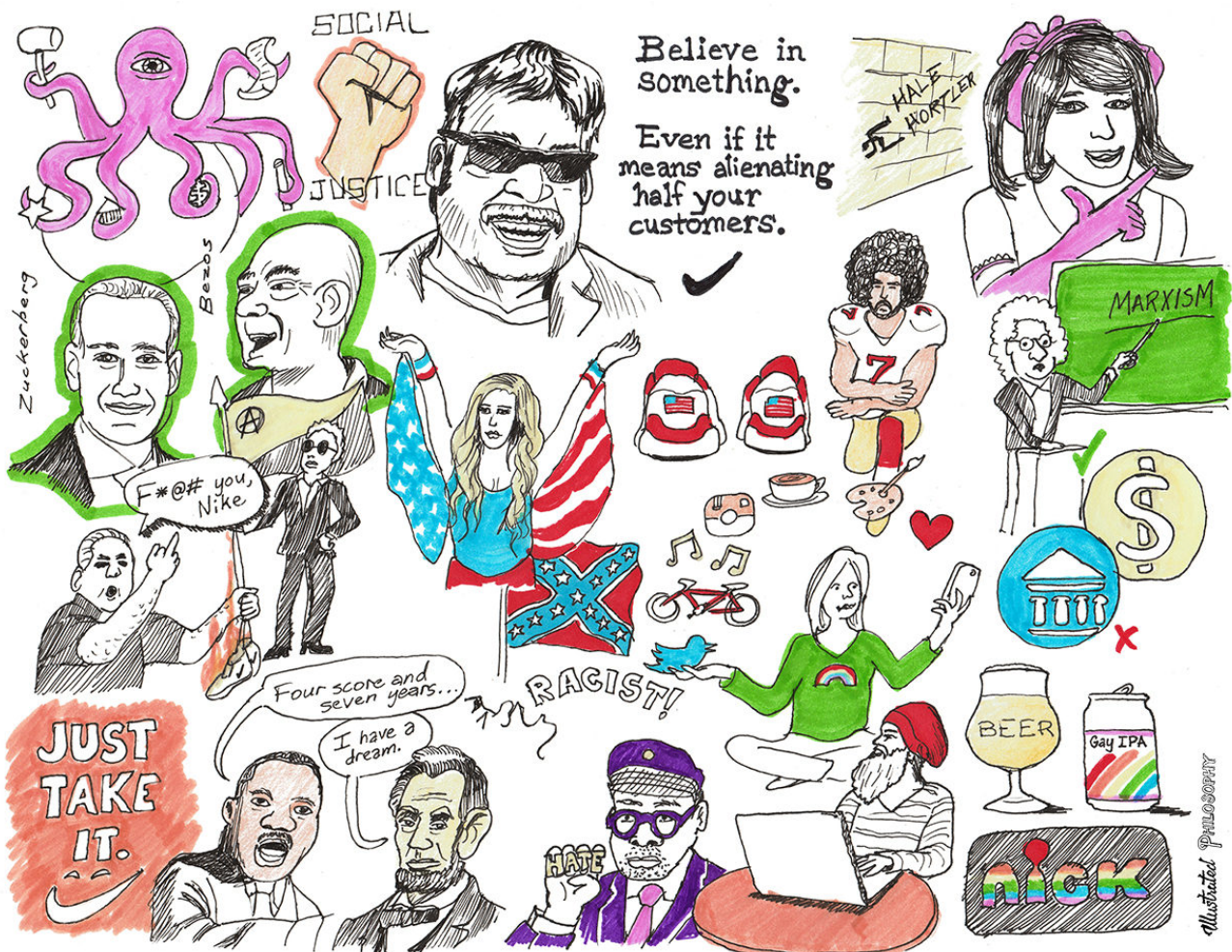


Woke capitalism and corporate socialism: Or, why American corporations are funding socialism

by Michael Rectenwald



The term “*woke capitalism*” was coined by *New York Times* token conservative commentator Ross Douthat and refers to a burgeoning wave of companies that apparently have become advocates of “*social justice*.” Many major corporations, not to mention billionaire individuals, intervene in social and political issues and controversies, partaking in a new corporate activism. The “*woke*” corporations support activist

groups and social movements, while adding their voices to political debates. Woke capitalism has endorsed *Black Lives Matter*, the *#MeToo Movement*, contemporary feminism, LGBTQ rights, and immigration activism, among other leftist causes.

