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What will it take to beat the far right?

The far right feeds on economic despair and exclusion. Only policies that deliver security, dignity and belonging can starve it

From Germany and the United States to Brazil and beyond, the far right is gaining ground. While the details vary from country to country, the pattern is strikingly consistent: the far right thrives when economies fail to deliver well-being, fairness and security.

This is not a new observation. Antonio Gramsci, Karl Polanyi and other twentieth-century thinkers diagnosed fascism as a reactionary response to capitalist instability and the progressive movements that had emerged to counter its excesses. In *The Great Transformation*, Polanyi argued that the 'disembedding' of markets from social relations created fertile soil in which authoritarianism could take root.

In our own time, the New School for Social Research's Nancy Fraser has described how neoliberalism erodes social solidarity, fuelling exclusionary populism. And other analysts stress that austerity and precarity leave citizens vulnerable to simple, scapegoat-driven narratives.

Just as the Great Depression paved the way for fascism in Europe, the 2008 global financial crisis created the conditions for nationalist backlash around the world.

Thus, history demonstrates how mass unemployment, inflation and declining living standards can incubate extremism, especially when combined with weak institutions, political polarisation or narratives that exploit grievance and fear. Just as the Great Depression paved the way for fascism in Europe, the 2008 global financial crisis created the conditions for nationalist backlash around the world.

Today, we face a new iteration of the same cycle. Although Germany initially proved resilient during the COVID-19 pandemic, the energy crisis triggered by Russia's invasion of Ukraine hit it especially hard. As economists Isabella M. Weber and Tom Krebs have shown, rising energy costs cascaded through the economy, with corporate price-setting amplifying inflationary pressures. As households struggled, the far-right

Alternative für Deutschland surged in popularity.

In the US, decades of deindustrialisation, wage stagnation and rising inequality have eroded the idea that each generation will do better than the last. Former President Joe Biden's Inflation Reduction Act was an ambitious effort to revive industrial policy and boost green manufacturing, but its legacy proved short-lived. Donald Trump exploited the discontent over post-pandemic price increases and won the 2024 election by weaponising alienation and grievance, scapegoating immigrants, globalisation and 'urban elites'.

Brazil illustrates another dynamic. Millions rose out of poverty under President Luiz Inácio Lula da Silva's Workers' Party government in the 2000s, but many have seen those gains reversed, while others resent being excluded from social programmes. The digital revolution is making work more precarious. Lula has tried to restore some of the lost gains since returning to office in 2023, but he faces a Congress dominated by the far right and its allies.

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Even with Jair Bolsonaro sentenced for attempting a coup, other far-right leaders in Brazil also promise a return to order, stability and religious faith. Their rhetoric emphasises entrepreneurship and self-reliance. While emotionally appealing, the narrative that individuals are responsible for poverty cynically ignores the structural barriers that block socioeconomic mobility.

International shocks – pandemic-era supply-chain breakdowns, volatile energy markets, prolonged conflicts, the inflationary effects of climate change – have also fuelled the rise of far-right forces. Such problems demand cooperation across borders, yet extremists exploit them to attack multilateralism, portraying it as a 'globalist plot'. Trump's punitive tariffs embody this response, presenting global trade as a zero-sum struggle in which foreigners are the enemies of American workers.

Such simplistic narratives unite far-right movements more than any common set of policies. Each relies on a basic us-versus-them framing. As the Brazilian sociologist Esther Solano notes, these stories seduce those who feel abandoned, conjuring enemies out of immigrants, minorities, feminists, climate activists and others. In a binary world of winners and losers, the complexity disappears in myths of bygone cultural purity and national greatness.

Towards a new economic vision

Countering these narratives requires more than a reasoned rebuttal. If the roots of the far right's ascendance are in great part economic, defeating it will be impossible without a new economic vision.

That means, for starters, tackling inflation at its source. The recent wave of inflation was less about overheated demand than about supply shocks, profiteering and structural fragilities. Yet the economic orthodoxy still defaulted to interest-rate hikes and austerity, punishing workers and the most vulnerable. Governments must instead use fiscal tools – income support, tax relief on essentials, stronger public services – to shield households, while investing in domestic capacity in renewable energy, food security and sustainable manufacturing. Corporate profiteering must be confronted head-on through antitrust enforcement, stronger transparency rules and penalties against price gouging.

A second priority is to invest massively (and strategically) in public infrastructure. From transportation and housing to health and education, the public realm must be rebuilt. Public ownership or regulation of key sectors would ensure that services are reliable, equitable and climate-resilient. But investment alone is not enough. Institutions must be made more transparent, accountable and participatory, restoring trust that governments are serving the many.

Where the far right offers fear, division and scapegoats, democratic forces must offer solidarity, dignity and hope.

Third, we need a truly just transition to a low-carbon economy. Green industrial policy can generate jobs and revitalise left-behind regions while decarbonising economic activity. But if left too much to the market, the green transition risks deepening inequalities. The energy transition must empower workers, not abandon them. Green jobs must be good jobs — secure, well-paid, unionised and rooted in communities. To that end, industrial policy should focus on clean energy, ecosystem regeneration and care sectors.

Fourth, we must restore trust in institutions. That means delivering tangible improvements in areas like affordable housing, public health care and resilient infrastructure. It also means democratising decision-making. Mechanisms like participatory budgeting, citizens' assemblies and community-driven climate initiatives can allow people not just to witness change but to shape it.

Finally, countering the far right's simplistic narratives requires crafting bold new narratives. A message of cultural and political renewal must accompany economic reform. Where the far right offers fear, division and scapegoats, democratic forces must offer solidarity, dignity and hope, based on a narrative that emphasises collective well-being, celebrates diversity and makes progress feel possible and real.

The far right feeds on despair, insecurity and exclusion. Tinkering at the edges of neoliberalism will not deliver the security, dignity and belonging required to starve it. For that, we need a new economic model, grounded in sustainability, justice and solidarity.

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