

# Class, Race and Corporate Power

---

Volume 9 | Issue 1

Article 7

---

2021

## Capitalism and Neo-Fascism

Ronald W. Cox

*Florida International University, coxr@fiu.edu*

Follow this and additional works at: <https://digitalcommons.fiu.edu/classracecorporatepower>



Part of the [Political Science Commons](#)

---

### Recommended Citation

Cox, Ronald W. (2021) "Capitalism and Neo-Fascism," *Class, Race and Corporate Power*. Vol. 9: Iss. 1, Article 7.

DOI: 10.25148/CRCP.9.1.009653

Available at: <https://digitalcommons.fiu.edu/classracecorporatepower/vol9/iss1/7>

This work is brought to you for free and open access by the College of Arts, Sciences & Education at FIU Digital Commons. It has been accepted for inclusion in Class, Race and Corporate Power by an authorized administrator of FIU Digital Commons. For more information, please contact [dcc@fiu.edu](mailto:dcc@fiu.edu).

---

## Capitalism and Neo-Fascism

### Abstract

Originally published on "[The View from Left Field](#)."

The growth of global far right political movements poses a threat to humanity. To defeat these movements, we need to understand their origins and their relationship to capitalist structures of power. Should political leaders like Donald Trump and Jair Bolsonaro be labeled "far right" or "fascist?" In this post, I will defend the use of "neo-fascist" to define both Trump and Bolsonaro, as well as movements closely linked to them, such as the Brexit movement in Britain.

### Keywords

Neo-fascism, Trump, Brexit, Bolsonaro

### Creative Commons License



This work is licensed under a [Creative Commons Attribution 4.0 License](#).

The growth of global far right political movements poses a threat to humanity. To defeat these movements, we need to understand their origins and their relationship to capitalist structures of power. Should political leaders like Donald Trump and Jair Bolsonaro be labeled “far right” or “fascist?” In this post, I will defend the use of “neo-fascist” to define both Trump and Bolsonaro, as well as movements closely linked to them, such as the Brexit movement in Britain. Neo-fascism shares some features of previous fascist histories, but is also shaped by changes within national and global capitalist power structures. As with previous periods of fascism, contemporary neo-fascists substitute themselves for capitalist governing institutions during periods of capitalist crises. These crises, in the past and present, are driven by the perpetual tension between capitalist profitability, including a tendency of the rate of profit to fall (Roberts 2016), and political democracy, described well in the recent work of Streeck (2016). These neo-fascists, like their predecessors, attract followers by articulating myths of a lost period of national greatness, whose fall is blamed on racial minorities, immigrants and an “underclass” whose very existence poses an existential threat to “law and order” associated with white supremacy (for similarities between the 1930s and the current period, see Yates and Foster 2020).

In the case of both the 1930s and the present, authoritarians have emerged to substitute themselves and their political movements for traditional institutions of capitalist authority. In both periods, capitalist crises of accumulation have led to growing distrust of political institutions and traditional political parties, providing an opening to “political outsiders.” Capitalist political coalitions then fracture over how to respond to a political legitimacy crisis in ways that allow them to maintain profits and maximize access and power within the capitalist state. Viewed in this way: fascism is an underlying structural feature of capitalism whose emergence converges with distinct capitalist crises. Therefore it would be incorrect to simply say that 21st Century fascism is a repeat of early 20th Century fascism. They both emerged from capitalism, and from capitalist crises, but those crises were shaped within the context of specific historical materialist circumstances, whose differences are important in understanding the underlying features of neo-fascism. Here I briefly identify the contemporary capitalist crises that have produced Brexit, Trump and Bolsonaro. This exercise is intended to sharpen an effective political response to these neo-fascist movements with the goal of advancing an alternative which has a better chance of defeating neofascism instead of simply recreating the conditions for its eventual re-emergence.

Capitalism and capitalist political coalitions paved the way for the emergence of neo-fascists (such as Donald Trump and Jair Bolsonaro) and neo-fascist political movements (such as Brexit). Right before Trump, Bolsonaro and Brexit won at the ballot box, there had been a deep pillaging of their respective capitalist states by well-organized and deeply entrenched corporate lobbies. The most overt manifestation of this occurred in the aftermath of the 2008 global financial crisis. For example, the terms under which the crisis was managed increased the ongoing concentration of wealth at the very top of the U.S. income pyramid, further delegitimizing capitalist political institutions. Corporate-funded Tea Party movements directly paved the way for Donald Trump,

