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Choosing or Refusing to Take Sides in an Era of Right-Wing Populism

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Introduction

Two events during 2016—the UK referendum on membership of the European Union (EU) and the US presidential election—raised the question of whether or not socialists should take sides in situations where there are two alternatives, both opposed, in different ways, to working class interests. The most obvious answer would be to abstain from the vote, argue against both options, and make the case for a socialist alternative capable of forcing its way onto the ballot in the future. But if one of the existing alternatives represents the politics of the populist hard right, as it did in both these cases, can socialists avoid supporting the other, however unpalatable doing so might be?

Faced with the xenophobia and outright racism which respectively dominated and constituted the Leave and Donald Trump campaigns, sections of the left in both countries argued that, whatever problems there may be with the EU as an institution or with Hilary Clinton as a candidate, a vote to remain within the former and to elect the latter were the lesser of two evils. After Trump’s victory, commentators who had backed Hilary Clinton could barely control their rage at how an uncomprehending left had failed to understand their duty to support the local embodiment of social neoliberalism. Here, for example, is the British journalist and author Laurie Penny, writing shortly after Trump’s inauguration about the supposedly unique dreadfulness of his presidency:

In the nine days since he took office, Donald Trump has effected an aggressive corporate takeover of the most powerful nation on earth, thrown the entire political system into chaos, made a laughing stock of the Presidency and trampled over the lives of millions. Does anyone else have anything to say about ‘legitimate concerns?’ Does anyone want to explain how Hillary Clinton would have been an equivalent threat to Western democracy? No? Didn’t think so.¹

The same argument was raised again in the 2017 French presidential election where, first the Thatcherite François Fillon of the Republicans, then Emmanuel Macron of the newly formed party En Marche! were proclaimed the lesser evil compared to Marine Le Pen of the Front National, just as Jacques Chirac was the lesser evil in the run-off against Le Pen’s father Marie in 2002. In some respects these are more plausible cases than those of the UK and USA since, unlike Nigel Farage or Trump, the Le Pens are actual fascists. Consequently, days after the first round had seen the elimination of both Fillon and the radical left candidate, Jean-Luc Mélenchon, French journalist Natalie Nougayrède denounced the latter in The Guardian, the house-journal of the British liberal middle-classes, for his bewildering and disgraceful refusal to act as a recruiting sergeant for Macron:

Conflating Macron and Le Pen as two equally unacceptable propositions, because Macron is a former banker supposedly beholden to evil capitalism, is ridiculous. The centre needs to hold, when the alternative is the far-right. At such a defining moment in French and European politics, surely there can be nothing more important than making sure a key democracy resists the sirens
of the Front National, which would restore values from of the darkest eras of French history. Anti-establishment sentiment can be understandable, but if it’s indifferent to the outcome it produces, then that’s chaos and nihilism—not renewal. Believing that a political catastrophe must unfold for a utopia to rise from the ashes is a line of thought no one can afford. Not if they care about what makes democracy possible.2

France is unlikely to be the last place where the left is faced with this type of choice, which indicates the urgency with which it needs to establish an independent position. I will address the concrete question of what basis we should make such choices later in this article; but first I want to explore the nature of what is usually regarded as the greater evil: the populist right, in both its fascist and non-fascist variants.3 But first, it is perhaps worth briefly discussing why it has become—temporarily at least—the main alternative to the current orthodoxies of capitalist governance.

The crisis of neoliberalism, right-wing populism and the ‘lesser-evil’

The crash of 2007/9 was at one and the same time a general crisis of capitalism comparable to those of 1873, 1929 and 1973, and a crisis of a particular form of capitalist organisation which we have come to know as neoliberalism. But the latter has occurred at a particular phase in its history, that of social neoliberalism, which emerged after 1989, first within the EU, then in administrations of Bill Clinton in the US (from 1992) and of Tony Blair in the UK (from 1997). Perhaps the greatest ideological success of social neoliberalism was to turn the categories of left and right to essentially cultural concepts. When everyone—or at least, everyone who mattered—came to accept neoliberal economics, then the only terrain on which debate was permissible was that of identity: the so-called culture wars. So, to be on the left was (e.g.) to be in favour of gay marriage and migration, to be on the right was to oppose them: the legitimacy of capitalism was never in doubt on either side. In reality what had happened was that right-wing politics—that is, politics openly supportive of the capitalist system—had effectively split in two, or perhaps returned to the classic pre-socialist conservative versus liberal division of the nineteenth century, with both sides supporting the same economic model, but the latter being more willing to accept rights for what were usually (and in the case of women, inaccurately) referred to as minorities. To be clear: the problem with the latter position is not, as Mark Lilla and others are arguing, that the Democrats became obsessed with identity at the expense of economics, but that their policies did nothing to stop the oppression of these groups, or at least their working-class members, since under the Obama administration in which Hilary Clinton served, women continued to sexually assaulted with impunity, people of colour continued to be incarcerated and migrants continued to be deported in record numbers.4

Two changes have taken place since 2007, both associated with shifts in the position of a faction within the conservative wing of the ruling class—the populist hard right. One is that it has also adopted a politics of identity, in this case a majoritarian identity based on that most pernicious of invented categories, the white working class, whose interests have supposedly been sacrificed to those of the minority populations. However, perhaps realising that the plight of unemployed coal miners in Pennsylvania is hard to blame on government hand-outs supposedly being showered on black lesbians in North Carolina, it has also adopted another position, which is—rhetorically at least—to abandon many neoliberal shibboleths and argue for protectionism and government investment in infrastructure. Ironically, it was under Bill Clinton rather than Reagan or Bush the First that the US finally abandoned protectionism, which had been used to protect the steel industry during the 1980s, but this simply added to the case for Democrats having abandoned workers to the ravages of the market. Now, whether
Trump is serious about implementing his economic policies is indiscernible, and he may not even know himself; but what is perhaps more interesting is not only that a break with neoliberalism is being articulated within the ruling class, but that many of the proposals associated with it would actually be detrimental to US capitalism, which is one of the reasons why so many of them were opposed to his candidacy.

One consequence of these changes is that previous arguments against choosing the lesser evil have to be revised, although not, I will argue, the stance itself. The classic discussion is generally thought to be a much reprinted piece by Hal Draper, first published in 1967. The context was the presidential election of the following year, in which it was expected that the incumbent Lyndon Johnson would stand for the Democrats against an as yet unknown Republican candidate. As it turned out, Johnson refused to stand and Hubert Humphrey ultimately won the Democratic nomination only to lose the presidency to Richard Nixon. Johnson had, of course, been the lesser evil against Barry Goldwater in 1964, although, as Draper pointed out, the former subsequently unleashed far greater violence against the Vietnamese than the latter had ever contemplated—and was able to get away with it precisely because he knew that most of the left were paralysed by their fear of the greater evil. But although Draper was primarily concerned with the USA, he did examine the most extreme example possible in order to demonstrate where the lesser evil argument could lead: the rise of Nazism in Germany.

In the presidential elections of March and April 1932, both the Social Democratic Party and Centre parties had refused to stand their own candidates, but called on their members and supporters to vote for the incumbent, the independent but deeply conservative candidate Paul von Hindenburg, in an attempt to block the greater evil represented by Adolf Hitler. Once re-elected with the help of the left, Hindenburg appointed Hitler as Chancellor, in the misplaced expectation that he would be constrained by the responsibilities of office. Draper rather foreshortens the actual process, as Hitler was not appointed immediately, but the following January, on the grounds that the Nazis were the largest Party in the Reichstag: his central point, however, remains valid: support the lesser evil and you might well end up getting the greater evil too. Draper was careful to point out the extremity of the situation in Germany during the early nineteen thirties, both in relation to the extent of the crisis and the nature of the Nazi program, but argued that if the lesser evil argument was wrong in these conditions, it was far more so in the relatively stable context of the USA in the late nineteen sixties.

Draper made two general points. First, the left has to create its own political alternative or it will endlessly be faced with choices ultimately determined by defenders of capitalism. Second, even though serious differences remained between parties and candidates—such as had also existed between Hindenburg and Hitler—these were becoming less significant in practice: the increasing centrality of state intervention, ownership and control after the crisis of 1929 meant that all political formations (other than those committed to the overthrow of capitalism) were effectively forced to follow the same core policies, whatever their beliefs or electoral rhetoric. The retreat of state capitalism in the West began after the return of economic crisis in 1973, but Draper’s argument was still relevant as the subsequent neoliberal era involved as a great a convergence around economic policy as there had been between 1929 and 1973, albeit in the opposite direction. But as I have suggested, since the onset of a further crisis in 2007, this agreement has begun to break down. In other words, anyone wanting to oppose arguments for supporting the lesser-evil can no longer simply argue that supporting one alternative rather than another will lead to the same result: it would scarcely be credible to argue that it makes no difference whether the UK is in or out of the EU, or to claim that Clinton would have pursued the same foreign policy as Trump. But before turning to the alternative posed by the populist hard right, we need to understand the nature of political leadership under capitalism, which it seeks to command.
The Political Incapacities of the Capitalist Ruling Class

Under all pre-capitalist modes of production, exploitation took place visibly through the extraction of a literal surplus from the direct producers by the threat or reality of violence: economics and politics were fused in the power of the feudal lord or the tributary state. Under the capitalist mode of production, exploitation takes place invisibly in the process of production itself through the creation of surplus value over and above that required in reproducing the labor force. The late Ellen Wood identified a resulting division of labor in which the two moments of capitalist exploitation—appropriation and coercion—are allocated separately to a ‘private’ appropriating class and a specialized ‘public’ coercive institution, the state: on the one hand, the ‘relatively autonomous’ state has a monopoly of coercive force; on the other hand, that force sustains a private ‘economic’ power which invests capitalist property with an authority to organize production itself. Furthermore, unlike previous exploiting classes, capitalists exercise economic power without ‘the obligation to perform social, public functions’: ‘Capitalism is a system marked by the complete separation of private appropriation from public duties; and this means the development of a new sphere of power devoted completely to private rather than social purposes.’6

The implications of this division for capitalists as a ruling class were noted by earliest social theorists to concern themselves with the emergent system. Since Adam Smith is—quite unfairly—treated as the patron saint of neoliberalism it may be worth reminding ourselves of his actual views on capitalists and the narrowness of their interests:

As their thoughts…are commonly exercised rather about the interest of their own particular branch of business, than about that of the society, their judgment, even when given with the greatest candour (which it has not been upon every occasion) is much more to be depended upon with regard to the former of those two objects than with regard to the latter.7

For the purposes of our discussion, the interest in this passage lies not in Smith’s still-refreshingly candid views about the capacity of business interests for deception and oppression, but their inability to see beyond their own immediate interests. This was one of the reasons why he also wrote (thinking of the East India Company): ‘The government of an exclusive company of merchants is, perhaps, the worst of all governments for any country whatsoever.’8

Nearly a century later in the 1860s, Smith’s greatest successor, Karl Marx, was able to point in Capital to the example of the British Factory Acts as an example of how the state had to intervene to regulate the activities of capital in the face of initial opposition from the capitalists themselves:

It is evident that the British Parliament, which no one will reproach with being excessively endowed with genius, has been led by experience to the conclusion that a simple compulsory law is sufficient to enact away all the so-called impediments opposed by the nature of the process to the restriction and regulation of the working-day.9

Reflecting on the entire legislative episode, Marx noted: ‘But for all that, capital never becomes reconciled to such changes—and this is admitted over and over again by its own representatives—except “under the pressure of a General Act of Parliament” for the compulsory regulation of the hours of labor.’10

