

# Yesterday, the USA took a step away from fascism

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There are moments when the institutions of law have to remind governments that they are not kings.

Yesterday's Supreme Court ruling on the legality of Trump's tariff regime in the United States did just that. Six of the nine judges in the Court told the president that his powers have limits. The executive cannot simply assume authority on spurious legal bases just because it wishes to do so. Law matters. The constitution matters. Boundaries matter.

This has large implications, because the issue being decided was never really about tariffs. It was all about power, as Trump's reaction revealed.

First, that is because economic policy is always political. Tariffs decide who wins and who loses. They shape supply chains, wages, investment and prices. They determine whether industries survive and whether communities prosper or decline. So when any leader claims the right to impose them at will, they are claiming the right to redistribute wealth and opportunity without consent. That is not about efficiency. It is about arbitrary authority.

Second, the episode reminds us that neoliberalism has always been about moving economic power away from democratic control. Fiscal rules were, after all, invented to stop spending on housing, green investment or social security, and yet billions could always appear overnight for banks or defence contracts. Trade treaties have been negotiated in secret. Tax systems are always shaped by those with access. Central banks have powers that are subject to little democratic scrutiny. Power migrates then, and it has always migrated upwards. That was what Trump was seeking to do here, and he failed. This was, then, a surprising failure for neoliberalism.

Third, institutions only protect democracy if they are willing to act. Courts, parliaments, regulators and civil services are not self-executing safeguards. They depend on people prepared to defend norms and enforce rules. When they do not, executive power expands by default. We have seen that here in the UK, with parliament being sidelined,

ministerial codes being treated as optional, procurement systems being abused, planning rules bent, and oversight ignored. Each step may seem small, but the direction of travel is always clear. Again, what happened reversed that trend in the USA. Do not doubt the importance of that.

Fourth, economic nationalism is returning everywhere, and most especially in the USA. Trump promised tariffs, reshoring and domestic industrial policy. Do not doubt it: some of that is necessary. We do, after all, need a green transition. We do need resilient supply chains. And we do need an active government. But without due process, transparency and accountability, economic nationalism becomes cronyism. Tariffs become rewards for friends. Subsidies become tools of patronage. Procurement becomes a route to enrichment. The state becomes a private prize. And economic policy becomes a weapon of war.

The consequences of that are profound.

One consequence is rising inequality. When economic power is concentrated, policy reflects the interests of those closest to power. Tax loopholes persist. Public investment is skewed. Wealth accumulates. This has very clearly been Trump's goal: like those from all far-right parties, his specific aim is to increase the wealth gap.

Another consequence is collapsing trust. People can see when rules are bent. They know when insiders benefit. They conclude that democracy is a charade and not to be trusted.

A further consequence is anger. That anger, which I [discuss in today's video](#), feeds the far right. People turn to those who promise to smash a system they believe is rigged, even if the result is worse. The politics of hate thrives on the failures of accountability.

This is why the lesson matters for Britain.

- \* We cannot build a politics of care on arbitrary power.
- \* We cannot fund social security, rebuild public services, or deliver green investment if economic decisions are made behind closed doors.
- \* We cannot ask people to trust the state if the state is captured.

So what does change look like?

- \* It begins with democratic accountability for economic power.
- \* Parliament must oversee industrial strategy and trade policy.
- \* Lobbying must be transparent and regulated.
- \* Tax justice must end secret deals.

- \* Courts must be independent and willing to act.
- \* Civil servants must be protected when they insist on legality.
- \* And fiscal rules must be recognised for what they are – political choices that should be debated openly.

Above all, we must reject the myth that economics is a technical matter beyond democratic choice. Economics is about how we live together. It is about care, security and shared prosperity.

Legal protections that uphold due processes, democracy and the rule of law are not an inconvenience. They are the foundations of a civilised economy.

When institutions say that no leader is above the law, they are not frustrating growth. They are protecting democracy. And if we want an economy that works for people rather than power, we should insist on nothing less.

Yesterday, much to my surprise, the USA made a step in the right direction and stepped back, just a little bit, but nonetheless importantly, from the fascist direction in which Trump has been seeking to drive it. For that, we should be grateful. Now we should demand more.