

The Organic Corporate State

Zoltanous, Lain OS

Contents

1 Introduction And a Basic Argument For Corporatism	1
2 Problem of Capitalism	3
3 Problem of Marxism	7
4 The Roots And Forms of Corporatism	11
5 Corporatism, How does it work?	15
6 Corporate Structure	18
7 Responding to Attacks	23
8 Readings On Corporatism	31
9 Conclusion	46

1 Introduction And a Basic Argument For Corporatism

Today when people hear the word “Corporatism” they think of two things: cronyism or fascism. However, Corporatism should have zero association with the former — and in fact — is a fight against such forces. It is a fight against the whole rule of Mammon. Corporatism shouldn’t be associated with the morden capitalist entities we now call “corporations”. The term itself is much older for example the term for the old guilds in Italy was “corporazioni delle arti e dei mestieri” (corporations of arts and crafts). This is a much older doctrine, and the different theoreticians and political figures come at it some all kinds of angles. Elements of corporatism can go all the way back to feudalism and Aquinas.

However, both Fascism and National Socialism should be associated with Corporatism. At the same time Corporatism goes beyond Fascism. Let us look to Portugal under Salazar. Salazar was a Corporatist but he was in no way a Fascist or a National Socialist, as for him Fascism was “pagan Caesarism” and he suppressed the national syndicalist in his country. The Corporatism of Salazar come from Catholicism. And we have even older examples, and not all using the name “Corporatism”. The State Socialism of von Bismarck also never called itself “Corporatism”. This is more than a defense of corporatism but also a defense of nationalism. First, we view them as one in the same. Second, the main argument here is built off nationalism.

Now what is Corporatism? Corporatism best put is a system of representation that subordinates all the interest of society to the nation as a whole. In other words both capital and labor are made to work for the whole, and not for themselves. How does it do this? It forms occupational trade association like guilds, unions and labor courts. We have seen many types of such organization even in non-corporate states. For example here in America in Kansas and Pennsylvania we had the formation of labor courts. Pennsylvania in 1883 formed a labor courts that were “never effectively established and the law was repealed ten years

later”,¹ and Kansas in 1920 but “From 1923 to 1925 several judgments of the Supreme Court of the United States declared these courts unconstitutional and they were abolished.”² Not leaving America we can also see unions in non-corporate societies are poorly ran. Look to the United Auto Workers who have increased unemployment in their industry. However, under corporate society unions are made organs of the state.

Corporatism has a history with nationalism. In our view to be a nationalist is to be a corporatist. And capital even going back to the 18th century can be seen as an anti-national force. Right now under liberal capitalism you have large international companies that have little interest in the good of the nation, in fact benefits putting their interest above the nation. If they deracinate a culture that’s good because that means better consumers. No groups should be allowed to advance itself at the cost if the nation. Because they can put their own interest first that undermines any idea of a unified society. Thus this is against nationalism. You at the very least need a true supremacy of the state, and to abandon the dogmatism of laissez-faire but those two things alone do not create harmony.

What is pushed by this plutocratic capitalist elite class have cost jobs and wages from good hard working Americans. The push for things like globalism, immigration and other such anti-nationalist policy benefits a few at the cost of the nation. But it is just that class who is anti-nationalist who controls things.

I should start by stating that I will focus on my homeland, that is the United States. And maybe we should start by quickly showing who runs the show. Martin Gilens put out a study that was all over the news back in 2014. It looks at 1,779 policy changes from 1981 to 2002, and looking at figure 1 of the paper found that policy is informed by elite opinion then to lesser extent interest groups. He did another paper in 2015 (to defend the first one) looking at 2,245 policy changes from 1964 to 2006. The first one shows if 90% of the average citizens support or oppose a policy it will all ways have a 30% chance of getting through. With elites we don’t see that, if they don’t what it passed it doesn’t gets pasted. Point being that we are ruled my a capitalist elite class.

Liberalism is the rule of capital. And capital already in it’s earliest stages proved itself to be an anti-national force. And more over things like the LGBT movement and transgenderism can be traced back to the logic and flows of capital.