The thesis concerning bourgeois incapacity was not only restricted to critics like Marx, but to supporters of capitalism, and even of fascism. Carl Schmitt, for example, complained after the First World War that, unlike working-class ideologues, members of the bourgeoisie no longer understood the friend-enemy distinction, which was central to his concept of ‘the political’; the spirit of Hegel, he thought, had moved from Berlin to Moscow.11 Joseph Schumpeter argued a
more general case during the Second World War. Yielding to no-one in his admiration for the heroic entrepreneur, he nevertheless also noted that, with the possible exception of the United States: ‘The bourgeois class is ill equipped to face the problems, both domestic and international, that normally have to be faced by a country of any importance’; the bourgeoisie needs ‘protection by some non-bourgeois group’; ultimately, ‘it needs a master’.12 Without the kind of constraints provided by this pre-capitalist framework, the more sober instincts of the bourgeois would be overcome by the impulse towards what Schumpeter called creative destruction. Trump is a living textbook example of how correct these great social theorists were in their views. Consequently, as Charles Post rightly predicted, the state managers actually responsible for the day-to-day running of the USA are attempting to block what they regard as Trump’s inadvertently system-damaging decisions.13

The delegation of power to the state therefore exists because of what Draper calls ‘the political inaptitude of the capitalist class’ compared to other ruling classes in history. It is not only that feudal lords combine an economic and political role while capitalists perform only the former; it is also that the necessity for capitalists to devote their time to the process of accumulation and their own multiple internal divisions militates against their functioning directly as a governing class.14 More broadly, Bernard Porter notes that capitalists ‘tend to be hostile to “government” generally, which they see mainly as a restraint on enterprise and, on a personal level, don’t find “ruling” half so worthwhile or satisfactory as making money’.15 This arrangement is quite compatible with the exercise of bourgeois hegemony over society as a whole, although even in this respect, some sections of the bourgeoisie tend to play a more significant role than others; but politically, as Fred Block has written, ‘the [capitalist] ruling class does not rule’.16

As a result, two other forces have tended to rule jointly in place of the capitalists themselves: politicians and state managers, in other words the senior component of the permanent state bureaucracy. In both cases the very distance of the groups involved from direct membership of the capitalist class allowed them to make assessments of what was required by the system as a whole. Politicians need not belong to the same class as the capitalists: indeed, it was landed aristocracies who played this role for much of modern European history down to 1945. ‘A plainly bourgeois society—nineteenth-century Britain—could, without serious problems, be governed by hereditary peers’, noted Eric Hobsbawn.17 Social democracy—originally a working-class political tendency at least nominally committed to overturning capitalism—has intermittently done so afterwards, and similar patterns can be found in most other Western nation-states.

Throughout the Golden Age the capitalist class had called to order social democratic politicians when their policies were perceived, however unreasonably, as being too concerned with defending the interests of their supporters. Their normal methods for disciplining disobedient politicians involved currency speculation, withholding investment and moving production—or at least threatening to do so, which was often sufficient to achieve the desired effect. These police actions by capital were often aided by state managers who tended to be more conscious of what capital would find acceptable or permissible than mere elected representatives of the people. But economic or bureaucratic resistance to government agendas is a blunt instrument, capable of blocking or reversing one set of policies and making others more likely, not of bringing about a complete reorientation in policy terms. Capitalist states are sets of permanent institutions run by unelected officials who act in the interests of capital more or less effectively; parliamentary government is a temporary regime consisting of elected politicians who act in the interests of capital, more or less willingly. But in times of crisis capital requires politicians who will decide on a particular strategy and fight for it with absolute conviction, if necessary against individual members of the capitalist class themselves. During the 1930s, Antonio Gramsci discussed this type of ruling class response to crisis as ‘an organic and normal phenomenon’: ‘It represents the fusion of an entire social class under a single
leadership, which alone is held to be capable of solving an overriding problem of its existence and of fending off a mortal danger. Gramsci was thinking of Italian fascism, but a similar shift took place during what I call the vanguard phase of neoliberalism under Thatcher and Reagan. It would be quite wrong, however, to imagine that new strategic initiatives are necessarily beneficial to the operation of capitalism.

Contrary to extreme functionalist or economic determinist positions, representatives of the dominant classes are not infallible or all-knowing. As Gramsci once noted, we have to allow for the possibility of error, but ‘error’ is not reducible to a ‘mistake’: ‘The principle of error is a complex one: one may be dealing with an individual impulse based on mistaken calculations or equally it may be a manifestation of the attempts of specific groups or sects to take over hegemony within the directive grouping, attempts which may well be unsuccessful’. In one sense, however, neoliberalism has been too successful. For it has weakened, to varying degrees, the capacity of capitalist states to act in the interest of their national capital as a whole. The relationship between neoliberal regimes and capital has since the 1970s prevented states from acting effectively in the collective, long-term interest of capitalism and leading instead to a situation where, according to Robert Skidelsky, ‘ideology destroys sane economics’. It is true that neoliberal regimes have increasingly abandoned any attempt to arrive at an overarching understanding of what the conditions for growth might be, other than the supposed need for lowering taxation and regulation and raising labour flexibility. Apart from these, the interests of the total national capital is seen as an arithmetical aggregate of the interests of individual businesses, some of which, to be sure, have rather more influence with governments than others. These developments have led to incomprehension among remaining Keynesians of the liberal left. But their assessments are correct in noting that, in so far as there is a ‘strategic view’, it involves avoiding any policies which might incur corporate displeasure, however minor the inconveniences they might involve for the corporations, which of course includes regulation.

The weakening of the labour movement and consequent rightward shift by social democracy may therefore ultimately prove self-destructive for capital since, as we have seen, one of the inadvertent roles which it historically played was to save capitalism from itself, not least by achieving reforms in relation to education, health and welfare. These benefitted workers, of course, but also ensured that the reproduction of the workforce and the conditions for capital accumulation more generally took place. But with the weakening of trade union power and the capitulation of social democracy to neoliberalism, there is currently no social force capable of either playing this ‘reformist’ role directly or by pressurizing non-social democratic state managers into playing it. That leaves the state apparatus itself, but the necessary distance between the state and capital (or between state managers and capitalists), to which I earlier alluded has been minimized. Any longer-term strategy in the overall interests of capital would have to address the dysfunctionality of the financial system, the refusal of firms to invest in productive capacity and low levels of tax intake attendant on a fiscal system massively skewed towards the wealthy, but state managers are no longer prepared to do this and neither are most politicians—with the exception of one tendency: right-wing populism.

Varieties of Right-Wing Populism

Given the hysteria about Trump’s supposed incipient fascism, it is important to begin by distinguishing between fascist and non-fascist variants of the hard-right. All wings are united by two characteristics. One is a base of membership and support in one or more fraction of the middle-class (i.e. the petty bourgeoisie, traditional middle-class professionals or the technical-managerial new middle class)—although as we shall see, this does not mean that they necessarily
lack working-class support. The other is an attitude of extreme social conservatism, always in relation to race and nation, sometimes in relation to gender and sexual orientation: far-right politicians in the Netherlands, for example, have for example rhetorically invoked the relative freedoms of women or gays in the West as way of denouncing the supposedly oppressive beliefs of Muslims. The political goal is always to push popular attitudes and legal rights back to a time before the homogeneity of ‘the people’ was polluted by immigration, whenever this Golden Age of racial or cultural purity is deemed to have existed, which is usually at some undetermined period before the Second World War.

There are nevertheless large differences between these two types of organization. As Jan-Werner Müller has pointed out, ‘National Socialism and Italian Fascism need to be understood as populist movements—even though, I hasten to add, they were not just populist movements but also exhibited traits that are not inevitable elements of populism as such: racism, a glorification of violence, and a radical “leadership principle”’.\(^23\) More specifically, Michael Mann argues that non-fascist far-right parties are distinguished from fascism by three characteristics: 1) they are electoral and seek to attain office through the democratic means at local, national and European levels; 2) they do not worship the state and, while they seek to use the state for welfare purposes for their client groups, some (e.g. the Austrian Freedom Party or the Tea Party) have embraced neoliberal small-state rhetoric; 3) they do not seek to ‘transcend class’: ‘These three ambiguities and weaknesses of principle and policy make for instability, as either extremists or moderates seek to enforce a more consistent line that then either results in splits and expulsions, such as the makeover of the Italian MSI and the disintegration of the German Republikaner in the mid-1990s.’\(^24\)

The first of these distinctions, adherence to bourgeois democracy, is crucial since it indicates the fundamental distinction between the fascist and non-fascist far-right: the latter, as Peter Mair notes, ‘do not claim to challenge the democratic regime as such’.\(^25\) Activists and commentators often draw an absolute distinction between fascism and other forms of right-wing politics, based on the way the former rely on paramilitary organization and violence as part of their strategy for attaining power. In that sense Golden Dawn in Greece is a classic fascist formation in a way that the Northern League in Italy is not. The distinction is important, not least in determining the tactics of their opponents, but fascism is not defined simply by its recourse to extra-parliamentary or illegal activity. Here, Trotsky’s analysis remains relevant:

> When a state turns fascist...it means, primarily and above all, that the workers’ organizations are annihilated; that the proletariat is reduced to an amorphous state; and that a system of administration is created which penetrates deeply into the masses and which serves to frustrate the independent crystallization of the proletariat. Therein precisely is the gist of fascism.\(^26\)

Fascism then is revolutionary and the non-fascist far-right is not; but what does ‘revolutionary’ mean in this context? Many Marxists are reluctant to use this term in relation to any modern political movement not of the left, with the possible exception of nationalisms in the Global South. But if we consider fascist seizures of power as political revolutions—in other words as those which change the nature and personnel of the regime without changing the mode of production, then there is no reason why the term should not be applicable.\(^27\)

The second major difference, which flows directly from the first, is their respective attitudes to society which they are trying to build. As Roger Griffin points out, the revolution from the right in both fascist Italy and Nazi Germany claimed to be using the state to socially engineer a new man and woman with new values.\(^28\) This is a project of transformation. The non-fascist far-right however insists that the people are already the repositories of homogeneity and virtue:
By contrast, the enemies of the people—the elites and others—are neither homogeneous nor virtuous. Rather, they are accused of conspiring together against the people, who are depicted as being under siege from above by the elites and from below by a range of dangerous others.

The purpose of the non-fascist far-right is to return the people to their formerly happy condition before these twin pressures began to be applied: This is not a Utopia, but a prosperous and happy place which is held to have actually existed in the past, but which has been lost in the present era due to the enemies of the people. This is a project of restoration.

The revival of the far-right as a serious electoral force is based on the apparent solutions it offers to what are now two successive waves of crisis, which have left the working class in the West increasingly fragmented and disorganised, and susceptible to appeals to blood and nation as the only viable form of collectivism still available, particularly in a context where the systemic alternative to capitalism—however false it was—had apparently collapsed in 1989–91. The political implications are ominous. The increasing interchangeability of political parties gives the far-right an opening to appeal to voters by positioning themselves as outside the consensus in ways which speak to their justifiable feelings of rage. The potential problem for the stability of the capitalist system is however less the possibility of far-right parties themselves coming to power with a programme destructive to capitalist needs, than their influence over the mainstream parties of the right, when the beliefs of their supporters may inadvertently cause difficulty for the accumulation process—as in the impending withdrawal from the EU in the case of the UK or, potentially at least, a halt to migration from Mexico and Central America at the behest of the Trump presidency in the case of the US. Here we see emerging a symbiotic relationship between one increasingly inadequate regime response to the problems of capital accumulation and another increasingly extreme response to the most irrational desires and prejudices produced by capital accumulation. Again, this is not a new problem for capital.

There is a problem with some left analyses of the hard right and its far right component in particular, which is the assumption that it represents the ‘real’ face of capitalism unmasked (‘the naked dictatorship of monopoly capital’, etc, etc.). In fact, in the developed world at least, it is only in very rare situations of dire extremity—and usually after facing the kind of threat from the labour movement that has unfortunately been absent for several decades—that capital has ever relied on the far right to solve its problems. Right-wing social movements can relate to the accumulation strategies of capital in three ways: 1) They are directly supportive; 2) They are compatible with and/or indirectly supportive through strengthening ideological positions which are associated with capitalist rule, but which may not be essential to it; or 3) They are indirectly and possibly unintentionally destabilizing. Until recently at any rate, examples of type 1 have been very rare indeed, since, as I have argued above, capitalists prefer to use corporate pressure rather than mass movements to achieve their political goals. Examples of type 2 are the most frequent but, as I will argue below, we are currently seeing, and are likely to see more examples of type 3, which raises the question: what is the relationship between the far-right politics and capitalism? What if a fascist or far-right movement came to power which implemented policies against the needs of capital—not because they were ‘anti-capitalist’ in the way that Strasserite wing of the Nazi Party were (falsely) supposed to be, but simply because their interests lay elsewhere?

