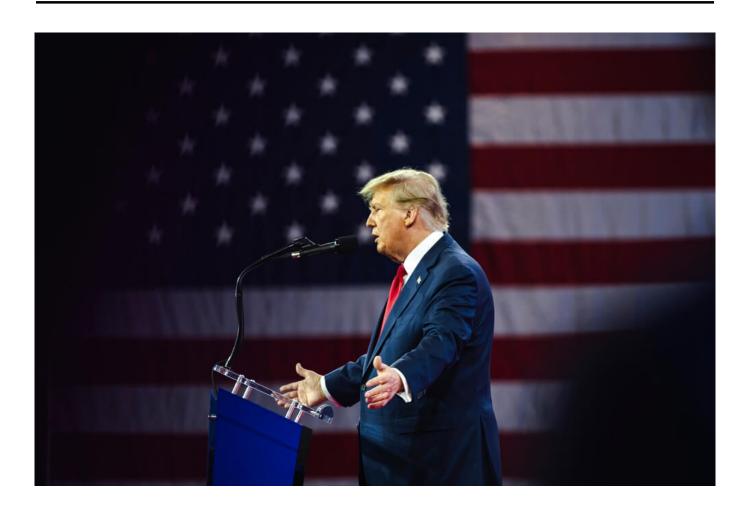


Analysis of today Assessment of tomorrow



By: Kaushik Basu

Trump's Incarceration Game



In a 2022 paper, I introduced an allegory I called the Incarceration Game – an academic exercise that explores how authoritarian leaders, when their popularity falters, consolidate power through increasingly oppressive tactics.

My analysis drew inspiration from a 1948 paper on the so-called "surprise test paradox," which showed how rational expectations can unravel under certain conditions.

US President Donald Trump, grappling with waning public support, seems determined to follow this authoritarian playbook.

The most striking example is the administration's attempt to bring mortgage fraud charges against prominent critics – most notably Federal Reserve Board of Governors member Lisa Cook, Democratic US Senator Adam Schiff, and New York Attorney General Letitia James.

At the center of these efforts is Federal Housing Finance Agency Director Bill Pulte, a major Trump donor who now oversees the US mortgage industry.

Naturally, much of the debate in the US has focused on whether these allegations have any merit.

Yet the more pressing issue is the Trump administration's systematic search for incriminating evidence against its political opponents.

As Democratic Senator Elizabeth Warren has observed, Pulte "is using access to individual records of Donald Trump's perceived enemies" to settle personal and political scores.

A cascade effect

Selective prosecution and targeted intimidation can trigger a cascade effect.

As the experiences of Hungary and Turkey have shown, what starts as retaliation against a handful of perceived political opponents can quickly escalate, destabilizing society and undermining democratic governance.

With the Incarceration Game, I sought to illustrate how authoritarianism entrenches itself, in the hope that legal and constitutional safeguards might be designed to prevent such outcomes.

At the heart of the game lies a simple thought experiment.

Imagine a country with a population of 1,000 adults, all of whom oppose the leader. If even half of them take to the streets, the leader would be deposed.

They feel so strongly that, short of being certain they will be jailed, they are prepared to go out and protest.



Selective prosecution and targeted intimidation can trigger a cascade effect - Adam Schiff

The leader's problem is that the prisons can hold only 100 dissenters. With 1,000 people ready to protest but space for just 100 behind bars, the risk of any one person being jailed is small enough that fear no longer deters dissent. In such a scenario, the leader appears to have no way to suppress the opposition.

But a shrewd leader could devise a workaround: divide the population into ten distinct groups of 100 people each – opposition leaders, media commentators, trade unionists, academics, and others.

The leader then instructs loyal operatives to gather compromising information on the first

group and announces that only members of this group will be jailed if they protest.

If fewer than 100 people from that category come out to protest, the authorities will move on to the second category, then the third, and so on, until 100 dissenters have been arrested and the prisons are full.

Using this mechanism, the leader can silence all 1,000 citizens. Since no one will dissent if imprisonment is certain, opposition leaders – the first group – will remain quiet.

Knowing they will be next if they protest, media figures will also stay home. And with both opposition leaders and the media silent, trade union leaders will follow suit.

This backward-induction process will ensure that no one protests or expresses dissent. Individuals will carry on their daily routines in silence, while the country drifts deeper into authoritarianism.

The danger that the US must guard against

Belarus offers valuable insights into how such a dynamic can play out in real life. There was a time, not too long ago, when it seemed that the vast majority of Belarusians opposed President Aleksandr Lukashenko's regime and were prepared to take to the streets in protest.

But whether by deliberate design or by sheer happenstance, Lukashenko managed to turn a population of would-be protesters into a society of repressed dissenters who conceal their anger while performing ritual displays of loyalty.

If Trump is allowed to erode the principle of equality before the law, the idea of selective justice will take root, corroding democracy from within

That is precisely the danger that the US must

guard against. The rule of law demands equal treatment: If Cook is punished for mortgage fraud, then all others guilty of the same offense must face the same consequences. Otherwise, justice turns into a tool of oppression.

Admittedly, this may sound like a purely academic concern. But as John Maynard Keynes famously observed, ideas, both when they are right and when they are wrong, "are more powerful than is commonly understood. Indeed, the world is ruled by little else."

If Trump is allowed to erode the principle of equality before the law, the idea of selective justice will take root, corroding democracy from within.

Kaushik Basu, a former chief economist of the World Bank and chief economic adviser to the Government of India, is Professor of Economics at Cornell University and a non-resident senior fellow at the Brookings Institution.