, experience, skill, and resources, including capital. Many of these immigrants have been a key source for innovations that have spurred technological change and economic growth; in the United States, immigrants account for roughly a quarter of patents and start-ups (Kerr, 2013; cf. Steun et al. 2012). Immigrants have also created companies that have provided abundant employment opportunities, and, more broadly speaking, these companies do not seem to have a negative effect on the availability of jobs for residents (Borjas, 1990); indeed, in the United States, Kerr, Kerr, and Lincoln (2015) found that skilled immigrant employment at the firm level was associated with superior skilled job creation for younger citizens (although, tellingly, not for mature ones). Noncitizens have also been part of the U.S. and U.K. labour force, adding to the economic base of their host countries; reviewing evidence across the Organisation for Economic Co-operation and Development, Boubtane, Dumont, and Rault (2015) found that immigration was associated with increases in both gross domestic product and productivity. Taxes paid by immigrants have also added to national treasuries, ironically making a revival of the welfare state more feasible (Suro, Suárez-Orozco, & Canizales, 2015). Immigrant connections to their home countries also serve as an important means of building trade relationships and shaping decisions on foreign direct investments. Immigrants also bring with them new cultures and new ways of doing things, infusing new knowledge that fuels innovations in their host countries as well as the companies in which they work (Iriyama, Li, & Madhavan, 2010; Madhavan & Iriyama, 2009). Again, differences in educational background and previous work exposure appear to promote innovation in teams (Schneid et al., 2014). Moreover, the flow of capital to support innovation and entrepreneurship crosses borders and follows patterns of immigration and integration into the workforce (Iriyama et al., 2010; Madhavan & Iriyama, 2009; Mahmud, Alam, & Härtel, 2014).

4.2 | Migrancy and unfree work

Fear of terrorism (Wodak, 2015), whether legitimate or misplaced, has also led the United States and the United Kingdom to adopt ever more stringent systems for vetting potential immigrants, worsening divisions in society. As Koopmans (2016) notes, labour market assimilation tends to be followed by cultural assimilation even among categories of immigrants, such as Muslims, demonised by populist politicians. Ironically, forcing immigrants into the underground economy makes assimilation much harder, providing further ammunition for racism. In the case of the United States (and, to an extent, the United Kingdom), light labour market regulation has facilitated the particularly widespread employment of illegal labour, particularly in areas such as agriculture and low-end services, driving down wages and service conditions (Durand, Massey, & Pren, 2016; Somerville, Smith, & McElwee, 2015). Successive governments in each country have been reluctant to take serious action against such illegal labour, half-hearted efforts to regulate “gangmasters” (labour brokers) in the United Kingdom notwithstanding (Forde & Slater, 2016); yet a lack

of progress in this area has been compensated by high-profile measures to restrict the legal immigration of skilled labour (Bennett, 2018).

4.3 | Wages and insecurity

Again, the gap between average and median wages has continued to widen; populism in the government has not halted widening income inequality (Social Security Administration, 2018). Within post-Brexit Britain, the proportion of workers on low pay has increased to some 18% (D'Arcy, 2018), representing a continuation of a trend towards greater precarity, rather than a departure from it; a hard Brexit is likely to make matters worse (Gamble, 2018). Again, they are many separate spheres of economic life in the United States and the United Kingdom, with events taking place in one area often having little or no impact on others (Froud et al. 2017). This is mirrored in the diversity of HR systems. A minority of highly educated employees have materially benefitted from sophisticated HR systems (Walker, Wood, & Brewster, 2014). Others still benefit from guaranteed working times and basic pay rates, prospects of progression, and a degree of on-the-job training, even if jobs and pensions have become insecure. Worst off are "gig workers." Apologists for the proliferation of this type of labour refer to it as a "sharing economy," where individuals can tailor their jobs around other commitments and leisure time and opt for tasks they find the most interesting; however, most "gig workers" have little choice as to what, when, and how much work they perform (Milkman & Ott, 2014). It is unclear how many gig workers there really are; however, government estimates suggest that at least 40% of the U.S. workforce are in "nontraditional" contracts (Pinsof, 2015).

5 | TRUMP, BREXIT, AND DOWNWARD PRESSURES IN HRM

If poor HRM contributed to Trump—and Brexit—how will the latter impact HRM? It can be argued that the real political "cry of rage" was among those who were, historically, more privileged—the downwardly mobile performing traditional core jobs that have had to contend with job insecurity and pay stagnation, outright loss of employment, or the challenges of living on eroding pensions (Rothwell & Diego-Rosell, 2016). However, this discounts the complex coalition forged around Trump. Interestingly, neither the Brexit nor the Trump campaigns had much to say to workers lacking formal skills, other than promises of eliminating migrant competitors. By comparison, U.K. evidence suggests that core Brexit voters were often not only less educated but also tended to be white, male, and elderly (Ford & Goodwin, 2017). Relative support for Brexit reflected a complex outcome of multiple identities, with subclass only being one of them; occupational status is an increasingly fluid aspect of being. In turn, individuals may have responded by hanging onto and emphasising other aspects of their self-defined identity. As Standing (2013) notes, precarious workers are deeply divided internally, and such divisions are strengthened by a tendency for those who, when confronted with insecurity, assert those aspects of their identity (gender, age, ethnicity, and belief system), which would seem less mutable.

