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Economic Crisis and Transformation of the State: The Roots of Authoritarian Right-Wing Nationalism

V. I. Lenin argued early in the twentieth century that bourgeois democracy is the “best political shell” for capitalism:

“A democratic republic is the best possible political shell for capitalism, and, therefore, once capital has gained possession of this very best shell ... it establishes its power so securely, so firmly, that no change of persons, institutions or parties in the bourgeois-democratic republic can shake it.” – V. I. Lenin, *The State and Revolution*.

However, in the 1920s-30s the world saw a shift away from parliamentary democracy, as fascist regimes arose in a number of developed capitalist countries, including Germany, Japan, Italy, and Spain. At that time, Marxists interpreted the rise of fascist regimes as a response by the ruling class of big capitalists to a threat from a militant working class and a growing socialist/communist movement. Since that threat to capitalism could not be defeated within a parliamentary regime with its guarantees of individual rights, those rights were suspended. The fascist governments of that era banned leftwing political parties and repressed, or tamed, the trade union movement. Following the defeat of fascism in World War II, parliamentary democracy became the norm in developed capitalism. Seeming to confirm Lenin’s argument, parliamentary democracy proved able to fend off the challenge from socialist and communist movements that at times have been strong enough to win elections and form governments.

However, recently we have seen the rise of authoritarian right wing nationalist regimes, the rise to power of right wing nationalist leaders, and rising votes for right wing nationalist political parties in many countries around the world. This has occurred in developed capitalist countries such as the USA, France, Austria, and Italy, and in semi-developed countries such as Turkey, Poland, and Hungary. The authoritarian right wing nationalism of today resembles the fascism of the early twentieth century in some respects, although there are some differences from it. This development represents a new shift away from what had been an overwhelming trend toward parliamentary democracy. That this has happened in the absence of strong socialist/communist movements or a militant trade union movement suggests that the Marxist explanations for the rise of fascism from the earlier period cannot adequately

explain the current development.

Focusing on the U.S. case, this paper argues that the roots of the recent rise of right wing nationalism are located in the conditions of the crisis phase of neoliberal capitalism, which began in 2008. It analyzes the class basis of contemporary right wing nationalism. It considers the complex relation between right wing nationalism and neoliberalism. The paper also discusses possible alternative directions of change in the political economy of developed capitalism in the coming years. The analysis in this paper offers a new perspective on the way in which a severe economic crisis can threaten the stability of a capitalist system.