anticipating his attacks on the “political class,” governing institutions and the social safety net. At the federal and state levels, organizations representing a broad range of capitalist interests pushed aggressively for defunding public services, privatizing government functions, demonizing supporters of an activist government and using racism and xenophobia to entrench a ongoing militarization and expansion of police and security forces in the U.S.—trends that have a lengthy history but have been accentuated since 9/11 (Lafer 2017). Trump’s biggest capitalist donors are from sectors of capital most committed to deconstructing all areas of the capitalist state with the exception of selective tariff protection, further escalation of the military budget, border “security” and policing. Capitalist hedge fund managers, oil and gas corporations, steel and aluminum firms and manufacturers looking for protection from foreign competition, all gravitated toward Trump (Ferguson, Jorgensen and Chen 2018). While in office, a much bigger range of corporate interests participated actively in drafting the details of the corporate tax cut (Drucker and Tankersley 2019). Other capitalists have maintained their distance from Trump while putting their wealth and political capital in the Democratic Party. The larger context in which the Trump political machine operates, even after being voted out of office, is one in which capitalist political coalitions are deftly trying to maneuver to secure ongoing benefits from a capitalist state whose function has, over the past several decades, been directed toward subsidizing capitalist profit directly while defunding public services. Capitalist coalitions would like to see much of this political system salvaged, even where they differ regarding Trump. The vacuum that has enabled Trump has not been filled by either a cohesive capitalist political bloc or by an energized working class movement, which is still suffering from the defeats of the past four decades alongside the further capitulation of the Democratic Party to corporate interests. The current fight within the Democratic Party, and the willingness of Party leaders to endorse more spending during the COVID crisis, presents potential openings for a working class movement to make gains, though the threat of a Trump-led neo-fascist Republican Party to mobilize its base toward racist, xenophobic and anti-democratic appeals is ever-present.

The context for the emergence of Bolsonaro is also linked to a crisis of capitalist accumulation and state legitimacy. The social base that comprised the most aggressive supporters of Bolsonaro’s Presidency from the beginning are agribusiness, the arms industry and religious conservative movements (Webber 2019). Late in the Presidential race of October 2018, finance and large domestic industrial capital gravitated toward Bolsonaro as it became evident that their first choice, Geraldo Alckmin, of the Party of Brazilian Social Democracy, was headed for defeat. The victory of Bolsonaro has brought a wave of fascistic rhetoric, racist and xenophobic attacks on political opposition, workers and the poor, an escalation of state-sanctioned mob violence by paramilitaries who have continued to use terror to “police” and expand their property holdings, and an open license for agribusiness corporations to further pillage the Amazon Rainforest, an existential threat for accelerating climate change and terrorizing small farmers, villagers and indigenous caretakers of the Amazon whose existence poses threats to the further accumulation of profits for agribusiness. Just as the fossil fuel sectors has long backed fascist currents in global politics (Malm and the Zetkin Collective 2021), and neo-fascist leaders like

Trump (Sen 2021), agribusiness has relied on favoritism from not just Bolsonaro, but from the previous Workers Party (PT) government whose distribution of money in social welfare programs was directly linked to rising commodity export prices and therefore the economic fortunes of the agribusiness sector. But, as with Trump, Bolsonaro has not been able to galvanize significant support for his government. In fact, he has steadily lost support among sectors of capital, as well as the vast majority of the Brazilian population. Bolsonaro is at the heart of the way that fascist politics expresses its contradictions: intensification of deeply embedded fissures of racism, xenophobia, and unfettered capitalist accumulation for sectors which had been threatened by previous governing arrangements and hope to use fascist political movements for further enrichment. Would a more well-organized and politically capable capitalist class help move us away from fascism? That question is like asking if the military-industrial complex has a “gentle side.” In other words, the military-industrial complex does not need wars to make money, but they are good for business. Capitalist political coalitions can take refuge in fascism if the opportunity for enhanced profit presents itself. But the instability associated with fascist rule can also destabilize sectors of capital to the point where they try to return to the “normalcy” of previous institutional arrangements. There is, however, a lack of economic incentives for capitalist political actors to support a reversal of the very socioeconomic conditions that have contributed to fascism in the first instance.

