

Niall Ferguson - a busy year for historians

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2016 was a bumper year for history. But actually, it's just history as normal, says historian Niall Ferguson. Few experts predicted this tumultuous and exciting year, and neither did Professor Ferguson. But he got closer than most – and using more robust reasoning – so his thoughts surely carry more weight.

Returning to speak to the historian this week, *Sunday Business* presenter Andrew Patterson finds the ups and downs of polling data turned out to be mostly noise, and the Laurence A. Tisch Professor of History at Harvard University is optimistic about the future.

"When people were predicting in the weeks leading up to the US election that Hillary Clinton was 90% likely to win the race, I said that was absurd. It was always 50/50. And, sure enough, it was a close result."

But neither the Trump election nor the Brexit decision signals the end of globalisation. He says globalisation has ended before, most notably during the collapse of trade flows and migration in the mid-20th century, and that conflagration is not going to happen again this time around.

"Perhaps we have seen the high-tide of globalisation but that was some years back in 2006/7. The tightening of some trade and borders will instead introduce a reality more akin to globalisation minus 10%," Prof Ferguson says.

US President-elect Donald Trump proved to be a more serious candidate than many expected. He adapted faster than his opponents to the new media realities, and he proved to his supporters that the political system was capable of change exactly at the moment they were being told change was impossible.

"This was American democracy working."

In contrast to the wave of populism, which Prof Ferguson says is really a northern hemisphere story, countries in the southern hemisphere seem to have put populism in retreat.

"But Mr Trump is not Hitler. He is much more like [former Italian prime minister Silvio] Berlusconi. He's a businessman, a larger than life figure who promises to clean up the political system but probably won't do that in practice."

The lesson? Expect higher interest rates out of the US as that country is made great again. Of course, the corollary, says Prof Ferguson, is that the rest of the world will "suck again". But

that sucking sound is only a temporary reflection of emerging markets reacting to the Trump nomination. Those will probably revert after their scare as well.



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