

The currency of Trump's techno-authoritarian populism

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Abstract

The speed at which the cryptocurrency sector has become entangled with the new Trump administration is astonishing. As journalists have pointed out, the degree of conflict of interest(s) - if not self-evident graft - in the Trump family's crypto dealings is unprecedented in the U.S. This commentary explores the ways Trump and his family lean into a mixture of techno-libertarian and authoritarian-populist rhetoric, along with a celebration of financial innovation, to mask what appears to be an effort to enrich their family and friends, which now includes a network of Silicon Valley investors.

Keywords

Cryptocurrency, financial markets, financial regulation, stablecoin, corruption, World Liberty Financial, trump, authoritarianism, blockchain

Haunted by the global financial crisis

How exactly the Trump family has become entangled with the cryptocurrency sector, is not easy to explain. This entanglement includes a private bank established by the President of the United States that has been used to accept deposits of billions of US Dollars from a foreign country (Howcroft and Maccioni, 2025). It also includes a digital ponzi scheme based on memecoins, the purchases of which directly benefit him as a private citizen (Lipton, 2025). The digital technological revolution is a necessary condition for both of these, but it is not a sufficient explanation. Making sense of what is happening requires consideration of both the broader political economy of cryptocurrencies, and the rise of libertarian, populist, and authoritarian politics. For instance, at the same time that the Trump clan has started various crypto ventures, President Trump and other crypto entrepreneurs in his administration have successfully pressured U.S.

financial regulators to legitimize stablecoins and memecoins all the while using the clemency power of the Presidency to send a signal that crypto schemes are beyond of the power of courts and judges to scrutinize.

Part of the political economic explanation is the normalization of closer ties between states and capitalist firms and economies, or what Alami and Dixon (2024) call 'new state capitalism'. And certainly Trump the individual, his opportunism, and his seemingly inexhaustible capacity to evade serious scrutiny, are part of the explanation. But while cryptocurrencies have always appealed to

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libertarians, the authoritarian right increasingly seems to have developed an affinity for crypto. Nayib Bukele's developing authoritarianism in El Salvador, for instance, is deeply entangled with cryptocurrency (Boos and Grigera, 2025). I can only scratch the surface, but in this short commentary I explore the connections between right wing, authoritarian populism and cryptocurrency as a socio-technical, and political-economic formation. I do this by analyzing the astonishing speed at which the Trump administration has become interwoven with the cryptocurrency sector.

Finding the state

The crucial historical context for both the rise of cryptocurrencies and the recent rise of reactionary right politics is the Global Financial Crisis (GFC) of 2007–9 and its aftermath, not least of which was capitalist states' bailouts of financial markets. In the wake of the GFC, distrust and resentment of liberal, technocratic governments and their entanglement with large financial institutions helps explain anti-liberal movements like Trumpism. At the same time, while the technological underpinnings of the bitcoin blockchain emerged in 2008, the explosion in popularity of crypto over the last ten years only makes sense in light of the widespread appetite for a radical alternative to state-backed banking and financial markets. From bitcoin's earliest days in 2008, cryptocurrency has been framed as both an anti-statist and anti-corporatist socio-technical movement (Zook and Blankenship, 2018). And even though it would be a mistake to assume there is a singular politics of cryptocurrency (Sadowski and Beegle, 2023), amongst most crypto enthusiasts, there is an affinity for libertarian, if not anarcho-capitalist dogma.

But while the anti-statist veneer remains, the political economy of cryptocurrencies has shifted dramatically since 2020. What was once a niche set of dark web operators and shadowy techno-utopians operating on relatively decentralized blockchains that ignored political territory and boundaries, has been transformed. It is now a fully-fledged economic sector dominated by a group of wealthy and politically powerful digital platform firms like Binance, Coinbase, and (now bankrupt) FTX—many funded

by Silicon Valley venture capital, who intermediate the underlying blockchain 'markets' for customers who do not want to deal directly with blockchains.

Two things happened as these large platforms began to dominate global cryptocurrency markets. First, the new intermediaries began to run afoul of financial regulators, particularly in the U.S. And second, incumbent or conventional financial firms and markets began to take notice of them as both competition for customers, and as objects of opportunity to attract new capital investment. Together, these developments resulted in a transformation of cryptocurrency into cryptofinance (Muellerleile, 2025, forthcoming), and this cryptofinance started to reshape the relationship between the U.S. state, the financial sector and Silicon Valley capital.