The typical explanation for Corporate America's endorsements of leftist causes runs something like this. With their financial and rhetorical support of *Black Lives Matter* and other leftist movements, woke capitalists are merely placating consumers and workers, while avoiding the backlash of activists. When corporations and mega-wealthy individuals donate vast sums to *Black Lives Matter* and other leftist organizations, they curry favor with these movements and use their dollars as rhetorical cover. Some might call it extortion. But the woke corporate elite put on a happy face and appear to willingly support leftism. In the case of *Black Lives Matter*, these corporations prove that they're not "racist" and are in tune with the cultural and social trends. They elude the ever-threatening prospects of being "cancelled" by activists, who would otherwise call for boycotts of their businesses on Twitter and other social media.

A related but slightly different explanation is that woke capitalism supports the liberal political elite's policies and agendas of identity politics, lax immigration standards, sanctuary cities, and so on. In return for these endorsements, corporations hope to be spared higher taxes, increased regulations, and antitrust legislation.

What if, instead, the politics of the left actually serve the interests of the would-be corporate monopolists and that is why these corporations embrace leftism? That would mean that woke capitalism is actually the expression of corporate interests.

After all, the typical explanations fail to consider how the corporate elite's promotion of contemporary woke, "*social justice*," and outright socialist views makes the nation and

the world more amendable to leftist and socialist ideas. They also fail to account for the long-term objectives of woke capitalism. And what are the long-term objectives of woke capitalism? In short, the answer is "*corporate socialism.*" Corporate socialism is the variant of socialism on order today.

And what is corporate socialism? Corporate socialism is a form of neo-feudalism. It is a two-tiered system of "*actually-existing socialism*" one on the ground, paralleled by a set of corporate monopolies on top. Wealth for the few, "*economic equality,*" under reduced conditions, for the rest.

Corporate socialism consists of the corporate monopolization of production and distribution of goods, rather than the state monopolization of production and distribution of goods of state socialism. What do the two types of socialism have in common? Monopoly. After all, what is socialism, if not a monopoly? Socialism is the monopoly over the state, education, cultural institutions, and the economy.

For both state socialists and corporate socialists, the free market is the enemy. They both seek to eliminate it. The free market threatens the system of state control in the case of state socialism. In the case of corporate socialism, the free market represents an impediment to the unhampered accumulation of wealth. The corporate socialists do not mean to eliminate profit. Quite to the contrary, they mean to increase it and keep it all to themselves.

To ensure and appreciate profits to the fullest, corporate socialists seek to eliminate competition and the free market. Anthony B. Sutton wrote in *Wall Street and FDR* that for the 19th-century corporate socialists:

The only sure road to the acquisition of massive wealth was monopoly: drive out your competitors, reduce competition, eliminate laissez-faire, and above all get state protection

for your industry through compliant politicians and government regulation.

The difference between state socialism and corporate socialism, then, is merely that a different set of monopolists are in control. Under state socialism, the monopoly is held by the state. Under corporate socialism, the monopolists are giant corporations. But both are characterized by monopoly.

And both systems use socialist-communist ideology—or in the recent incarnation, “*social justice*” or “*woke*” ideology—to advance their agendas. For corporate socialism, corporate monopoly is the desired end and socialist ideology is among the means. Socialist ideology works to the benefit of monopolists because it demonizes competition and the free market in an effort to eliminate them. This explains why capitalist corporations like Amazon and mega-wealthy capitalist donors like George Soros actually fund organizations with explicitly socialist agendas, like Black Lives Matter.

We can see the corporate socialist plan in action with the COVID-19 lockdowns and the *Black Lives Matter/Antifa* riots. The draconian lockdown measures employed by Democratic governors and mayors and the destruction perpetrated by the rioters are doing the work that corporate socialists want done. Is it any wonder that corporate elites favor leftist politics? Leftist politics are helping to destroy small businesses, thus eliminating competitors.

As the Foundation for Economic Education (FEE) points out, the lockdowns and riots have combined to level a one-two punch that is knocking out millions of small businesses—“*the backbone of the American economy*”—all across America. FEE reported that...7.5 million small businesses in America are at risk of closing their doors for good. A more recent survey showed that even with federal loans, close to half of all small business owners say they’ll have to shut down for good.