The Nazi Regime performed two services for German capital: crushing an already weakened working class and launching an imperial expansionist drive to conquer new territory. But while racism and anti-Semitism were important for the Nazis, notes Ulrich Herbert, but not for German national capitals:
Any attempt to reduce the Nazi policy of mass annihilation solely or largely to underlying economic, rational interests, however, fails to recognize that, in the eyes of the Nazis, and in particular the advocates of systematic racism among them, the mass extermination of their ideological enemies was itself a rational political goal. It was supported by reference to social, economic, geopolitical, historical and medical arguments, as well as notions of racial hygiene and internal security. Racism was not a mistaken belief serving to conceal the true interests of the regime, which were essentially economic. It was the fixed point of the whole system.\(^\text{31}\)

It is therefore true, as Alex Callinicos points out, that ‘the extermination of the Jews cannot be explained in economic terms’. He sees the connection between the Holocaust and German capitalism as an example of an interpenetration of interests, in this case between ‘German big business’ and ‘a movement whose racist and pseudo—revolutionary ideology drove it towards the Holocaust’.\(^\text{32}\) The position which Callinicos is articulating here was first expressed by Peter Sedgwick in 1970: ‘German capitalism did not need Auschwitz; but it needed the Nazis, who needed Auschwitz.’\(^\text{33}\) But where did the Nazi racist and pseudo-revolutionary ideology come from in the first place? Callinicos only sees a connection with capitalism as arising from the immediate needs of the economy at a time of crisis; but the ideological formation of the Nazi worldview took place over a much longer period, which saw the combination of a series of determinations arising from the contradictions of German and European capitalism, and including the authoritarian character of subordinate middle-class which had never successfully developed its own political identity; extreme right-wing nationalism first formed in response to the French Revolution, racism in its anti-Semitic form, disappointed imperialism, a taste for violence acquired in the trenches, and so on.\(^\text{34}\) Adapting Sedgwick then, we might say that German capitalism didn’t need the Holocaust, but the long-term development of German capitalism produced, through a series of mediations, the ideology of Nazism which did contained the possibility of a Holocaust, and when German capitalists turned to the Nazis in its moment of crisis, they were given the opportunity to realize that possibility, however irrelevant and outright damaging it was to German capital’s more overarching imperial project. In other words, the barbaric ideology of Nazism and the socio-economic crisis of Germany to which they provided one solution were already connected as different moments in the mediated totality of capitalism.

But if the Holocaust was a barbaric irrelevance—except incidentally—for German capital, the Nazi regime also presents us with examples of policies which were instrumentally irrational from the perspective of the capitalist state. As Detlev Peukert writes: ‘To see fascism as an effective answer to the weakness of the bourgeois democratic state, i.e. as a functional solution to the crisis in the interests of capital, is to be taken in by the self-image of National Socialism created by its own propaganda.’ For one thing, it led to the creation of a deeply fragmented and incoherent institution:

The equipping of state bodies with economic functions, and of business enterprises with quasi-state powers, led not to a more effective and rationally functioning ‘state monopoly capitalism’, but to a welter of jurisdictions and responsibilities that could be held in check only by short-term projects and campaigns… The splintered state and semi-state managerial bodies adopted the principle of competition. The nationalization of society by Nazism was followed by the privatization of the state. This paradox meant that, on the one hand, there were huge concentrations of power as a result of internal and external Blitzkrieg campaigns, while, on the other hand, inefficiency, lack of planning, falling productivity and general decline prevailed.\(^\text{35}\)

This had the most serious implications in relation to German war-making. Götz Aly claims that the plundering of conquered territories and externalization of monetary inflation undertaken by the Nazis as the Second World War progressed served to bind the German
masses to the regime by raising their living standards. The thesis is massively exaggerated and ignores such opposition and resistance that did take place. Nevertheless, it inadvertently identifies a central problem for the regime: the provision of material resources for German industry and provisions for the German population would have been impossible without territorial expansion through war; yet this was precisely what the nature of regime undermined. As Tim Mason noted, ‘the racial-ethical utopia…was taken so seriously by the political leadership, in particular by Hitler and by the SS, that in decisive questions even the urgent material needs of the system were sacrificed to it’. Germany had higher rates of female participation in the workforce than either Britain or the USA at the beginning of the war, although many of these jobs were in roles considered suitable for women and which would not be detrimental to their roles as wives and mothers. Yet, despite a desperate shortage of labour, Hitler resisted female conscription until after German defeat at the battle of Stalingrad, apparently for ideological concerns over a potential decline in the birth-rate (and hence to the strength of the Aryan race) and the threat to female morals; but even then it was applied half-heartedly and was widely evaded.

Thus, there can be situations where there is a genuine ‘non-identity of interest’ between capitalists and what are—from their point of view—the irrational demands made by the social base of the political party which they prefer to have custody of the state. This may appear to be sheer stupidity, but as Theodor Adorno once pointed out specifically in relation to the Nazi regime, ‘stupidity is not a natural quality, but one socially produced and reinforced’. Hitler failed to invade the UK when he had the chance and invaded the USSR when he did not need to:

The German ruling clique drove towards war because they were excluded from a position of imperial power. But in their exclusion lay the reason for the blind and clumsy provincialism that made Hitler’s and Ribbentropp’s policies uncompetitive and their war a gamble. … Germany’s industrial backwardness forced its politicians—anxious to regain lost ground and, as have-nots, specially qualified for the role—to fall back on their immediate, narrow experience, that of the political façade. They saw nothing in front of them except cheering assemblies and: this blocked their view of the objective power of a greater mass of capital.

The contemporary relevance of this experience is limited: the working class is not currently combative enough to inspire fear in the bourgeoisie and the states in which the fascist far-right is large enough even conceive of achieving power, like Greece or Hungary, are not imperialist powers capable of attempting continental domination in the way that Germany or even Italy was capable of doing. The point is that in the contemporary situation all that may remain are those aspects of the far-right programme which are irrational for capital, particularly in its current neoliberal manifestation.

The Appeal of the Populist Right

Fascist movements cannot base themselves on working class organizations, since one of their defining characteristics is to seek the destruction of such movements. This is why a movement like Ulster Loyalism in Northern Ireland, based as it was on the skilled Protestant working class, cannot be described as fascist, however reactionary and divisive as it may otherwise have been. But if fascist movements are incompatible with working-class organization, they can and do draw support from individual members of the working class, as can the far-right more generally. This is the real threat posed by Trump in the US.

Chip Berlet and Matthew Lyons observe that, in the context of the US, there are ‘two versions of secular right-wing populism’, each drawing on a different class base: ‘one centred
around “get the government off my back” economic libertarianism coupled with a rejection of mainstream political parties (more attractive to the upper middle class and small entrepreneurs); the other based on xenophobia and ethnocentric nationalism (more attractive to the lower middle class and wage workers). As the reference to wage-workers in relation to the second version suggests, the reactionary role played by sections of the middle classes does not exhaust the social basis of right-wing social movements. Since the majority of the population are exploited and oppressed, such movements must draw at least some support from their ranks.

Unfortunately, the spectacle of the working-class or the oppressed more generally mobilizing against their own interests alongside members of other social classes has produced a number of inadequate responses from socialists. One is the claim that working-class demands or actions which might appear reactionary actually contain a rational core which renders them defensible by the left: in relation to migration this is sometimes expressed as the need for socialists to pay heed to the ‘genuine concerns’ of the working class, as if the sincerity of the belief rendered it valid. The other inadequate response is the argument that, even if working-class people participate in them, right-wing movements are illegitimate because they are funded or led by wealthy corporation or individuals.

This argument inverts the classic conservative theme that popular unrest against the established order is never, as it were, natural, but always orchestrated by external forces (‘outside agitators’), inventing or at most manipulating grievances in order to further their own ends. Some of the people who supported Trump may well be morally wrong and politically misguided, but it is patronizing—and above all politically useless—to pretend that they are simply being manipulated by elite puppet masters. Sara Diamond is therefore correct that left critics of the US Christian Right are wrong to adopt what she calls ‘a view of conspiracies by small right-wing cliques to stage-manage what was truly a mass movement’. She is also right to emphasize the complexity of right-wing populism towards ‘existing power structures’, being ‘partially oppositional and partially...system supportive’. This begs the question of why working class people might be predisposed to respond positively to right-wing arguments. The answer combines general reasons applicable to all periods in the history of capitalism and specific reasons relevant to the present neoliberal conjuncture.

Marxists, above all Gramsci, have shown that most members of the subordinate classes have highly contradictory forms of consciousness. Nevertheless, the capitalist system could not survive unless it was accepted at some level, most of the time, by the majority of the people who live under it. The implications of this are darker than is sometimes supposed. A characteristic form of contradictory consciousness involves a reformist inability to conceive of anything beyond capitalism, while opposing specific effects of the system.

But the alternatives are not restricted to active rejection at one extreme and passive acceptance at the other. There can also be active support, the internalization of capitalist values associated with the system to the point where they can lead to action. Marxists and other anti-capitalist radicals frequently point out that, rather than men benefitting from the oppression of women, whites from the oppression of blacks, or straights from the oppression of gays, it is capitalism and the bourgeoisie which do so. This is a useful corrective to the argument, common in many left-wing movements, that each form of oppression is separate from the others and that none has any necessary connection to the capitalist system.

Nevertheless, it fails to take seriously the distinction made by Lukács between ‘what men in fact thought, felt and wanted at any point in the class structure’ and ‘the thoughts and feelings which men would have in a particular situation if they were able to assess both it and the interests arising from it in their impact on immediate action and on the whole structure of society’. For we cannot assume that members of the working class are not only capable of having, but actually have the thoughts and feelings ‘appropriate to their objective situation’.
Of the workers do not attain this level of consciousness, a significant minority take positions supportive of, for example, racial oppression, which may not have benefited them compared with the benefits they would have received by struggling for racial equality, let alone full social equality. Without some degree of class consciousness, however, they need not ever consider this alternative: in the immediate context of their situation a stance which is detrimental to working class interests as a whole may make sense to particular individual members of the working class.

The victories of neoliberalism have left the working class in the West increasingly fragmented and disorganized, and, for some workers, appeals to blood and nation appear as the only viable form of collectivity still available, particularly in a context where any systemic alternative to capitalism—however false it may have been—had apparently collapsed in 1989-91. Dismissing their views on grounds of irrationality is simply an evasion. As Berlet and Lyons write: 'Right-wing populist claims are no more and no less irrational than conventional claims that presidential elections express the will of the people, that economic health can be measured by the profits of multimillion dollar corporations, or that US military interventions in Haiti or Somalia or Kosovo or wherever are designed to promote democracy and human rights.' Yet these beliefs, which are accepted by many more people than those who believe in, say, the literal truth of the Book of Genesis, are not treated as signs of insanity. The issue, as Berlet has argued elsewhere, is not personal pathology but collective desperation.

The increasing interchangeability of mainstream political parties, including those on the social-democratic left, gives the far-right an opening to voters by positioning themselves as outside the consensus in relation to social policy. Michael Kimmel points out that, although it would be absurd to claim that ‘women or gay people or people of color are being treated equally’, it is true that ‘we have never been more equal than we are today’; but ‘at the same time...economically we are more unequal than we have been in about a century’:

Kimmel follows the characteristic everyday discourse in the USA, in which working class people are described as, or contained within the categories of, ‘middle- and lower-middle-class’, but his conclusion is apt: ‘To believe that greater social equality is the cause of your economic misery requires a significant amount of manipulation, perhaps the greatest bait and switch that has ever been perpetuated against middle- and lower-middle-class Americans.