Taking cues from FTX's Sam Bankman-Fried who heavily lobbied the U.S. state in 2021 and 2022, firms like Binance and Coinbase who had previously assumed a combative stance toward the U.S. state changed their tunes in 2024. They embraced the time-tested model of contributing cash to political campaigns and lobbying regulators to reshape financial regulations in their interests. But at the same time they leaned into libertarian rhetoric and a cyber-geographical imaginary that lent the impression that these platform firms were outsiders to the state-finance nexus.

Donald Trump's sons were paying attention and, beginning in 2023, they and others convinced their father there was both money to be made in crypto and that the libertarian politics of cryptocurrency were a perfect fit for Trumpian anti-elitism and grievance-based populism (Ballhaus et al., 2025). Always an opportunist, Trump, who had been a crypto skeptic during his first Presidential term, u-turned and made pro-crypto rhetoric a key talking point of his 2024 campaign for re-election. To the joy of crypto enthusiasts, Trump demonized U.S. financial regulators, but also made vague promises to support the crypto sector. The shift in Trump's rhetoric aligned perfectly with Silicon Valley's increasingly anti-statist stance after feeling existentially threatened by the Biden Administration (Andreessen, 2025). Many in Silicon Valley were happy to hold up Trump as their champion, but few predicted how tightly he would embrace crypto once re-elected in November of 2024.

The full embrace

There is no space here for details, but Trump appointed crypto enthusiasts and investors to many of the top posts in his new administration including as the Treasury Secretary and the main U.S. financial market regulator, the Securities and Exchange Commission (SEC) (Romm and Ackerman, 2024). Prior to Trump's re-election the SEC had been the bugbear of the crypto industry, because they had prosecuted several crypto firms, and threatened several others for allegedly not adhering to U.S. financial securities laws. However, almost immediately after Trump's inauguration in January of 2025, the SEC established a crypto "task force", tasked with developing more friendly regulations for the sector. The SEC also dropped several investigations of crypto firms, and declared that purely speculative memecoins would largely fall outside of the regulatory purview of the U.S. government.

Early in 2025 Trump pardoned several crypto entrepreneurs who had pled guilty to breaking anti-money laundering laws, and his administration ended investigations into several other crypto firms. The message seemed to be that crypto innovations would no longer be scrutinized according to the rules that banks and conventional financial exchanges must follow. He also charged the Treasury Department with establishing a "strategic bitcoin reserve", in effect formalizing the legitimacy of bitcoin and a handful of other crypto tokens. Furthermore, in July of 2025, under pressure from Trump, Congress passed a law establishing regulatory clarity for stablecoins, which are essentially private banknotes (Chambers, 2025), and are used as a means of payment in cryptocurrency markets.

If you set aside the questionable socio-economic value of cryptocurrencies, their immense carbon footprints, the risks to consumers of investing in highly speculative assets whose prices can easily be manipulated, and the dubious track record of many crypto entrepreneurs, perhaps a case could be made that all of the above actions are part of a legitimate effort to encourage digital and financial innovation and competition with the incumbent financial sector. Not surprisingly, this is exactly the justification offered by Trump administration

officials when confronted with accusations of conflict of interest. But the justification begins to look a bit flimsy when one considers, as many have (cf. Lipton, 2025), how the Trumps are personally benefiting.

In addition to establishing his own memecoin called "\$TRUMP" and another for his wife called "MELANIA", the President-elect established his own stablecoin-based bank called World Liberty Financial in late 2024. Along with his sons and a handful of crypto enthusiasts including Zach Witkoff, the son of the Trump Administration's top Middle East diplomat, Steve Witkoff, World Liberty Financial is now enmeshed in various international business deals. This includes accepting a US\$2 billion deposit from a shadowy fund backed by the Abu Dhabi Emirate (Howcroft and Maccioni, 2025). The \$2 billion deposit, which was converted into World Liberty Financial's stablecoin, USD1, was then used by the Abu Dhabi fund to buy a stake in Binance, the world's largest crypto exchange, whose founder, majority owner, and former CEO is Changpeng Zhao. It is worth noting, that Binance was sued by the U.S. government in 2023 for laundering money for terrorists and criminal networks and paid a \$4.3 billion fine. Zhao was forced to step down as CEO and served a four-month prison sentence on related charges in the U.S., but is now widely reported to be seeking a pardon from Trump so that he can re-establish formal control over the firm (Ramkumar, 2025). There have also been widespread reports that the Trump family has been negotiating with CZ to buy Binance's U.S. subsidiary firm (Berwick et al., 2025).

