

What's the challenge that Trump creates?

Published: January 13, 2026, 2:51 pm

Trump has regained the US Presidency, but the policies he has proposed will be disastrous for the American people, delivering chaos, inflation and high interest rates alongside fear for many. The people of the USA might have voted him out to be rid of neoliberalism, but he is not the answer to any known question. So, what is?

https://www.youtube.com/watch?v=wlsjFEnjS_o?si=0HOeOyEjiGIpEO0J

This is the transcript:

Trump has won the US presidential election. Don't expect me to be excited. I'm not.

It is only recently that I made a video suggesting that Trump is a fascist, and let me be clear, I have not changed my mind.

Trump's declared policies with regard to migration, where he wants to deport maybe 11 million people from the USA, is fascist.

Trump's attitude towards women and his desire that the state have control of their bodies is fascist.

His intention to integrate some aspects of the faith of some people in the USA into the state mantra is fascist.

His contempt for the rule of law is fascist.

His threats to his opponents, who must now be living in fear, is fascist.

I could keep going but my point is clear. Trump is dangerous from the far-right, and we

simply do not know what he is going to do. This puts the world in a very dangerous place given the power of the USA over the whole of the world economy and its supply of the world's reserve currency.

But what can we do about this? There are, as ever, a number of fairly standard reactions that we can have to a crisis situation.

We can, quite simply, ignore it. But I don't think that's a viable option.

We could walk away from it. We could just pretend that this is a problem for the USA and has nothing to do with us. But I don't think that's a viable option.

We could try to reframe it. We could say it won't be that bad. The Supreme Court, despite its domination by people appointed by Trump, won't let him do what he might want. And the fact that he's got majorities in the Senate and maybe in the House will still not prevent them putting some impediments in the way of his delivery of these programs. But I don't think that's possible either. Those reframings are not on the agenda.

So what we have to do is face this, and ask why did this happen, and what are we going to have to do about it?

Why did it happen? In my opinion, it's because of the economy, and because of Trump's ability to promote division within society based around fear.

Let's deal with the second one first. That is a classic fascist technique. If there is no division in an economy, inside a society, or inside a jurisdiction, then the fascists will create it. And Trump has.

As has been the case in the UK and elsewhere across Europe, Trump is using the issue of migration as the basis for generating fear and division and it is clear that he intends to carry through on the delivery of policies that will be deeply dangerous to those who are undocumented in the USA and to the US economy.

So, he is looking to do something that is unprecedented. He wants to expel large numbers of people from the USA in a way that we do not know how to manage. Nor does he. This is deeply worrying. But we must expect that if Trump does that, then the same might happen here.

So, what about the economy? Why is that going to be the issue that is going to be so problematic?

Firstly, it is because Trump does not have a coherent economic strategy. He's been talking about slashing government. Musk is apparently going to be brought in to reduce the scope and scale of government on an unprecedented level. This could create mayhem in the USA.

Musk cut the workforce of Twitter by 80%. He's claiming he could do the same in the USA and close down whole departments of government. This would be unprecedented and create chaos. The government of the USA exists for a reason. It is to provide stability and services, and Trump wants to upset that.

There are further dimensions of his economic policy that make no sense. In particular, his claim that he can use tariffs to replace some of existing taxes and therefore make the people of the USA better off; this is nonsense. Tariffs will impose charges on the vast majority of people in the USA at levels that they simply are not aware of at present.

A tariff does not get paid by the country exporting goods to the USA. A tariff is paid by the people of the country that imports goods. The people of the USA are going to see significant tax rises as a consequence of Trump's tariff regime and that is going to lead to inflation, the thing that he has promised to eliminate and which he identified as Biden's big economic problem.

As a consequence of these two things, Trump cannot deliver on his economic promise. That, plus the deportations, of course, that he is promising, which will disrupt labour supply. The result is that he is simply not going to be able to deliver on his promises.

The consequence of this is that Trump, who is being elected to deliver what his supporters think to be the word of God, if you like, the promise of the perpetual glory that they think is theirs to be enjoyed, will not do anything like that.

He's actually going to fail badly. What happens then? Is it just going to be a reversion to neoliberalism as was and as was represented by Harris, or is there going to be something else?

For example, are the forces around Trump going to try to retain power come what may?

Or, will there be sufficient legacy of the status quo, the rule of law, the system and constitution of US government, that there will, in fact, be future elections? And if there are future elections, what will the offering be?

Now, this, to me, is perhaps the most important point because that offering which is going to beat Trump cannot be what Trump has already defeated, which is, in effect, the neoliberalism of Harris and Biden and Obama and Clinton and all that went before them from the Democrats. That model has failed. But what is the replacement?

We have very little time to answer that question because the foundations of that alternative have to be laid now.

It has to be sustainable.

It has to deal with the problems of inequality.

It has to deliver for ordinary people in the sense of increasing their well-being.

It has to supply decent public services.

It has to remove the basis for fear in society: the fear of old age, the fear of being without housing, the fear of sickness, the fear of bankruptcy that results from those things in the US, and might here if they're privatised in the way that Kemi Badenoch wants.

We have to have answers as to how government could work, not in the way that Trump wants, not in the way that Harris wanted, but in the way that people need it to work. And that is the critical point here.

When I said we can't walk away from this, when I said we can't just ignore this, and when I said this is not just a US problem, what I meant was that we too have to think about this issue in a way that ensures that we have the answers to all the things that Labour is not going to address here, just as much as the Democrats didn't address the real issues in the economy in the USA.

If we are to avoid a future which involves Badenoch and Farage, whether in isolation or working together, delivering a far-right agenda in this country, we cannot presume that the centre-right, which is the ground that Labour now occupies, has any answer to any known problem.

We have to create a genuine left-of-centre alternative, where left-of-centre simply means that we are focused upon the needs of real people and not on the needs of finance, not on the needs of government to supposedly balance its books, and not on the needs of a short term market that is utterly uninterested in the long term consequences of its actions as seen in climate change.

That is what we've got to do. That is the agenda that we have very little time to progress. And that is what I will be working on.

Trump is a call to action for everybody who cares about the future.

He isn't the future. That's obvious. He's too old to be a part of it. But he threatens the future of billions of people.

And we've got to provide an alternative answer.