The toll has already been severe. In New York alone, stay-at-home orders have forced the permanent closure of more than 100,000 small businesses.

Moreover, minority-owned businesses are the most at-risk. Even the illustrious Andrew Cuomo agrees: "They are 90 percent of New York's businesses and they're facing the toughest challenges."

Meanwhile, as FEE also notes, there is no evidence that the lockdowns have done anything to slow the spread of the virus. Likewise, there is no evidence that *Black Lives Matter* has done anything to help Black lives. If anything, the riotous and murderous campaign of *Black Lives Matter* and *Antifa* have proven that black lives do not matter to *Black Lives Matter*. In addition to murdering Black people, the *Black Lives Matter* and *Antifa* protest riots have done enormous damage to Black businesses and neighborhoods, and thus, to Black lives.

As small businesses have been crushed by the combination of draconian lockdowns and riotous lunacy, corporate giants like Amazon have thrived like never before. The two developments "just so happen" to move us closer to corporate socialism.

As *BBC News* noted, at least three of the tech giants—*Amazon*, *Apple*, and *Facebook*—have appreciated massive gains during the lockdowns, gains which were no doubt abetted by the riots. During the three months ending with June, *Amazon's* "quarterly profit of \$5.2bn (£4bn) was the biggest since the company's start in 1994 and came despite heavy spending on protective gear and other measures due to the virus." *Amazon's* sales rose by 40% in the three month's ending in June. As reported by *TechCrunch.com*, *Facebook* and its *WhatsApp* and *Instagram* platforms saw a 15% rise in users, which brought revenues to a grand total \$17.74 billion in the first quarter. *Facebook's* total users climbed to 3 billion Internet users in March, or two-thirds of the world's Internet users, a record for the platform. *Apple's* revenues soared

during the same period, with quarterly earnings rising 11% year-on-year to \$59.7 billion. “Walmart, the country’s largest grocer, said profits rose 4 percent, to \$3.99 billion,” during the first quarter of 2020, as reported by the Washington Post.

These same corporations are also major supporters of *Black Lives Matter* and affiliated groups. As *cnet.com* reported, “Google has committed \$12 million, while both *Facebook* and *Amazon* are donating \$10 million to various groups that fight against racial injustice. *Apple* is pledging a whopping \$100 million for a new *Racial Equity and Justice Initiative* that will ‘challenge the systemic barriers to opportunity and dignity that exist for communities of color, and particularly for the black community’ according to *Apple* CEO Tim Cook.”

Is it just a coincidence that small businesses have been more than decimated by the COVID-19 lockdowns and the *Black Lives Matter/Antifa* riots, while the corporate giants consolidate their grip on the economy, as well as their power over individual expression on the Internet and beyond? Or, do the lockdowns and the riots prove that corporate socialism is afoot in America? And is woke capitalism merely a concerted PR campaign for appeasing activists and blacks in order to curry favor and avoid cancel culture? Or, does woke capitalism actually express globalist corporate interests? What would a politics that serves such interests look like?

To benefit the globalist agenda of corporate interests, those of monopolies or near monopolies, a political creed would likely promote the free movement of labor across national borders and thus would be internationalist rather than nationalist. The global corporate monopolies or would-be monopolies would likely benefit from the creation of utterly new identity types for new niche markets, and thus would welcome and encourage gender pluralism, transgenderism, and other identity morphisms. The disruption of stable gender identity categories erodes and contributes to the dismantling

of the family, or the last bastion of influence between the people and corporate power. Ultimately, the global capitalist corporation would benefit from a singular globalized governmental monopoly with one set of laws, and thus would promote a borderless internationalism under a global government, otherwise known as globalism. And the corporate socialists would benefit from the elimination of small businesses.

How does this line up with leftism? Contemporary leftism has the same objectives. Leftism encourages unfettered immigration. It encourages gender pluralism and transgenderism and openly calls for the dissolution of the family. It seeks to destroy historical memory, inherited culture, Christianity, and the nation state. It aims at a one-world monopoly of government. And it despises free enterprise.

Thus, leftist politics align perfectly with the global interests of monopolistic corporations and woke capitalism is the corporate expression of such interests.

First published on the