World Liberty Financial also has its own crypto token, WLFI, the underlying fee structure of which initially allowed anyone to in effect gift money to the firm by purchasing the token (Lipton, 2025). One example is Justin Sun, an ostentatious crypto entrepreneur who was under investigation by the SEC since 2023, who bought US\$75 million of WLFI in early 2025. Then in February of 2025 the SEC paused its investigation (Steer and Stafford, 2025).

Because of the opaqueness of the various firms, exact numbers cannot be calculated, but numerous journalists have shown that the Trump family has

likely already accumulated several hundreds of millions of US dollars as a result of these schemes, and in addition now own roughly US\$5 billion in unrealized market value of the various crypto coins (Lipton, 2025). It is worth noting, however, that prior to Trump's re-election less than a year ago, many of the tactics used to accumulate this wealth would have been subject to serious U.S. federal regulatory scrutiny.

Digital banking, family style

The speed at which Trumps and the Witkoffs have built a labyrinth of connections between the crypto sector, the U.S. state, and themselves (Ballhaus and Berwick, 2025) is astonishing. I have only scratched the surface. Publications like the *Wall Street Journal* and *The New York Times* have gone deeper (Ballhaus and Berwick, 2025, Lipton, 2025). The network of personal associations reaches deep into the Trump administration, including family members of cabinet officials and connections to foreign governments (Ballhaus and Berwick, 2025). It is tempting to say this resembles the kind of "illicit global financial networks" (see Haberly et al., 2024) that other groups have used to avoid international financial sanctions, but with the exception of a few attempts by U.S. Senators, there seems to be no authority willing to accuse anyone in this network of illegality. One likely reason for the lack of juridical scrutiny is the lack of a clear separation between the interests of the U.S. state and the U.S. public from those of Trump and his family. But the blurring these lines is one of the key characteristics of Trump's populism. As journalists like Peter Stone (2025) have pointed out, the transparent use of state power to personally enrich Trump and other members of the administration is unprecedented, at least for the U.S. This situation has been referred to as a "crypto state" (Finn, 2025), a "cryptocracy" Appadurai (2025), and an emergent "crypto-state nexus" (Muellerleile, 2025, forthcoming).

To be clear, not everyone involved with cryptocurrencies and blockchains are happy with these developments. There is nothing inherently reactionary about blockchain technology. As Dick Bryan (2025) and others have shown, blockchain has the potential to be employed for postcapitalist ends.

But that is not the current direction of travel. Through World Liberty Financial, the Trumps cultivate a multitude of loyal followers, many of whom seem to be both politically committed to Trumpism and financially tethered to the popularity of the Trump family. Meanwhile, receiving far less attention are the ways Trump and his family and friends have positioned themselves at the centre of what the International Monetary Fund recently called the "unfolding of a money revolution" (Bhatt, 2025). Trump's new allies in Silicon Valley are actively working to construct a globally connected, and digital platform-based financial infrastructure designed to displace the incumbent banking and payments systems. With a tight grip on all three branches of U.S. government Trump's efforts to refashion the U.S. state and regulatory apparatus to favour crypto tokens also seems to be shifting financial power from Wall Street banks to Silicon Valley platforms.

Despite Trump's skepticism toward cryptocurrencies during his first term, it turns out that the contradictory monetary politics of cryptocurrencies (Eich, 2022) are a perfect match for Trumpism. As Dodd (2018) has pointed out in relation to bitcoin, despite the techno-utopian claims that cryptocurrencies can function as money without any sort of social institution (e.g., states or banks), no currency or money can be valuable if it lacks embeddedness in some set of social relations. At the same time, the more that cryptocurrencies become entangled with societies and states, which signals 'success' as a form of money, the more the original anti-social ideological framework falls apart. But Trump is masterful at exploiting this kind of contradiction to his own benefit. He can celebrate the anti-bank veneer of crypto while at the same time establishing his own bank. He spews accusations of corruption and political favoritism at Wall Street while celebrating the purchase of his own crypto tokens by among others, people seeking political favors from the U.S. government (Stone 2025). And he rails against the liberal state that he claims only exists to enrich the elite, while his administration consolidates power over the financial regulatory apparatus for the benefit of platform capitalists and at the same time his own financial ventures. It remains to be seen how long these contradictions,

which only recently might have resulted in a political rupture, will remain latent. So far the allure of tech-driven financial innovation and 'anything but Wall Street' populism seem to be more powerful forces than those of anti-authoritarianism.

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