A majority of the people involved in right-wing social movements do so because of underlying economic concerns; the more relevant point is perhaps whether, in the absence of any left-wing solution to those concerns, they continue to demand the implementation of their social program as a condition of support for politicians who claim to represent them. In these circumstances, a deeper problem for the stability of the capitalist system than the possibility of far-right parties themselves coming to power with a program destructive to capitalist needs, might be their influence over the mainstream parties of the right, when the beliefs of their supporters may inadvertently cause difficulty for the accumulation process, as Müller writes, from the perspective of the liberal left:

…it’s hard to deny that some policies justified with reference to ‘the people’ really can turn out to have been irresponsible: those deciding on such policies did not think hard enough; thy failed to gather all the relevant evidence; or, most plausibly, their knowledge of the likely long-term consequences should have made them refrain from policies with only short-term electoral
benefits to themselves. One does not have to be a neoliberal technocrat to judge some policies as plainly irrational.  

The clearest examples of this type of irrationality are to be found in the Anglo-Saxon heartlands of neoliberalism: the US and Britain. Take an important area of Republican Party support in the USA. Since the late sixties Republicans have been increasingly reliant on communities of fundamentalist Christian believers, whose activism allows them to be mobilized for voting purposes. The problem, and not only for the Republicans, is that the extremism of fundamentalist Christianity may alienate the electoral ‘middle-ground’ on which the result of American elections increasingly depend, but that politicians are constrained from undertaking policies which may be necessary for American capitalism. Unwanted outcomes for capital need not be the product of a coherent religious worldview, simply one which no longer believes anything produced outside its own experience—or the way in which that experience is interpreted by their trusted sources of information.

But it is not only religious belief which can cause difficulties for US capital; so too can overt anti-migrant racism. One concrete example of this is the Tea Party-inspired Beason-Hammon Alabama Taxpayer and Citizen Protection Act–HB56 as it is usually known–which was passed by the State legislature in June 2011, making it illegal not to carry immigration papers and preventing anyone without documents from receiving any provisions from the state, including water supply. The law was intended to prevent and reverse illegal immigration by Hispanics, but the effect was to cause a mass departure from the many of the agricultural businesses which relied on these workers to form the bulk of their labour force: ‘In the north of the state, the pungent smell of rotting tomatoes hangs in the air across huge tranches of land that have been virtually abandoned by workers who, through fear or anger, are no longer turning up to gather the harvest.’ But the effects went deeper. Before the laws introduced it was estimated that 4.2 percent of the workforce or 95,000 people were undocumented but paying $130.3 million in state and local taxes. Their departure from the state or withdrawal to the black economy threatened to reduce the size of the local economy by $40 million. Moreover, employers had to spend more money on screening prospective employees, on HR staff to check paperwork, and on insuring for potential legal liabilities from inadvertent breaches of the law.

These developments are not equivalent to the type of policies with which social democracy occasionally (and decreasingly) attempts to ameliorate the excesses of capitalism. On the one hand, social democratic reforms are usually intended to enable the system in general to function more effectively for capitalists and more equitably for the majority, however irreconcilable these aims may be. But far-right reforms of the type just discussed are not even intended to work in the interests of capitalists, nor do they: they really embody irrational racist beliefs which take precedence over all else.

To sum up the argument so far, I have tried here to set out a general argument about the nature populist hard-right and, specifically, to show that it plays a contradictory role: always opposed to the actual interests of the working class, but sometimes also undermining – albeit unintentionally – the interests of capital. I will now use this discussion as a basis for analysing one of the two episodes with which I began this article: the UK vote to leave the EU and the election of Trump as President of the US. These required different responses: a choice in one and a refusal to choose in the other, despite the presence of the populist hard-right in both. In one, socialists were faced with a particular outcome, UK withdrawal from the EU, which was indeterminate in its effects (there are both left and right-wing reasons for leaving) and in which the pro-Leave sections of the bourgeoisie were (in Gramsci’s terms) in error over what it meant for British capital. In the other, socialists were being asked to support a party (the Democrats) which had engineered the exclusion of the only genuine left-winger from the ballot and a particular candidate (Clinton) standing on a platform of maintaining the very neoliberal policies
which the left is opposed. This, I will argue, is the difference between a situation in which socialists can at least attempt to shape events and one in which they are effectively their prisoners. The key is being able to tell which is which.

I will focus here on the former. On June 23, 2016, 17.5 million British people, or 51.9 percent of the turnout, voted to leave the EU, making their country the first to do so. Most predictions were for a narrow victory for Remain and the result seemed to surprise everyone, including the leaders of the Leave campaign. In the cases of both the US and France, the accusation thrown at the left was that of failing to support the lesser evil. In this case, the charge was even more serious: socialists who had voted Leave were effectively supporting the greater evil in the form of local manifestations of populist far-right. Given the extremity of this claim, the starting point of any discussion has to be what the EU is, and what it does.

The European Union: Origins, Developments, Structures

The EU grew out of post-war European Coal and Steel Community (ECSC), but the decisive turning point in its development was the 1958 Treaty of Rome, which established the European Economic Community (EEC). As Guglielmo Carchedi has pointed out, there were four interlocking determinants leading to this outcome.

The first was the need to end the entrenched geopolitical rivalry between France and Germany, which had resulted in three wars over the previous 80 years. After World War II, there was general agreement amongst most of the Western ruling classes that this rivalry, which had caused such devastation in Europe, could not continue—a conclusion which, for obvious reasons, the French were particularly keen to support. Even had it wished to resist, Germany was in no position to do so, following its catastrophic defeat in World War II and subsequent division into Eastern and Western states. West Germany was initially at the mercy of the Western powers and its politicians had little choice but to agree to membership first of the ECSC and then the EEC. (Incidentally, what does it say about European values that leading politicians and bureaucrats across that continent believed France and West Germany would end up at war yet again without mutual integration into these supra-state institutions?)

The second determinant was the broader context of the Cold War. US hegemony involved both NATO and the EEC, and strengthening the latter involved a degree of self-sacrifice on the part of the US ruling class, for the greater good of the system. The US undertook the task of restoring economic health to Western Europe (and Japan), partly to re-establish them as customers for US goods, but also as part of facing down the Stalinist regimes in the East. The US therefore encouraged the emergence of the EEC, knowing that it would eventually be an economic competitor, but would remain politically subordinate. The relationship between the EU and US geopolitical strategy did not, however, end with the fall of the USSR: it is no accident that, before the Eastern European states were allowed to join the EU, the US insisted they first of all join NATO.

The third determinant was the need for Western European capital to seek markets and sources of investment beyond the territorial boundaries of the individual nation-states, during a period (roughly 1948-1973) which saw the biggest and most sustained growth the system has ever undergone, and is ever likely to undergo again. And this expansion was of course occurring as the Western powers were losing their colonies, meaning that the classical imperialist strategy of exporting capital to India or Algeria was no longer going to be feasible. The original six countries of the EEC became the initial terrain of investment and expansion for capital needing a home, which then expanded further outwards as new members joined.

The fourth determinant was the need to avoid protectionism, which was widely, if not entirely accurately believed to have prolonged the crisis of the 1930s. But while the EEC did
remove protectionist tariff barriers within Europe, it maintained tariff barriers against the Global South and its member states continued to dump highly-subsidised goods and destroy industries there, a strategy enshrined in the Common Agricultural Policy, which Nigel Harris once memorably described as ‘a criminal conspiracy against humanity’.55

The creation of the EEC was dependent on one condition: that actual or potential member states possessed approximately the same level of capitalist development, with broadly the same kind of Social or Christian Democratic welfare regimes. Unsurprisingly then, the original EEC embodied, at a supra-state level, the Keynesian liberal democratic policies characteristic of most of the member states of the time. But, as this affinity suggests, the EEC was not an entity floating disconnected above the capitalist system and, as the turn to neoliberalism began to be implemented through the late 1970s and early 1980s, it began to reflect that change. The neoliberal turn took place in two phases.

The first occurred in the early 1980s. Britain joined in 1973 and voted to remain in 1975, altering the balance of power within the EEC. Thatcher’s subsequent election in 1979 was followed by her successful attempt to push the EEC to the right. From the moment that the Commission published the 1985 White Paper, Completing the Internal Market, the direction of travel has been increasingly in what we would now regard as a neoliberal direction: ‘National markets should be deregulated and liberalized; national companies were to be privatized. An emerging common competition policy was to secure that the market was no longer disturbed through state intervention or ownership even in areas such as telecommunications, public procurement and energy.’56 Yet the shift of the labour movement and its reformist representatives behind what was now the EU begins to cohere precisely at this time, gathering momentum after 1987 and the adoption of the Single European Act.

Most of the British left had originally been hostile to the EU and in 1975 revolutionaries and most left reformists argued for the UK to leave; but following the electoral consolidation of the Thatcher regime during the 1980s a remarkable change in attitude took place. In the British case, this was clearly a response to the defeats suffered by the trade unions, above all in the Miners’ Strike (1984-5), but it was emblematic of a wider process. The French case is particularly significant as the Socialist Party government that came to power in 1981 was the last serious reformist experiment in Europe before that of SYRIZA in 2015. Within two years it had abandoned all its promises to achieve positive reforms for the working class and began to implement neoliberal policies. The person mainly responsible was Jacques Delors, the Finance Minister, who later became the president of the European Commission. As a supposed socialist, he was able to sell the outlandish notion of the EU as an essentially social-democratic, solidaristic institution to the British Trade Union Congress and the Labour Party in the late 1980s. In this context, it is worth noting just how minimal most of the so-called protections offered by the EU actually are:

The EU has adopted a number of directives that deal with social-policy issues. But these directives hardly harmonise existing social-policy legislation: instead, they introduce an absolute minimum level which has no effect in most member states, because it is well below the national standards. And in the case of more ambitious policy initiatives such as those in the field of employment, failure to meet their respective targets is not threatened by sanctions, as failure to meet the convergence criteria has been.57

The second phase of the neoliberal transition began in 1991 and set the EU on course towards the current austerity regime. There were three components to this, two of which were direct consequences of the fall of the Stalinist regimes. The first, and most decisive, was the reunification of Germany, introducing a massive new state in the middle of Europe, the largest in both territory and in population—indeed, the outcome which the European project was originally initiated to avoid. The second component was the centrepiece of the entire
project: the introduction of the Euro. The French insisted on this as their price for allowing
Germany to reunify, acting on the assumption that the only way to curtail German ambition
was by making it adhere to a new currency along with all the other member-states. This was a
huge miscalculation, as Germany has far greater economic power than any other member-state.
The third component was the accession of most of the East European states, which changed the
composition of the EU in a fundamental way, from a cabal of richer countries with more less
the same level of development to a formation with a much higher level of unevenness, but in
which all members were nevertheless expected to follow the same rules. Following the 1991
Maastricht Treaty the convergence criteria required member states to control inflation,
maintain deficits of no more than 3 percent of GDP, and limit national debt to 60 percent of
GDP. For those intending to adopt the Euro, interest rates have to be no more than 2 percent
higher than the average of the three countries with the lowest inflation rates. Individual
member-states are unable to increase the money supply (‘quantitative easing’) in response to
recessionary pressures, but neither can they alter interest rates or devalue. The only ways to
achieve competitiveness is unemployment and/or wage cuts, leading to a permanently low level
of growth, massive unemployment. This is why, as two critics point out, the convergence
criteria ‘do not include a criterion on unemployment’, an issue regarded as being ‘of secondary
importance’. The impact on the young in particular has been devastating and youth
unemployment is as high as 50 percent in some areas, with mass emigration the inevitable
result.