Now Corporatism has as it’s goal the subordination of all the interest of society to the nation as a whole. It is a fight against the whole rule of Mammon and our individualist hell. On the other hand the class-war of Marxism and the original syndicalism (that later became fascism) is also anti-national. Both Liberal Capitalism and Marxist Communism must be viewed as anti-nationalist. And for Marx corporatism is reactionary because;

Marx does not seem to have asked himself what would happen if the economic system were on the downgrade; he never dreamt of the possibility of a revolution which would return to the past, or even social conservation as its ideal. We see nowadays that such a revolution might eventually come to pass; the friends of Jaures, the clerics, and the democrats all take the middle ages as their idea for the future; they would like competition to be tempered, riches limited, production subordinated to needs. These are dreams which Marx looked upon as reactionary, and consequently negligible, because it seems to him that capitalism embarked on irreversible

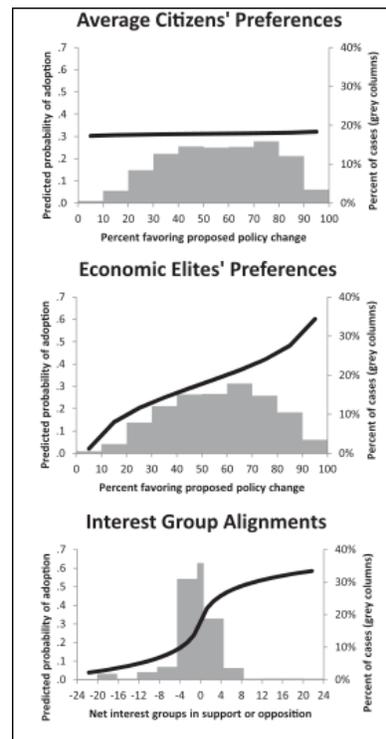


Figure 1: Taken from Martin Gilens doi: 10.1017/S1537592714001595

¹The Italian Corporative State by Fausto Pitigliani

²ibid.

progress; but nowadays we see considerable forces grouped together in the endeavor to reform the capitalist economic system by bringing it, with the aid of laws, nearer to the medieval idea.³

And Marx himself did call a few different forms of Corporatism “reactionary” and “Petty-Bourgeois” in the *Manifesto of the Communist Party*. Marx however also goes as far to call Proudhon a “Conservative” and “Bourgeois” Socialist. Then views the socialism of François-Noël Babeuf, Saint-Simon, Fourier and Owen as although they were some of the first of this revolutionary proletarian view they “had necessarily a reactionary character” and all their followers are reactionary.

When Marx calls something reactionary it is because it does not fit into his specific, unrealistic and truly unscientific view of socialism. Proudhon for Marx is “Conservative” and “Bourgeois” because he has things like free trade and protective duties just “for the benefit of the working class”. The mutualism of Proudhon has markets and even with the removal of the state it is still for Marx “Bourgeois”. The utopians did not emphasize class-war and “habitually appeal to society at large”, so for Marx even if Fourier and Owen are revolutionary the Owenites and Fourierists are not. However, Corporatism can be reactionary and conservative (I would argue that reactionaries and conservatives should be), but it can also be revolutionary and was in the case of Fascism.

2 Problem of Capitalism

Before these are economic systems these are ethical views. They must be ethical, as they are prescriptive. To make prescriptions you need ethics, or you just have nothing. All these systems are ethical if one admits it or not. Economics should be subordinate to politics and politics is subordinate to ethics. First, we will talk about how the individualist philosophy of capitalism is incompatible with nationalism, then about how capital is an anti-national force.

As stated before Capitalism creates a plutocratic capitalist elite class who do not care for the nation (you may look back to the data from Martin Gilens). This is what will always come about. You will always get this class of people who are against national interest. These for lack of a better term “racist liberals” do not get is that this is all ways what will come about. These people romanticize some mythical past heights of the American liberal capitalist society. However, are way too mentally challenged to see that it was just the first stages of this cancer. Nationalism proper comes at the birth of the modern republic and the death of the dynastic state, then reaches its true form in the Jacobins. This alone does not make nationalism and capitalism incompatible. However, nationalism has many of the same roots as socialism.

It should be enough to point out that capital is an anti-national force but there are some things I want to address that people will say. Some will point to the racist statements of classical liberals, or to some people who paradoxically call themselves “national capitalist” or something like that. This is like pointing out the American founding fathers own slaves. First this goes against the view that “all men are equal”, and their views of race are not your views of race as for many Germans, Irish and Italians are “swarthy” (Anglos being the only whites). I also don’t want to hear about how people like John Stuart Mill, Max Weber and Isaiah Berlin were sympathetic to the importance of national identity (may also note Mill later became more critical of economic liberalism) for the same reasons. I also don’t want people pointing to authoritarian liberals like Franco and Pinochet is just as meaningless. Pinochet was a CIA plant and Franco subverted and betrayed a nationalist movement.