Tellingly, the Trump administration has sought to pare back the limited legal protections earlier granted to some vulnerable groups (Hanvey & White, 2018), including, for example, the DACA workers—those who immigrated as children and have a right to a 2-year deferral from deportation (Pierce, Bolter, & Selee, 2018). In turn, ever more stringent restrictions on migrants would force ever-increasing numbers of workers into the underground labour market. Meanwhile, a feature of Brexit has been the risk of U.K. workers losing a range of employment rights under European law. These would include the potential loss of access to European Works Councils, which, in turn, would diminish rights to codetermination and consultation (Arora, 2019). Individual workers bear more risks and, in a worse-case scenario, could end up both physically sick and homeless (cf. Goodin & Le Grand, 2018). Again, increasing the right to work checks would undermine the position of migrants; this, when combined with a much stricter benefits regime in the United Kingdom, is likely to force more indigenous workers into the bottom end of jobs (Arora,

2019). The prospect of greater restrictions on immigration would further limit the pool of talent organisations can draw from (Ridgway, 2019).

Another source of uncertainty is the link between the rise of right-wing populist movements and the drive to dismantle unions in the United States, as well as job security and protection (Hogler, 2017; Meyerson, 2017) in the United Kingdom. Prominent figures in the right-wing populist movement believe unions to be a major cause, along with interventionist Federal and State governments and poor management, of the economic problems the United States is experiencing (Cole & Shulman, 2018), echoed by senior figures in the U.K. government. A strand of such thinking is that both workers and professional managers are condemned alike for consuming value at the expense of shareholders (cf. Weldon, 2018). In the United Kingdom, proponents of Brexit have made little secret of a desire to curtail worker rights, equality, and health and safety legislation (Gumbrell-McCormick & Hyman, 2017).

This is not to suggest that populism is simply about deregulation. For example, in the United States, there have been several moves towards protectionism. However, this agenda has lacked internal coherence, and any benefits to employees may be undermined by excessive employer short-termism. Again, there have been government drives to revive declining industries, such as coal, through direct and indirect subsidies (Jackson, 2018). However, this has not led to a return to mass underground mining employment but, rather, to automated open-cast coal mining; when environmental damage is factored in, this has left traditional coal mining communities even worse off. Despite significant subsidies and evangelistic political support, only some 2,500 coal mining jobs have been created under Trump by mid-2018 (Jackson, 2018). There has been a more significant growth in jobs around mining exploration, up some 27% (Kopf, 2018), although many of the new jobs proved transitory. More generally speaking, under Trump, overall employment has risen (albeit not to pre-2008 levels), continuing the trend of the Obama years, and, as in Britain, it seems the pool of involuntary underemployment has slightly diminished (Kopf, 2018). In both countries, there has been a significant rise of the working poor. When social protection weakens, there are stronger pressures to compel people into the labour market, which may have the effect of further depressing wages among the poorest.

Early evidence suggests that the United States' more limited social protections will be further eroded under Trump (Stieglitz, 2018). Even prior to Trump, there was a general acceptance among the investor and policy community of maximising shareholder value at the expense of employees (Appelbaum, Batt, & Clark, 2013) and, indeed, an acceptance of the wisdom of the social welfare system subsidising low-wage employers. For example, it has been well documented that workers of mainstream online (Amazon) and traditional (Walmart) workers are or have been on food stamps (Tepper & Hearn, 2019). In 2018, Congress approved Trump administration proposals to cut the provision of SNAP (aka food stamps) and restrict up to half of their value to processed foods only; in 2019, even more ambitious cuts were proposed, again emphasising (processed) food boxes (Rosenbaum, 2019). Under Trump, access to SNAP has been further tied to being employed. In effect, this is a shift of emphasis from supporting the jobless to supporting employers who do not wish to pay a living wage. Ongoing welfare cuts in the United Kingdom have had broadly similar consequences (D'Arcy, 2018), including an increase in the proportion of the workforce dependent on state welfare to supplement inadequate wages (Puttick, 2018). This is not to suggest that the policy preferences associated with Trump and Brexit represent new phenomena. Austerity has been a strong policy preference under the more conventional Tory government of Cameron, building on the tendencies towards scaling back the state and social protection under Blair (Bale, 2016); in the same manner, Trump's policies build on what was espoused under preceding Republican administrations and, indeed, workfare under Clinton (Briggs, 2018). Yet both Thatcher and Cameron governments were reluctant to alienate key sections of the middle classes, and both governments retained elements of social and economic liberalism (Bale, 2016). Again, the Clintonian democrats brought together proponents of financialisation and social liberalism (Fraser, 2017). As such, both sought to accommodate quite broad interest groupings. However, as with Reagan and Thatcher before, their coalitions were underpinned by a desire to secure and shore up political power rather than build formally encompassing cross-societal accommodations (Krieger, 1986; Moran, 1998). Trump's vocal antielitism was taken by followers as a rejection of both social and economic liberalism (Oliver and Rahn, 2017); the same is true for Boris Johnson (Demata, 2019).