In addition to maintaining the neoliberal order there are at least three other aspects of the
EU which make its existence impossible for socialists to support. First, the EU is designed to
maintain the structure of existing inequalities between European nation-states, although this
has only become entirely obvious since the enlargement process after 1992, when the poorer
areas of Eastern Europe and the Mediterranean were allowed to join. As Michael Roberts
writes, ‘the Eurozone countries are more different from each other than countries in just about
any currency union you could name’. Beneath all the talk of ‘solidarity’ this is inescapable,
as the EU has a financial and industrial structure designed to meet the needs of the strongest
economies—France and Germany and, since the advent of the Euro, increasingly just the latter.
It is a half-way house between the original Common Market and the ‘ever-closer’ political
union which the Treaties envisage, and consequently experiences the worst of both worlds: it
forces the weakest members to play by the same rules as the stronger, which will always be
detrimental to them; but there is no mechanism to transfer funds or resources within the EU in
the way that can be done within actual nation-states.

Second, although the EU is not an imperialist power in its own right, as a collective body it
does increasingly act as an adjunct to NATO, and consequently as a support to US geopolitical
interests. I have already noted how the US initially encouraged and supported the formation
of the EU’s predecessors as part of a Cold War bulwark against its Russian imperial rival, and
this is the main reason why there was the much-boasted no war in (Western) Europe between
1945 and 1991: although the EU member-states were engaged in economic competition with
each other, they were simultaneously united behind the USA. But if the EU itself does not act
as an imperial power, the main constituent nation-states increasingly do, and they by no means
always bow to Washington’s wishes. Here again we see the more powerful placing their own
interests over those of supposed European unity. For some this is externalised, as in the
persistently underestimated French presence in Central Africa, but for others it is manifested
in the heart of Europe itself—most obviously in the case of Germany, whose recognition of
Croatian independence in 1992 contributed to the subsequent Yugoslavian bloodbath.

Third, the EU is structurally racist. The very idea of ‘Europe’ is necessarily exclusionary. It
is little remembered now that Morocco applied for EU membership in September 1987, one
imagines to the hilarity of the Commissioners, who turned it down on the grounds that Morocco
‘did not meet the criteria for membership’.63 The much-vaunted freedom of movement within the EU is predicated on blocking the movement of those without, as tens of thousands of desperate refugees are currently discovering. ‘While the EU removes internal borders to encourage the free flow of people, goods and services, it erects more extensive borders around its outer edges, to further separate and delink Europe from natural networks and transnational flows that have developed over the course of history.’64 Further, as Phillip Cunliffe points out, there are consequences for people attempting to overcome these barriers: ‘The EU has drowned tens of thousands of Africans in the Mediterranean—a record of racial mass murder that outdoes any of the far-right populist parties that have never wielded national power, whether that be in Austria, Britain, France or Germany.’65 The spectacle of these people being trapped in the camps, behind barbed-wire fences and facing the police dogs and tear gas on the borders of European civilization is obscene enough, but it is compounded by the attitude of the constituent states themselves. For here again, their individual interests take precedence over even collective barbarity, as the Schengen Agreement collapses into a free-for-all to defend individual borders against the alien hordes. There are clearly evils here, but it is not apparent to me that they are ‘lesser’.

Can the EU be transformed as the left Remain camp claim? Is ‘another European Union possible’?66 In reality, the EU is structured in such a fashion that it is impossible to reform it in any meaningful or serious way. As the sociologist Colin Crouch noted: ‘The EU is hardly a shining example of democracy’:

Although the original European Economic Community came into existence during the high period of post-war democracy, it was itself conceived as a technocratic institution. Its internal democracy has developed since the 1980s, a time when post-democratic approaches to governance have been dominant among elites. … These elements, together with the fact that most national governments have been concerned to ensure that European democracy is in no position to rival that of nation states, have produced extremely weak parliamentary structures, cut off from the real life of most of the population.67

Crouch identifies a central paradox: during the entire period of the post-war boom, when popular participation in politics was at its height, the predecessors of the EU made no pretence of being anything other than a technocracy; EU ‘democracy’ is a product of the neoliberal era—indeed, in many ways it was the first manifestation of the social neoliberalism that we associate with first with Bill Clinton in the US and then with Tony Blair in the UK. And, as in these national cases, the democracy serves as a cover for the neoliberalism. In 1939, neoliberalism’s greatest theoretical forerunner Freidrich von Hayek wrote an article in which he argued that Interstate Federalism at the European level would be desirable. Why? Mainly because it would ensure that economic activity should be removed as far as possible from the responsibility of meddling politicians who interfered with the market order to win electoral support from ignorant voters.68 And in this respect at least, the EU has attempted to implement his programme by centralising power in the hands of appointed officials. For, as Claus Offe points out, ‘it is precisely those EU institutions that have the greatest impact on the daily life of people which are the farthest removed from democratic accountability: the European Central Bank the European Court of Justice, and the European Commission’.69 The three institutions mentioned by Offe are worth describing in slightly more detail.

The European Central Bank (ECB) is run by unelected bankers. The conservative, but on this issue highly acute commentator, Edward Luttwak, made several extremely accurate predictions about how the ECB would operate three years before it came into existence in January 1999:
...it is to receive no instructions either from member counties or from any institution of the European Union. Such is the sovereign status of the institution... Beyond the enormous leverage of interest across the entire spectrum of economic life, beyond its control of credit in general, the ECB will be empowered to invigilate quite a few specific rules, including the three sacrosanct prohibitions: no financing of state debts by central banks...no financing loans on favourable terms to any public body or state-owned company...no guarantees by any member country of any other member country’s debt, the no bail out rule.

And so it has proved. The European Central Bank was essentially modelled on the Bundesbank—even down to its obsession with fighting inflation. Now, inflation has not been a general problem for capitalism in over twenty years, and for the last 7 years—with the partial exceptions of fuel and energy—deflation has been a bigger issue; nevertheless, this non-existent danger has been used to constrain state spending and, since 2008, to promote the austerity agenda. The policies of the ECB are perhaps the most extreme example of what Luttwak calls ‘central-bankism’, but with this difference; unlike the Bundesbank or any equivalent national body, the ECB is not part of a state apparatus and is even further removed any form of democratic accountability.

The European Court of Justice (ECJ) is often—and in the UK, quite deliberately—confused with the European Court of Human Rights, even though they are totally different institutions. The ECJ is made up of—readers may be detecting a theme here—unelected judges tasked with interpreting EU law and ensuring that the legislation passed by individual countries is compatible with the EU’s overall positions. Wolfgang Streeck has set out the function it currently performs:

The main player in this integration through supranational liberalization, or liberalization through international integration, was the European Court of Justice, whose rulings became increasingly unassailable for member states and their citizens, especially as majorities for social protection measures could no longer be found following the accession of Eastern Europe. Whereas in the 1990s it was mainly the Commission that successfully propelled the privatization of large parts of the public sector, using the tool of competition law, in the following decade the European Court of Justice handed down judgements in the name of the free movement of services and capital that questioned the right of workers to strike and threatened to curtail workforce participation.

The European Commission is at the core of the EU. Needless to say, it is also unelected. Members are nominated by the national governments of individual member states and appointed for a fixed period of time. Typical of the appointees are New Labour architect Peter Mandelson and Jean-Claude Junker, who was for 20 years the president of Luxemburg, a country that primarily exists to act as the world’s biggest tax haven. The Commission alone has the power to initiate legislation, three types of which—regulations, directives and decisions—are binding. It mediates between member states, upholds treaties against attempts by any member states to break them, and represents the supposedly collective interests of member states externally. It is occasionally argued in response to criticisms of ‘bureaucracy’ that the number of staff employed by the Commission is relatively small compared to that of most nation-states. This is true, but irrelevant, since the issue at stake is not the size of officialdom, but the untrammelled power which it wields.

We should note that these institutions show as little regard for infringements of democracy in member states as they do in relation to their own practice. Agata Pyszik notes that Hungary ‘met with criticism from the EU not when its human rights were abused’ but ‘when Victor Orban’s government threatened the EU with a ban on imports’:
The European Union didn’t react to President Orban marginalising the opposition’s legal rights. It didn’t react to a government minister’s recent racist comments on Jews and Roma, comparing them to animals and bringing back the rhetoric of Nazism. It did intervene, though, when Hungary started to limit free trade. The message is: we don’t care about your politics, unless you’ll mess with our economic requirements.72

Do any of the institutions have democratic legitimacy? The European Council has been claimed as a democratic body, but a closer inspection reveals illusionary nature of such an assessment. If the Commission is a supranational body, the Council is an intergovernmental one. It consists of the heads of state or heads of government of the member states, who are of course elected in their own countries, but as Offe writes: ‘Its democratic legitimacy is limited by the fact that members, while certainly being elected into their offices of prime minister etc., are thereby mandated to serve the good of the country in which they have been elected, not that of the European Union. Members of the EC thus rule over and make decisions binding populations that have not elected them nor can they vote them out of office.73 Yet they do come together to act as a governing body over Europe. It proceeds by ‘consensus’—in other words what is acceptable to France and German axis, and increasingly, to Germany alone. No votes are conducted or minutes taken, and decisions are signalled by the President arriving at ‘a conclusion’.

But surely the European Parliament at least can be truly described as democratic? It is of course made of elected representatives, but their power is severely limited. Perry Anderson’s summary of its lack of power concludes with an appropriately contemptuous analogy:

…formally the ‘popular element’ in this institutional complex, as its only elective body. However, in defiance of the Treaty of Rome, it possesses no common electoral system: no permanent home…being confined to simple yes/no votes on the community budget as a whole; no say over executive appointments, other than the threat in extremis to reject the whole Commission; no right to initiate legislation, merely the ability to amend or veto it. In all these respects, it functions less like a legislative than a ceremonial apparatus of government, providing a symbolic façade not altogether unlike, say, the monarchy in Britain.74

These structures are one reason why we should reject claims that the EU is as amenable to reform as any nation-state. In fact, it is much less so. This is not, as is sometimes claimed, an argument for British or any other form of nationalism.75 It is an argument for democracy—or at least for as great a degree of democracy as can be achieved under bourgeois rule. Capitalist states are permanent structures until they are overthrown, although they can adopt different policies according to the political parties or coalitions which oversee the apparatus at any time, and these can be more or less–usually less–beneficial to working class and oppressed groups. In the case of the EU, the balance between unelected state managers and elected representatives is even more heavily weighted in favour of the former than in its constituent members. Reforms are never easily achieved, particularly under neoliberalism, since it has removed several mechanisms from control of states. Nevertheless, it is not impossible—even in Britain. It is at least conceivable that Bernie Sanders could have become President of the US and that Jeremy Corbyn might yet become Prime Minister of the UK; it is not conceivable that any comparable figure could play a comparable role in the EU, not least because these offices do not exist. In any event, it would be easier to achieve reforms in Washington or at Westminster than in the EU, where it requires winning unanimity in the Council, and there is more possibility of simultaneous revolutions in all soon-to-be-27 member states than of this happening.

Given its ferocious commitment to maintaining the capitalist order, it is unsurprising that the overwhelming majority of the British capitalist class wanted to stay in the EU. 85 percent of Confederation of British Industry members supported Remain while 5 percent supported
Leave. ‘Britain has long had a mid-Atlantic policy’, noted Tony Norfield before the referendum, ‘being drawn to continental Europe for much of its business, but maintaining a wide range of non-European interests, including political, military and spying arrangements with the US.’ His conclusion was: ‘The last thing the UK’s large corporations would want to do is leave the EU, with the risk that trade and investment relationships might be affected, and with a knock-on effect for the City’s business.’ British companies are currently part of the so-called passporting system whereby a bank or other financial institution deemed to have met EU regulatory standards is authorised to trade in one member state of the EU or European Economic Area (EEA—i.e. the EU plus Norway, Iceland and Lichtenstein) and is thereby also authorised to trade in any other state; if this is withdrawn—which it almost certainly will be when Brexit eventually begins—they may have to move to other bases on the European mainland. Similarly, Britain has currently over $1 trillion stock in foreign direct investments and is the site of nearly 500 multinational headquarters, mostly in London and the South-East of England: in large part this is because of easy access to Europe.