In the case of Brexit, the British state and economy was suffering through a significant legitimacy crisis, similar in outline to the U.S. and Brazil (though each case is different in degree), prior to the vote for Brexit. The financialization of the British economy exponentially increased the fortunes of the rentier capitalist class in London at the cost of long-term deindustrialization of the manufacturing belt. The degree to which both the Conservative and Labor Parties participated in favoring large-scale financial wealth through subsidization, tax breaks, transfer of wealth from poorer regions of the country to richer financial enclaves in Britain, is the backdrop to the Brexit vote (Christophers 2020). What’s striking is how Brexit symbolized the disconnect between the City of London and the rest of England, offering voters a choice between a neoliberal tethering to the European Union that had long been used as a “whipping boy” by the Conservative political establishment (though their rich backers often benefitted from membership) versus an exit from the EU underwritten and endorsed by small business xenophobes, corporate financial “deconstructionists,” located in the City of London itself, and a subset of white working class whose fears of immigration had filled the vacuum of working class dis-unity in small towns and rural areas in England (Alabrese 2019). The leading capitalist political coalition to back Brexit, in terms of sheer quantity of pounds donated to the Brexit cause, was segments of the financial sector based in the City of London. The financial sector provided 57% of Leave campaign funds, compared to just 36% of Remain. Those in finance that backed Brexit were part of what has been described in a recent article in *Le Monde Diplomatique* as “the second wave of financialization” (Benquet and Bourgeron 2021). This includes “alternative asset management, private equity and hedge funds,” which favored an exit from the EU to facilitate the maximization of profits from speculative activities. As with Trump

and Bolsonaro, the Brexit vote filled a vacuum within an increasingly delegitimized public sphere, whose political parties had veered so far to the right that most voters felt no connection whatsoever to their capitalist state institutions. The result was a pro-Brexit vote that seems destined to promote slower growth rates for Britain as a whole, including considerable sectors of the capitalist class, while offering further money laundering opportunities for the second wave of financial bandits.

Why does the left need this history lesson? One elementary reason is that sections of the left were on the wrong side in the Brexit vote. Convinced that both the Remain and Leave positions were equally bankrupt, a group of revolutionary leftists chose to support Brexit as a way to “reach the British (white) working class.” A larger group of left-minded activists close to Jeremy Corbyn’s movement, which on balance represented a real advance for political mobilization of working class people and their interests in the UK, failed to take a strong position for Remain and against the reactionary chauvinism, racism and anti-immigrant politics that dominated the Brexit Movement on the ground (led by the Brexit Party, whose chairman in 2019 was a manager of a property investment fund) (Stafford 2019). The left in the UK, the U.S. and Brazil has to be clear that the neo-fascist right poses the greatest existential threat to our immediate existence. If we want to advance a broader social justice movement that has any chance of succeeding, we have to defeat neo-fascism, which means understanding its roots.

This post is intended to help sharpen my early thoughts pertaining to a co-authored article that I am just starting work on with my long-time collaborator, Daniel Skidmore-Hess. These are my own reflections on our research topic, not necessarily Dan’s. Our topic is tentatively framed: “Capitalist Political Coalitions and Neo-fascism in Global Politics: Explaining Trump, Bolsonaro and Brexit.” Any comments or suggestions are welcome as we investigate this terrain, first as an article, then as a potential book.

## References

- Alabrese, Eleonora. January 2019. "Who Voted for Brexit? Individual and Regional Data Combined." *European Journal of Political Economy*.
- Benquet, Marlene and Theo Bourgeron. January 2021. "UK Brexiters' Libertarian Goal." *Le Monde Diplomatique*.
- Christophers, Brett. 2020. *Rentier Capitalism: Who Owns the Economy and Who Pays for It*. Verso.
- Ferguson, Thomas, Paul Jorgensen and Jie Chen. Jan. 9, 2018. "How Money Won Trump the White House," *Institute for New Economic Thinking*.
- Lafer, Gordon. 2017. *The One Percent Solution: How Corporations Are Remaking America One State at a Time*. Cornell University Press.
- Malm, Andreas and the Zetkin Collective. 2021. *White Skin, Black Fuel: On the Danger of Fossil Fascism*. Verso.
- Roberts, Michael. 2016. *The Long Depression: How It Happened, Why It Happened, and What Happens Next?* Haymarket.
- Sen, Basav. Jan. 20, 2021. "Fossil-Fueled Fascism." *Institute for Policy Studies*
- Stafford, Chris. Nov. 21, 2019. "Labour's Brexit Policy Explained." *The Conversation*.
- Streeck, Wolfgang. 2016. *How Will Capitalism End? Essays on a Failing System*. Verso.
- Yates, Michael D. and John Bellamy Foster. April 11, 2020. "Trump, Neo-fascism and the COVID-19 Pandemic." *Monthly Review*.
- Webber, Jeffrey R. 2019. "A Great Little Man: The Shadow of Jair Bolsonaro." *Historical Materialism* blog.