How, what must be stated is both Liberalism and Marxism don’t see man like this. Both see an egoistic individualist man. Let me show you an infamous line from Adam Smith in *The Wealth of Nations* then a line from Marx.

It is certainly not from the benevolence of the butcher, the brewer or the baker that we expect our lunch, but from the fact they take care of their interest. We do not turn to their humanity bit to their egoism and we never speak to them of our needs, but of their gains. No one who is

³*The Illusion of Progress* by Georges Sorel

not a beggar ever chooses to depend above all on the benevolence of his fellow citizens, and even a beggar does not depend exclusively on it⁴

Here we see how Adam Smith views man as egoistic and individualistic. And before we get into Hobbes or other individualist what influenced liberalism we will show that Marx too understood an egoistic individualist man.

Each looks only to himself. The only force that brings them together and puts them in relation is that of *their own profit, their particular advantage, and their private interests* [ihres Egenntitues, ihres Sondervorteils, ihrer Privatinteressen]. And precisely because each one looks to himself only, and no one bothers about the rest, they do all, in agreement with a pre-established harmony of things, or under the auspices of an all-shrewd providence, for common profit, and the interest of all.⁵

For liberalism man is individualistic and egoistic. And thus, the nation starts to become somewhat of an abstract creation for the protection of property and individual negative rights. We can also see some of these ideas in the physiocrats, and even in some of the market theories medieval Islamic world (without the same individualism). So, liberalism will protect of capital and economic competition over anything else. Even for the market theories of the Islamic world in men like Ibn Khaldun there is still a greater *sharia*, importance of *‘asabiyya* and community (*Ummah*). Liberalism does not have that, and cares more about capital and property than it does the nation. As other Islamic thinkers like Ibn Taimiyah reach more proto-corporatist conclusions.

Liberal individualism was already refuted by Hegel and Aristotle. This individualism leaves society atomized and de-ethicised. Hegel and Aristotle have a similar understanding of the ethical life⁶ and to many of the views of liberalism we turn to Hobbes. This view has shown to be false by Hegel and by Aristotle.

Man is by nature a social animal; an individual who is unsocial naturally and not accidentally is either beneath our notice or more than human. Society is something that precedes the individual. Anyone who either cannot lead the common life or is so self-sufficient as not to need to, and therefore does not partake of society, is either a beast or a god.⁷

The subject can only develop in relation to other subjects. The fact of language would seem to point to this. Language is not something you are born with, but something given to you by a pre-existing community. So, the idea of these different atomized and de-ethicised individuals making up with commonwealth called the Leviathan is absolutely absurd.

The fact that Aristotle’s *Politics* and, *mutatis mutandis*, Hegel’s *Elements of the Philosophy of Right* both begin from the family as the foundation of communitarian life is anything but accidental: man is born out of the community and is, consequently, by his essence, a communitarian animal. On its part, the community is not generated by individuals, but it is what generates them; who exist, in their free individuality, as children of the community [...]⁸

The fact of family also shows there to be something pre-existing. The individual can only develop in relation to other individuals. Thus the atomized view of Hobbes is absurd.

⁴ibid.

⁵Quote taken from *Hegel and the Primacy of Politics* by Diego Fusaro. I know some one will argue there Marx is being an agnostic because of the last line (which Fusaro is doing) however to me it sounds like an egoistic individualist man that wears the mask of the “common good”.

⁶See §142 of *Philosophy of Right* and remember the context this must all be put in. Here the self-conscious or individual comes to develop themselves in relation to other individuals and thanks to the family, the state and civil society (the family being the first and most important).

⁷From his *Politics*

⁸*Hegel and the Primacy of Politics* by Diego Fusaro.

In prescription Hobbes is a reactionary, but in description he is a liberal. As much of the liberal capitalistic view is taken from Hobbes. More than this atomized view liberalism also takes from Hobbes it's understanding of freedom. Hegel attacks this understanding of freedom and of right as it is false and idealistic.⁹ Liberalism is more about the preservation of individualistic and negative freedom and rights, it cares little for the nation, and less for something like a Stoic or Christian understanding of freedom. This view of freedom was shown to be false by the stoics, as if we ask "How free is a meth addict the next time he takes meth". And so Liberalism has always been against true nationalism.