Social neoliberalism versus right-wing populism: ‘component parts of one and the same system’

Given the nature of the EU outlined above, what could possibly persuade socialists that it was worth defending? Yanis Varoufakis wrote shortly before the French Presidential election that, ‘the decision of many leftists to maintain an equal distance between Macron and Le Pen is inexcusable. The imperative to oppose racism trumps opposition to neoliberal policies’. Leaving aside the extraordinary notion that neoliberalism does not itself generate racism, we should be grateful to the former Greek Finance Minister for stating the position so clearly and unambiguously: our duty is to defend the mainstream positions of the capitalist ruling class. And he applies the same logic to the EU itself—even after all that Greece has been subjected to by the Troika—arguing in the introduction to a recent pro-EU collection of essays that: ‘The disintegration of this frustrating alliance [i.e. the EU] will create a vortex that will consume us all—a postmodern replay of the 1930s.’ Now the stakes have been raised: the threat is not simply racism, but fascism.

These arguments do not necessarily involve fantasies that the EU is institution capable of advancing working-class interests, or even that it can be transformed into one; indeed, some have no illusions in the EU at all. A principled Labour left-winger like Ed Rooksby, for example, was able to put the case for Remain in its strongest form, precisely because he takes seriously the word ‘evil’ in the phrase ‘lesser evil’, and eschews any claims for progressiveness such as those made by cheerleaders for Clinton or Macron. He argues that it is only because the alternative was even worse that we should have cast our votes to stay in the EU: Any realistic assessment on the part of the radical left of the likely consequences of a victory for either side had to conclude that neither a victory for Remain nor for Leave would constitute a positive outcome. The real question was not so much which side we should want to win, but which of them we should desire most to lose. For many of us, except a small band of Left Exit (‘Lexit’) campaigners, it was very clear which of the two was the least worst option. For while Remain promised little other than business as usual (neoliberalism, austerity, ‘sensible controls on immigration’) under the aegis of continued membership of the EU, Leave represented something much darker and more dangerous. In the end the worst worst option emerged victorious. We have to be absolutely clear about this and indeed about how bad things now are. The Brexit vote is a major triumph for forces of national chauvinism, xenophobia, racism and the hard right. As such it is a catastrophe for workers—particularly immigrant workers—and the left.
Others went still further, arguing in effect for abstention. The editors of the journal *Salvage* have as few illusions in the EU as Rooksby, and the bulk of their statement on the eve of the referendum was weighted towards explaining exactly why that EU should not be supported by the left, before setting out what they saw as the respective implications—negative in different ways—for left supporters of both Leave and Remain: ‘Any left pro-Brexiter who believes a Brexit vote is a triumph for them is deluding themselves: it will inaugurate a crowing reaction. Any radical Bremainer celebrating a future win is celebrating the success of Cameron’s strategy of Europe-wide neoliberalism in the service of British capital and the state.’

However, the perfectly balanced judgement contained in these two sentences indicates what I see as the problem with the editorial position, that of false equivalence. Take the very title of the editorial, which is a variant of the ‘neither Washington nor Moscow’ slogan first raised by Max Schachtman’s Worker’s Party and later adopted by the International Socialist tradition. ‘Neither Westminster nor Brussels’ is in fact subtly different from the original refusal to take sides in the Cold War. In a British context, the latter meant opposing the US-dominated West while rejecting claims that the USSR-dominated East represented a better alternative: exiting from one camp did not mean entering the other. But this is not what is involved in the *Salvage* reworking. Unless you are lucky enough to live in Scotland, there is no mechanism by which to reject both Westminster and Brussels: whether one abstained or not, there was always going to be an outcome involving one or the other, staying or leaving. So: which? Unlike Rooksby, the editors would not call for a Remain vote, but their reasons for refusing to support Leave are the same as his: the domination of the campaign by the hard right.

If [the left] lines up now behind Brexit, given the massive and overwhelming centre of gravity of the debate, what it is supporting is the actually-existing-Brexit, which has been defined by the racist, nationalist right. In the case of a win for this Brexit, it is those forces that have won, and those forces that stand to gain. This is not to say that a movement for left-Brexit could never be built – and there is an argument that that is a task that must, with immense care, begin. What is certain, however, is that at this moment, in the context of a public debate in which the running for exit is being made by the baying Europhobe right, there is no space for a radical position to be anything but utterly marginal. To join the campaign for this Brexit now would grant a life-long free pass to the Carnival of Reaction. If Britain votes for exit, the universe will not know or care of the impeccable socialist reasoning behind the small proportion of radical Brexit votes. It will know that Farage, IDS, and the pro-borders hard right have got what they wanted.

There are a number of sleights-of-hand in this passage. No-one on the left argued for joining the right-wing Brexit campaign, but rather organised their own; and the emphasis on perceptions and narratives comes uncomfortably close to post-modern claims that reality has no existence outside of its media representations—or worse, that reality is actually created by them. These excesses aside, however, Rooksby and the *Salvage* editors represent, respectively, the strongest cases for supporting the lesser evil and for abstention in the face of equivalent evils. Nevertheless, if we look at the range of arguments for either Remaining in the EU or at least not arguing to Leave, from those with illusions in the EU to those which are militantly hostile to it, there are a number of reasons why they are wrong.

**Misunderstanding and indeterminacy**

The first and most abstract point is the Voting for a right-wing individual (like Trump) or party (like UKIP) is, in effect, to support the entirety of their programme, however incoherent it may be. No-one on the left could seriously advocate this: ‘the worse the better’ has never been a serious strategic orientation. But voting for a demand which a right-wing individual or party
happens to support is not the same. It is perfectly possible for two groups of people to support the same outcome in the expectation that it will have, not only different, but diametrically opposite effects. When this happens, it is usually for one of two reasons: either one group has simply misunderstood the situation—in other words, the two opposing groups cannot both be right and the meaning of the outcome will be different from what one of them expects; or because the situation is genuinely indeterminate—in other words, the outcome will be decided by what the different groups do, both in the process leading up to it and in the aftermath. I will illustrate this with an example from the history of the Russian Revolution, recently the subject of an entire book, which combines both misunderstanding and indeterminacy.

When the February Revolution broke out, Lenin and several members of his immediate circle were in exile in Switzerland. Desperately worried that the revolutionary crisis would conclude with the formation of a Provisional government committed to continuing Russia’s role in the war, Lenin wanted to return to Russia to argue that socialist revolution was now on the agenda, but was unable to do so because of the barriers to cross-border travel imposed by the conflict. There was only one realistic way of reaching Russia, but this involved requesting and then accepting the assistance of one of the imperialist powers then engaged in devastating Europe: Germany.

Catherine Merridale notes that when the idea was first mooted, ‘Lenin’s initial response to the idea was dismissive’, for ‘to accept the assistance of an enemy in time of war would have been to expose himself to charges of treason’. These charges were indeed raised in July 1917, but ultimately Lenin had no choice; his only solution was to approach the German Embassy. The General Staff does not appear to have previously considered sending Lenin back to Russia, but agreed once his proposal had been made. As a result, the Bolshevik leader and thirty-one of his comrades were provided with the famous ‘sealed train’ which took them from Switzerland, though Germany and Sweden to Finland and hence to Petrograd where he shortly afterwards unveiled the April Theses. While in Stockholm, Lenin told his Swedish hosts, …it was imperialist Britain, fragrantly blocking all the obvious routes from Switzerland, that bore responsibility for forcing him to go through Germany at all. It was true, he granted, that the Germans hoped to benefit from his return, but they were making a mistake. ‘The Bolshevik leadership of the revolution’, he concluded, ‘is much more dangerous for German imperial power and capitalism than the leadership of Kerensky and Miliukov.’

Yet the day after Lenin’s arrival at the Finland Station, the German Foreign Ministry Liaison Officer Grunau at the imperial court forwarded a note from the political section of the General Staff at Stockholm: ‘Lenin’s entry into Russia successful. He is working exactly as we would wish.’

Erich Ludendorff and the other members of the German High Command facilitated the return of Lenin to Russia, knowing that this was likely to lead to the greater radicalisation of the revolutionary process. In effect, they were prepared to see socialist revolution take place in Russia, because it would mean the withdrawal from the War by one of the Triple Entente, thus freeing up military resources which had been pinned down on the Eastern Front and allow them to be reallocated to the struggle with Britain and France. A further consideration was that Germany would be able to take advantage of Russian weakness to seize part of the former Tsarist Empire—which it did by briefly securing control of the Baltic States in March 1918 following the Treaty of Brest-Litovsk. As S. A. Smith writes in his recent history of the revolution, the eventual terms were ‘punitive’ and meant that ‘the Baltic states, a large part of Belorussia, and the whole of the Ukraine were excised from the former empire, with the result that Russia lost one-third of its agriculture and railways, virtually all its oil and cotton production, three quarters of its coal and iron. The Treaty effectively made Germany dominant
throughout eastern and central Europe’. German State Secretary Hintz wrote shortly after the Treaty was signed:

What do we want in the East? The military paralysis of Russia. The Bolsheviks are taking care of this better than any other Russian party, without our contributing a single man or a single penny. We cannot demand that they…should love us for squeezing the country like an orange… We are not cooperating with the Bolsheviks, we are exploiting them. That is what politics is about.

It is obvious why Lenin accepted help from the military wing of the German ruling class: he had no other realistic prospect of getting back to Russia and consequently of influencing events. He did not, of course, give political support to the German war aims, but did bringing down the Provisional Government not ‘objectively’ contribute to strengthening one imperialist alliance over another? Was Lenin not ‘playing into the hands’ of the German High Command? For Lenin, short-term German advantage was acceptable because his analysis led him to believe that the whole of Europe was on the verge of revolution, regardless of which imperialism had achieved momentary supremacy. In these circumstances the creation, survival and example of the Soviet republic took precedence over all else. Tariq Ali summarises both expectations of German militarists and Russian revolutionaries: “Even if these madmen succeed [said the Kaiser] once we’ve won the war we’ll crush them.” Lenin’s response to this remark was swift: a German revolution was on the way that would permanently settle accounts with the Hohenzollerns. In his History of the Russian Revolution Trotsky records Ludendorff’s final judgement on the decision to allow Lenin back to Russia: “I could not suppose” so he justifies himself, speaking of the Russian revolution, “that it would become the tomb of our own might.” This merely means that of the two strategists, Ludendorff who permitted Lenin to go, and Lenin who accepted his permission, Lenin saw farther and better.

Trotsky here highlights Ludendorff’s misunderstanding what the outcome (Russia’s revolutionary departure from the war) would involve; but it seems more accurate to emphasise the indeterminacy of that outcome. For the Russian Revolution did initially allow Germany to transfer troops from the former Eastern Front to the Western Front and, although total victory was never going to be possible after the failure to achieve it early in the conflict, a negotiated peace could have been achieved which left Germany in a stronger position than before August 1914. What rendered this impossible, and led to German defeat, was the policy of submarine warfare which led to the sinking of US ships, which in turn provided the excuse for US entry into the war. Smith writes that: ‘Lenin’s calculation that the treaty [of Brest-Litovsk] would be short-lived proved to be correct, albeit not for the reason—a socialist revolution in Germany—on which he banked.’ By this he means that German territorial gains were lost following defeat in the field and not overturned by revolution at home; but this is an extraordinarily foreshortened analysis. The German Revolution that Lenin anticipated had been building throughout the later stages of the war and broke out on 6 November with the mutiny of sailors who refused to be sent on a suicidal attempt to reverse Germany’s impending military defeat. And, if not this precise event, then something of the sort, was what Lenin had rightly argued was going to take place.