6 | CONCLUSIONS

A significant component of the literature on the effect of politics and external governance on the firm has treated external governance as something of a transmission belt with external inputs translating into macroeconomic and societal outcomes (Wood, Dibben, & Ogden, 2014). In contrast, Thompson (2011) and Dundon and Rafferty (2018) make the case for taking greater account of societal context in understanding HRM practice and the wider impact of HR practice back on society. The recent experiences in the United Kingdom and the United States highlighted in this paper show that right-wing populism does have societal impacts and direct HRM consequences. HR strategies may both amplify or moderate socio-economic trends, which may be accelerated through the operation of negative feedback loops; indeed, unhappiness at the deterioration of wages, benefits, and working conditions creates a climate for populist extremism, in turn leading to the implementation of policies that leaves the discontent much worse off. As Thompson (2011) argues, some of the problems of HRM have been a withdrawing from engaging with shop-floor realities in favour of broad strategic priorities and systems. Yet without an understanding or experience of how the experience of work is really changing for a large proportion of the working population, HR managers risk underestimating the fallout from poor HR practices in the wider political economy. In turn, a case could be made for a deemphasis on HR strategising (where, in any case, the confines are often predetermined by wider organisational and owner agendas), freeing up time to work on modest, but significant, changes in areas where a real difference can be made.

The persistent diversity within national contexts (Walker et al., 2014) would highlight that, whatever the circumstances, there remain opportunities for firms to do something differently. A greater awareness of the causes and consequences of the populist turn for HRM can make better informed decision making and more effective advocacy for alternatives. Labour cannot be considered a passive agent; employee backlashes have, in some instances, included strikes, as well as indirect or more hidden protest, resulting in lower productivity (Summer and Blond, 2018). There have also been some quite effective union-sponsored campaigns challenging outsourcing and successful organising drives within particular communities and occupations (Alberti, 2016; Stiglitz, 2018). However, unions have been undermined by hostile legislative environments, the decline of the large industrial firm, the fragmentation of the workforce, and an excessive HR focus on individualism and the market (Dundon & Rafferty, 2018; Kelly, 2015). The relationship between populism and the amount (of what) delegated to employees and/or countervailing employee power is clearly a complex one that would merit much closer examination than would be possible within the confines of this paper. As well, scrutiny could be extended in breadth to explore related topics on the impact of right-wing populism on HRM workplace productivity, the disparate impacts on entrepreneurial and innovative firms, and other related topics that are related to but extend beyond the confines of this paper.

It is further recognised that there is not a perfect articulation between the types of HR practices individual work under, relative job status, and support for far-right political causes. Supporters of right-wing populist causes tend to fit into specific gender, age, and regional profiles (Jennings & Stoker, 2018; Innwood, 2018). National systems are never perfectly coupled; yet changes in firm governance and HRM practice have helped contribute to a sense of unease and insecurity, fuelling right-wing causes, whose policy interventions have helped reinforce rather than ameliorate matters (cf. Gooderham, Mayrhofer, & Brewster, 2018; cf. Dundon & Rafferty, 2018). This raises a final question: Is populism in the United States and the United Kingdom simply a fleeting political moment that will be remedied by political realignments and/or electoral outcomes that result in the return of more centrist governments? Although the populist moment has, if nothing else, imparted a great deal of uncertainty at the level of both government and firms, it can be argued that, unless the system proves capable of supporting and sustaining better people management, political crises will reoccur and persist. Although it would be wrong to assume that the mature LME model is no longer functional, as it clearly works quite well for insider players, the growing inability to sustain decent and secure work and income has led to open-ended political crises of a type more commonly associated with emerging markets. Although populist extremism may be encountered anywhere, the

extent to which it has overwhelmed the two largest LMEs raises fundamental questions as to how we consider the relative competitive advantages of different varieties of capitalism and how this relates to the wider economy and society. It also challenges how we view national competitiveness. An ability to secure moderate growth and to create jobs is meaningless if the system does not work for a large proportion of society; instead, inequality and declining job quality and security create fundamental political problems that, in turn, will gradually overwhelm the entire political economy with an uncertain, but certainly unpromising, end state.

We acknowledge that our discussion of these issues has been at the broadest level. There are other issues that warrant discussion but have been left off for reasons of brevity. For example, there are cases from the left, which has created counter-populist discourse in Spain (Podemos), the United Kingdom (Corbyn), the United States (Sanders), as well as left alliances in Portugal and France. These developments warrant further analysis on the possible effects on HRM practices. As well, future work could more closely examine empirical trends. The interplay between extreme politics and HRM offers many interesting fruitful avenues for future research.

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CONFLICT OF INTEREST

The authors have declared that there is no conflict of interest.

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