And we must make clear nationalism is not just pushing national identity or race-based identity politics or something fitting into those lines. This is something even so called "nationalist" don't even understand. Nationalism is not a mere semantic change from tribalism. What many of these people call "nationalism" is only but a part of the picture. This bastardization of nationalism is why you have things like the National-Anarchist Movement and Troy Southgate who use this vulgar understanding of nationalism to justify their contradictory beliefs.

True Nationalism as Eugen Weber points out in his book on Fascism have it's roots in the Jacobins. Nationalism promotes unity and harmony of the nation as well as raising up the people of that Nation. Liberalism is a type of individualism, creates class conflict and promotes one class above the rest. Corporatism and Nationalism both have the ethic of unity and harmony.

Now on to how capital itself is an anti-national force. The acquisition of capital has no care for the nation. To use an example that virtually everyone in the so called "dissident right" (as different as we may be) agrees is bad I take immigration and multiculturalism. Immigration benefits a few, and thus it is pushed for those who benefit from it (reserve army of labour). However, as you will see it harms everyone else.

You don't have to look long to see their offspring are left without a culture, and so, turn to empty consumerism. And, as Ryan Faulk shows in his lovely article¹⁰ in the case of America these immigrants are taking more out of our system than they put back in through taxes. And this can not be put on they take too much welfare or something like that, because white people take more out than blacks or hispanics. However, white people put more back into the system then mexicans and blacks do not. This is not just one class benefiting at the cost of another, but at the cost of the whole nation. Why is there such a push for something that creates lower altruism, greater distrust, a lower quality of life and social isolation?¹¹

Immigration is pushed basically because it means cheaper labor. Stuff like this used to be a basic talking point that you used to hear even from mainstream republicans. However, they don't truly get it. Even Trump wants more immigration than ever. The only problem Trump has is with illegal immigration.

Immigration is pushed not just because the system is anti-white, but also, because the capitalist sees in these another group to be exploited. These immigrants are people who work for cheaper and drive down working conditions. Moreover because they make better gears in the never stopping consumption engine. And it keeps the people of the nation divided along racial lines and not ever going against the capitalist.

Now, there is more than my example of immigration, also shipping off Jobs. Here we will focus in on the US and China. Our trade with China has been costing US jobs. This is one class advancing itself at the cost of the nation and of lower classes. Most of these jobs are in manufacturing.

This is another way that capitalism is against nationalism. As our trade with china has been creating a large displacement in jobs (most of those jobs being in manufacturing) and it drives down wages. This does help some US jobs, but as I will soon cover the impact is overall negative. Capitalist want more money and as covered immigration something they use and globalization is another. This may be bad news for white American workers but it's great news are rich capitalist.

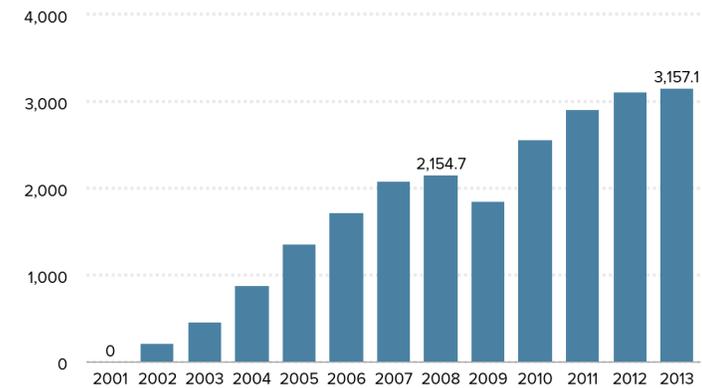
Growth in the U.S. goods trade deficit with China between 2001 and 2013 eliminated or displaced 3.2 million U.S. jobs, 2.4 million (three-fourths) of which were in manufacturing. These lost manufacturing jobs account for about two-thirds of all U.S. manufacturing jobs lost or displaced between December, 2001 and December 2013.

⁹See §40 of his *Philosophy of Right*

¹⁰<https://thealternativehypothesis.org/index.php/2020/03/19/fiscal-impact-by-race-in-2018/>

¹¹shown by the research of Robert Putnam

Cumulative U.S. jobs displaced by growing goods trade deficit with China, 2001–2013 (in thousands of jobs)



Source: Authors' analysis of U.S. Census Bureau (2013), U.S. International Trade Commission (USITC 2014), Bureau of Labor Statistics (BLS 2014b), and BLS Employment Projections program (BLS-EP 2014a and 2014b). For a more detailed explanation of data sources and computations, see the appendix.

r0.4

Economic Policy Institute

Figure 2: <https://www.epi.org/publication/china-trade-outsourcing-and-jobs/>

[...]