I am obviously not comparing the Russian Revolution to the UK referendum on leaving the EU, but in both cases there were issues of misunderstanding and indeterminacy involved. Indeed, you could argue that the German High Command had a far more plausible argument for supporting the Russian Revolution that the right-wing Brexiteers had for exiting the EU, since the former event at least had the possibility of delivering their geopolitical goals, but the latter was never going to work to the benefit of British capitalism.
**Lesser evils and immediate dangers**

In a sense Draper’s argument about how Social-Democratic acceptance of the doctrine of the lesser evil in Germany during the early 1930s led to disaster did not go far enough. Trotsky’s writings on Germany are central to any discussion of this subject, but he rejected the notion of the lesser evil:

We Marxists regard Brüning and Hitler…as component parts of one and the same system. The question as to which one of them is the ‘lesser evil’ has no sense, for the system we are fighting against needs all these elements. But these elements are momentarily involved in conflicts with one another and the party of the proletariat must take advantage of these conflicts in the interest of the revolution. … When one of my enemies sets before me small daily portions of poison and the second, on the other hand, is about to shoot straight at me, then I will first knock the revolver out of the hand of my second enemy, for this gives me an opportunity to get rid of my first enemy. But that does not at all mean that the poison is a ‘lesser evil’ in comparison with the revolver.92

Trotsky is making two points here. One is to draw a connection between fascism and the representatives of ‘everyday’ capitalist exploitation—a point of the utmost relevance to this discussion. As Liz Fekete points out:

Neoliberalism is not just an economic project. It is also deeply political, an attempt to transform the state from within, merging nation states into interconnecting market states. To date, the EU supranational entity, with its weak parliament and unaccountable European Commission, has been central to that process. Through subordinating ‘social Europe’ (social protection and equality) to the interests of global corporations and global finance (competition law and market efficiencies), those who drive the European Commission may have created the conditions for the EU’s nemesis—nationalism and, following Brexit, potential dissolution.93

What Fekete identifies here is the *symbiotic* relationship between social neoliberalism and the new hard right, in particular, the way in which the former recreates the conditions for the latter to emerge. ‘The cosmopolitan identitarianism of the leaders of the neoliberal age…calls forth by way of a reaction a national identitarianism’, writes Streeck, ‘while anti-national re-education from above produces an anti-elitist nationalism from below.’94 Varoufakis himself recognises the relationship, as he recalls in his memoirs:

During my discussion I often warned them that crushing us was not in their interests. If our democratic, Europeanist, progressive challenge was strangled, the deepening crisis would produce a xenophobic, illiberal, anti-European nationalist international. This is exactly what happened after the crushing of the Greek Spring.95

The tragedy here is that Varoufakis still imagines that his opponents were making a choice, rather than following the logic of their position. There *is* a genuine parallel with the rise of fascism here, but not the one that is usually imagined. In his classic account Robert Paxton notes that one of the preconditions for fascism to emerge was:

The Left…had to lose its position as the automatic recourse for all the partisans of change—the dreamers and the angry, among the middle class as well as the working class. … Indeed, fascists can find their space only after socialism has become powerful enough to have had some share in governing, and thus to have disillusioned part of its traditional working-class and intellectual clientele.96
The parallel is this: the liberal and reformist left have, until relatively recently at any rate, ‘had some share in governing’ the social neoliberal order—and more than simply a share: as I have argued here, the EU, Clinton and Blair were to large extent responsible for imposing it. The populist reaction is therefore not simply a displaced one against the depredations of capitalism in-general but a capitalism which has been guided and defended by politicians and their ideological supporters purporting to be of the left. To continue supporting these forces, however ‘critically’ or reluctantly, is simply to perpetuate this dance of death, as Nancy Fraser explains:

Although [neoliberalism and reactionary populism] are by no means normatively equivalent, both are products of unrestrained capitalism, which everywhere destabilizes lifeworlds and habitats, bringing in its wake both individual liberation and untold suffering. Liberalism expresses the first, liberatory side of this process, while glossing over the rage and pain associated with the second. Left to fester in the absence of an alternative, those sentiments fuel authoritarianisms of every sort… Thus, far from being the antidote to fascism, (neo)liberalism is its partner in crime.

Fraser’s conclusion is that ‘the left should refuse the choice between progressive neoliberalism and reactionary populism’. So important is this point that I will take the extraordinary step of agreeing with Slavoj Žižek, who writes of the way in which ‘the threat of a new fascism embodied in anti-immigrant Rightist populism’ is ‘perceived as the principal enemy against which we should all unite, from (whatever remains of) the radical left to mainstream liberal democrats (including EU administrators…)’.

This question brings us to the second point which Trotsky made: the need for a sense of priority. If you are in immediate danger then you should deal with it first, before dealing with others which may be equally deadly but less pressing: hence the need to crush the Nazis before turning to the overthrow of existing bourgeois state machine. No one could possibly disagree with this, but for a parallel with the 1930s Germany to be convincing we have to accept that the threat of fascism, or at least the populist far-right more generally is an immediate danger. As we have seen, Varoufakis hints at this, but the point is made more explicitly by Marxist historian Neil Faulkner. Here, fascism is not a possible risk, but an imminent threat: we are living through a re-run of the Last Days of Weimar:

…comparison with Weimar Germany is not misplaced. The example is more extreme, but that enables us to see underlying tendencies more clearly. The German Communists welcomed the terminal crisis of Weimar Germany in 1932 with the notion ‘after Hitler, our turn’. They failed to identify the main threat and the urgent need for a defensive battle by a united working class. The crisis is not yet of this kind, but the mistake of dogmatic Lexiteers is identical: an inability to understand that the rise of the far right across Europe is a clear and present danger, and that Brexit Britain is a project driven by the right, not the left.

Faulkner does not see this danger arising from classical fascist movements, which are no longer necessary due to the weakness of the labour movement and the left:

Hitler and Franco [?] faced great working-class movements created during the revolutionary upsurge of 1917-23. By contrast, contemporary proto-fascist politicians like Donald Trump, Nigel Farage, Marine Le Pen, Viktor Orban, Milos Zeman, and others face a labour movement
hollowed out by 30 years of defeat and retreat… …the far right does not need an army of Brownshirts to make headway in early twenty-first century Europe (or America). 99

It is tempting here to paraphrase sci-fi writer Kim Stanley Robinson and say that the Weimar Republic analogy has become the last refuge of people incapable of grasping the current situation. 100 In relation to the UK in 2016, these comparisons are ridiculous.

On the one hand, they lack all historical perspective. There was a serious upsurge in both physical and verbal attacks on minority groups in Britain, including white EU immigrants, in the immediate aftermath of the vote. But the racism and xenophobia on display in those days were not caused by the result; they long preceded it and have now been given legitimacy by the demagoguery of the official Leave campaign. However, even if the result had gone the other way, I think it is likely that similar attacks would have taken place. These racists would still have regarded themselves as justified, but in defeat would have been vengeful rather than triumphant. We have to look this racist reality in its face but also be sober about its extent: most of the perpetrators will have been hard-core racists and fascists, not mainstream Leave voters. In any event, this was a spike in racist violence, not a new norm. Contrast that with the situation forty years ago.

Anyone who was politically active in the late 1970s or early 1980s will member from those years genuine no-go areas controlled by the fascist right in Birmingham and London, regular assaults on people of Asian and African-Caribbean heritage which often led to fatalities, repressive and openly racialist policing, and anti-fascist meetings or concerts which were liable to be attacked by squads of actual Nazis. 101 Here is the testimony of one writer of Asian heritage who lived through the period:

Racism in the 1970s was woven into the fabric of British society in a way unimaginable now. ‘Paki bashing’ was a national sport. Stabbings were common, firebombings of Asian houses almost weekly events, murders not uncommon. I attended largely white schools. My main memory is of being involved almost daily in fights with racists and of how normal it seemed to come home with a bruised lip or a black eye. And if you reported a racist attack to the police, they were as likely to arrest you as they were the racist. From union leaders conspiring with management to keep out black and Asian workers to immigration officers conducting ‘virginity tests’ on Asian women, racism was open, vicious and raw. 102

None of this is true today, at least on anything like the same scale. On the other hand, it assumes that because the ‘dominant media narrative’ is that Brexit is driven by racism and anti-migrant feeling this must be the case. As I have argued elsewhere, there were a series of complex and often opposed motivations for voting Leave. 103 One journalist recounts the variety of reasons he was offered in a West Midlands town which voted heavily for leave:

Speaking to Smethwick friends from white British and second-generation immigrant backgrounds, you hear support for Brexit from a diverse range of perspectives: there is the ‘Fortress Europe’ argument (people of Commonwealth origin not being able to move to the UK, because preference is given to EU citizens); British Asian shopkeepers who don’t like the Polish shops stealing business; an objection to the Thatcherite capitalist structure enshrined in the EU. Underlying all these things is a powerful revolt against what is perceived to be a self-serving political elite. 104

Yet Smethwick is part of the parliamentary constituency of Warley which returned a Labour MP in June 2017 with over 67 percent of the vote. In other words, it is simply not the case that everyone who voted Leave had bought into a populist right agenda. The fate of UKIP
demonstrates this. In the aftermath of Brexit, the air was thick with predictions that UKIP would sweep all before it, with Nigel Farage perhaps acting as Deputy Prime Minister to a Tory Brexiteer. In the subsequent 12 months, UKIP lost all 145 of its seats in the council elections of May 2017, lost its single parliamentary seat in June 2017 and saw its share of the vote fall from 13 percent in 2015 to 2 percent today. Nor have UKIP voters simply moved to supporting the Tories–some certainly have (and many of these are returning working-class Tories), but many moved to Labour. More generally, if anti-migrant, anti-Islamic racism was genuinely sweeping all before it, the dominant narrative in the aftermath of the terrorist attacks in Manchester and London would not have been solidarity, unity and the excellence of our public services. If politics had moved so decisively to the right, then support for the Labour Party during the General Election campaign would not have risen as relentlessly as it did–including in areas that voted for Leave–to the point where Corbyn was being seriously considered as a candidate for Prime Minister has on the basis of Labour’s most-left wing manifesto for over 30 years. The UK is subject to multiple crises, as we shall now see–but the imminent threat of fascism is not one of them.

The Triple Crisis

As we have seen, Brexit involved both misunderstandings on the part of the right-wing Brexiteers and indeterminacy in relation to the outcome–and following the UK General Election of 2017 that outcome has still very much to be decided. The class struggle is not a zero-sum game in which the weakness of one side automatically translates into the strength of the other. If the left is divided and the working class is organisationally weak, as they are, then this is obviously to the advantage of the ruling class; but neither of these conditions means that all their other ideological, geopolitical or economic problems have simply vanished. We need to start from this, and not conjure up an invincible enemy which exists in our imagination, which supposedly require us to endorse a supposedly ‘lesser evil’–that is simply to repeat the errors of the British left during the 1980s, when Thatcher and her governments were assumed to have an underlying level of popular support they did not in fact possess–and the present Tory Government is far weaker than any of hers.

Brexit is both a product and an accelerant of three specific crises currently facing the British ruling class. In ascending order of seriousness, these are the crises of party, of strategy, and of state. Historically, these crises have tended to occur separately. In relation to strategy, obvious examples would be British ruling class miscalculations over Suez in 1956 or Iraq in 2003. In relation to party, we think of the divisions within the Conservative Party over the Corn Laws in 1846 or the Liberal Party over Irish Home Rule in the 1880s. But these types of crises are relatively common; state crises are relatively rare and tend to be local manifestations of a wider global upheaval. And there have only been three in the last century. The first ran from 1916 to 1921, from the Easter Rising in Ireland to the defeat of the Triple Alliance, with 1919 being the key year. The second one extended from 1968 to 1975, again involving massive working-class insurgency and war in Ireland, but also the anti-Vietnam War campaign, the women’s liberation movement, and other struggles against oppression: here, 1972 was the decisive year. The third state crisis opened in 2011 and was signalled by a series of disparate manifestations which were all ultimately connected by opposition to the austerity regime of the then ruling Coalition: inner-city riots in London sparked by police shooting of a black youth, student demonstrations and riots against tuition fees, public sector mass strikes and the election of a majority Scottish National Party (SNP) government to the Holyrood Parliament. In some ways, the last named was the least obviously radical, but it made holding a referendum on Scottish independence inevitable and hence threatened the territorial integrity of the British state in a way the others did not.
Take the crisis of strategy first. The inability of the political leadership of the British ruling class to think in strategic terms has been clearly demonstrated by Theresa May’s decision to call a snap General Election. This was, of course, the third major gamble taken by the Tory Party leadership in five years, following the Scottish independence referendum, where it narrowly succeeded, and the EU referendum, where it even more narrowly failed. The problem facing the Tories after the Brexit vote can be quite simply stated: they have been the main party of the British ruling class for over a hundred and fifty years, yet, because of a decision taken for internal party reasons—to see off the threat from UKIP and to resolve their divisions over the EU—they are now responsible for implementing a policy which is opposed by the vast majority of that class. This is one horn of the Tory dilemma. Some analysts have argued that this hostility on the part of business will derail the Brexit process. At the conclusion of a useful account of the relationship of British capital to the EU, Christakis Georgiou writes:

That most big business executives—in the City or otherwise—as well as the most important departments of state including the Euro-sceptic Treasury (let alone the Foreign Office, despite its diminished standing) are opposed to it not only indicates that a simple referendum result would be insufficient for the strategy to be implemented but also that the British ruling class is aware of its limitations. British capitalism has come to depend on membership of the EU and the latter is not going to go away.105

But it is not clear that the vote can simply be ignored. One way of resolving the situation would be to try and negotiate what is sometimes called a ‘soft’ Brexit—in other words one which the UK’s relationship with the EU is as close to membership status as possible, above all through access to the single market. The remaining member states and the institutions will only grant such an arrangement, however, if the UK accepts the free movement of people in return. British capital would welcome this solution but it would impale the government on the second horn of its dilemma. A soft Brexit would leave the Conservatives unable to stop immigration or even ‘take control’ of it. German Prime Minister Angela Merkel has made it quite clear that if a post-Brexit Britain wants to be part of the single market it will have to accept free movement of people: the Leave campaign have stoked up demands which are actually impossible to satisfy.

May’s decision to call an early election was a desperate attempt to resolve this contradiction, and appears to have involved four calculations. At some level May was aware that, whatever form it ultimately takes, the Brexit over which she (at the time of writing) will preside will not benefit the majority of the British people, including the section which voted for it. It would therefore be in the best interests of the Tory Party to secure another five years in office before the disaster begins to unfold, a process otherwise inconveniently synchronised with the next scheduled election in 2020. The temptation to circumvent this outcome will have been heightened by the chance to take advantage of a Labour Party suffering historically low levels of popular support, with a supposedly unelectable leader and so badly-divided internally that even the pretence of unity would collapse under the pressures of the campaign.

These two calculations were obviously not stated openly, but the remaining two constituted, as it were, the official reasoning. Winning an election victory could therefore be claimed, however unjustifiably, as advance endorsement of whatever deal—or no deal—that May is either able to achieve or is forced to accept. It would, in other words, be used to argue against any demands for a further referendum to ratify the eventual agreement between London and Brussels. May also claimed that an enlarged Tory majority will increase her freedom of manoeuvre in the negotiations: but in relation to whom? The European Parliament’s chief negotiator Guy Verhofstadt has stated that his team regard the scale of May’s mandate as irrelevant and, although his views have been dismissed by liberal commentators, there is a sense in which he was telling the truth. The EU would have preferred the UK to remain and
representatives had previously hinted that the very narrowness of the Leave victory might offer the possibility of a rethink–referendum. Decisions by member states have been rerun or ignored in several other contexts, after all.

But any perceived increase in support for Brexit, such as that signalled by a Tory landslide, would remove any chance of the Brexit outcome being reversed, and consequently any incentive negotiators may have had to make concessions. (Nevertheless, we can only admire the audacity, and perhaps wonder at the naivety, of those Tory Brexiteers who rail against the unelected bureaucrats of Brussels, but now expect them to respect elected outcomes, even though they have never done so in the past except where these aligned with EU objectives.) No, the main group against whom May needs to bolster her support are the hard-right Brexit ultras of her own party whose intransigence is threatening to turn a crisis for British capitalism into a catastrophe. May evidently believed that an increased majority would reduce her reliance on them. In other words, she was not seeking a mandate for a hard Brexit, but a mandate to avoid one: this is what ‘strengthening her hand’ actually means. But this was unlikely to have been the case given that Tory candidates will be elected precisely because they cleave to hard Brexit positions, if only to attract the votes of former UKIP supporters, which suggests some of the desperation involved.

The gambles of 2014 and 2016 led to one near and one actual unintended outcome; but May clearly thought that this snap election did not involve a risk of similar proportions. After having proclaimed the necessity for a landslide, anything less was going to be regarded as a disaster for the Tories. But this gamble, like the EU referendum, has also failed and, as I write, the disaster is unfolding with—as Rosa Luxemburg liked to say—all the inevitability of natural law.

This takes us to the crisis of party. It was clear even before the General Election that the Tories have no idea how to proceed. The details leaked to the Frankfurter Allgemeine Sonntagszeitung about the Downing Street dinner held for European Commission President Jean-Claude Junker and his negotiating team reveal a British side which is apparently uncomprehending about the technicalities of the withdrawal process, over-optimistic about the speed at which the different aspects can be agreed and deluded about the terms which the UK can expect to be offered. Now, the quality of British ruling class leadership has certainly declined terribly over the last seventy years, but their ineptitude is not because the politicians involved are particularly unintelligent—in the majority of cases, anyway, there is always Liam Fox—but rather their situation has rendered them so. I earlier quoted Adorno to the effect that stupidity was not a natural quality, but one socially produced and reinforced, as it certainly is in the case of the contemporary Tory Party. We are not, in other words, faced with a leading group finely attuned to the needs of their class and implementing carefully considered strategies for meeting them, but one desperately scrambling around for the least bad of the available options.

In these circumstances, the expressions of serenity which cling to the faces of Davis, Fox and Johnson and they bumble from one diplomatic gaffe to another is not because they have a Cunning Plan unknown to the rest of us, but precisely because they do not. As Alan Finlayson has observed, there is ‘an unusual political philosophy’ behind ‘Brexitism’: ‘“You don’t know what will happen”, these Brexeters will say if they catch you speculating as to the likely negotiating position of Estonia or the prospect of continued passportsing rights for London-based banks. “Nobody can know the future”.’ But perhaps this is less about the impossibility of prediction as a refusal to consider what it might involve. ‘They...see rainbow dreams as they drown’, as Trotsky wrote of another ruling class similarly groping with sightless eyes towards destruction, almost exactly a hundred years ago.

The problem for British capitalism is compounded by the fact that there is no obvious alternative ‘party of capital’ on which it can rely. For the moment at least, the Labour Party cannot play this role—no longer because of its internal divisions, but because it has moved
decisively to the left, a turn which has proved electorally popular. The continuing unbridled hostility of the majority of Parliamentary Labour Party to Corbyn is not because, as they previously claimed, they fear he will inevitably lose a General Election, but precisely because, after the 2017 result, they now fear he would win one—and the next may not be far off. The Labour Party could remain in its current divided state, or be either transformed into an organisation nearer to the new reformist formations which have emerged in the South of Europe, or it could fragment entirely. But the party crisis is wider than the changes within the Labour Party—indeed, in some ways this transcends individual organisations to threaten the party system itself. The Tories are the largest party in England, but no longer completely dominant in face of the Labour revival; Labour is dominant in Wales, the SNP, although weakened are still the largest party in the Scottish Parliament and have the most Scottish MPs at Westminster, and the Democratic Unionist Party and Sinn Fein are now almost evenly matched in Northern Ireland. There is no longer a single party which commands support across the whole of the UK—an unprecedented development in the history of the British state.

And so, we turn finally to the crisis of that state. As noted earlier, it began in 2011, in the context of the long depression which began three years earlier, when the SNP first got elected with a majority government in Scotland. The 2014 referendum which followed was a close call, but what Brexit has put on the agenda is of course the possibility of a second Scottish referendum, more quickly than I or most other people thought possible in 2014. The loss of Scotland would be infinitely more important to the British State than the loss of part of Ireland, for if Scotland goes then the United Kingdom is well and truly finished. And yet here too the question of the EU has had an impact. The SNP responded to the Brexit vote by arguing for a second independence referendum on the basis that the majority of Scots voted Remain, and it was this which cost it votes and seats in the General Election. Scotland remains the weak link in the structure of the British state. One of the key issues facing the left in Scotland is to argue, against the SNP (and the Scottish Greens), that the question of Scottish independence from the UK and Scottish membership of the EU are entirely separate questions.

Conclusion

The task of the left is to build an alternative to the different political wings of capital: the real neither/nor formulation today is neither social neoliberalism nor right-wing populism but international socialism. And if the left is not yet in a position to offer a concrete organisational form as an alternative, it must still argue against the capitulation to the former or the alternative will never be built, the evasion will never stop, because reactionary populism is not going to vanish: there will always be a Trump or a Le Pen, or a Farage whose defeat requires us to support a Clinton, Macron or Juncker. In this scenario, we will be told once again that our duty is to support the dominant faction of the capitalist ruling class. And once the support has been delivered, the neoliberal saviours will continue with the very policies which helped produce the racism in the first place. The resurgence of the Labour Party in the UK under Corbyn’s leadership has meant that, quite unexpectedly, an alternative is now available. It is not a revolutionary one, and no-one should pretend that the structural impediments to parliamentary socialism have magically vanished: but it does mean that we are no longer simply faced with a choice of evils and this may demonstrate that if this is possible in the UK, birthplace of neoliberalism, it may also be possible elsewhere. It is at any rate surely time to put the notion of ‘the lesser evil’ out of its misery and give it the pauper’s burial it deserves.

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The next three sections draw on chapters 7 and 8 of my Nation-States: Consciousness and Competition (Chicago: Haymarket, 2016).


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For the record, I regard Russia as the main imperial threat to Ukraine, not the EU.


Christopher Hermann and Ines Hofbauer, ‘The European Social Model: Between Competitive Modernisation and Neoliberal Resistance’, Capital and Class 93, special issue on The Left and Europe (Autumn 2007), 132.


Bieler and Schulen, ‘European Integration’, 233.


Ibid, 167-172.

In so far as it does attempt to act in its own interests—in the Ukraine, for example—it has proved to be ineffectual. For the record, I regard Russia as the main imperial threat to Ukraine, not the EU.


66 The slogan another Europe is possible completely elides the difference between the continent and the European Union.
71 Streeck, Buying Time, 105.
73 Offe, Europe Entrapped, 111.
78 Yanis Varoufakis, ‘Why we must save the EU’, in Free Movement and Beyond, 24.
81 Ibid, 16. For the purposes of full disclosure, I should point out that this argument is partly directed against my article, ‘A Socialist Case for Leaving the EU’: http://socialistworker.org/2016/03/24/a-socialist-case-for-leaving-the-eu (posted 24 March 2016); see Allinson, Mieville, Seymour and Warren, ‘Neither Westminster nor Brussels’, 18.
82 Catherine Merridale, Lenin on the Train (London: Allen Lane, 2016), 136.
83 Ibid, 195
84 Ibid, 241.
86 Merridale, Lenin on the Train, 253.
90 Smith, Russia in Revolution, 157.
92 Leon D. Trotsky [1931], ‘For a Workers’ United Front against Fascism’, in The Struggle against Fascism in Germany, 103.
95 Yanis Varoufakis, Adults in the Room: My Battle with Europe’s Deep Establishment (London: Bodley Head, 2017), 482.
101 The atmosphere of the time is well conveyed in David Widgery, Beating Time: Riot ‘n’ Race ‘n’ Rock ‘n’ Roll (London: Chatto and Windus, 1986) and in the more recent memoirs of the RAR/ANL era; see for example,