The 3.2 million U.S. jobs lost or displaced by the goods trade deficit with China between 2001 and 2013 were distributed among all 50 states and the District of Columbia, with the biggest net losses occurring in California (564,200 jobs), Texas (304,700), New York (179,200), Illinois (132,500), Pennsylvania (122,600), North Carolina (119,600), Florida (115,700), Ohio (106,400), Massachusetts (97,200), and Georgia (93,700)

In percentage terms, the jobs lost or displaced due to the growing goods trade deficit with China in the 10 hardest-hit states ranged from 2.44 percent to 3.67 percent of the total state employment: Oregon (62,700 jobs lost or displaced, equal to 3.67 percent of total state employment), California (564,200 jobs, 3.43 percent), New Hampshire (22,700 jobs, 3.31 percent), Minnesota (83,300 jobs, 3.05 percent), Massachusetts (97,200 jobs, 2.96 percent), North Carolina (119,600 jobs, 2.85 percent), Texas (304,700 jobs, 2.66 percent), Rhode Island (13,200 jobs, 2.58 percent), Vermont (8,200 jobs, 2.51 percent), and Idaho (16,700 jobs, 2.44 percent).p

[...]

The job displacement estimates in this study are conservative. They include only the jobs directly or indirectly displaced by trade, and exclude jobs in domestic wholesale and retail trade or advertising; they also exclude respending employment. They also do not account for the fact that during the Great Recession of 2007–2009, and continuing through 2013, jobs displaced by China trade reduced wages and spending, which led to further job losses.

Further, the jobs impact of the U.S. trade deficit with China is not limited to job loss and displacement and the associated direct wages losses. Competition with low-wage workers from less-developed countries such as China has driven down wages for workers in U.S. manufacturing and reduced the wages and bargaining power of similar, non-college-educated workers throughout the economy, as previous EPI research has shown. The affected population includes essentially all workers with less than a four-year college degree—roughly 70 percent of the workforce, or about 100 million workers (U.S. Census Bureau 2012).

As earlier EPI research has shown, trade with China between 2001 and 2011 displaced 2.7 million

workers, who suffered a direct loss of \$37.0 billion in reduced wages alone in 2011 (Scott 2013a). The nation's 100 million non-college educated workers suffered a total loss of roughly \$180 billion due to increased trade with low-wage countries (Bivens 2013). These indirect wage losses were nearly five times greater than the direct losses suffered by workers displaced by China trade, and the pool of affected workers was nearly 40 times larger (100 million non-college-educated workers versus 2.7 million displaced workers).¹²

Yes this supports some US jobs, however, the net impact here is negative;

As shown in the bottom half of Table 1, U.S. exports to China in 2001 supported 161,400 jobs, but U.S. imports displaced production that would have supported 1,127,700 jobs. Therefore, the \$84.1 billion trade deficit in 2001 displaced 966,300 jobs in that year. Net job displacement rose to 3,121,000 jobs in 2008 and 4,123,400 jobs in 2013.¹³

3 Problem of Marxism

Few Corporatist would have ever called themselves “materialist” other than maybe Gustavo Bueno in Spain (if you want to call him a Corporatist). Marxism however is built on so called “materialism”. However, in truth it is not. Marxism is a morality of class struggle, and so in incompatible with any form of Corporatism. This is also part of why the term “National Bolshevik” is a oxymoron. Bolshevism seeks class-war and the disintegration of class, nation and the state. This is in no way combatable with nationalism or corporatism.

And it is in the ethics of Marxism that Marxism gets its strength, and its ethics. It was stated by Karl Liebknecht “Does not socialism contain the highest morality, anti-egoism, self-sacrifice, philanthropy?”¹⁴ However the fact Marxism is revolutionary view makes it ethical. With no ethics it would have no reason to engage in revolutionary praxis. Marxism makes prescriptions but because it has no ethics it can not make prescriptions. All the prescriptions of Marxism are a spook then, as they have nothing underlining to justify them.

Many of the critics of Marx miss this. One may for example say that Marxism fails at materialism because it promotes violent revolution, and “We, the ‘revolutionaries,’ are profiting more by lawful than by unlawful and revolutionary means”¹⁵. Or that the dictatorship of the proletariat is “absurd” or “unpractical” in democratic countries. First, that that quote is from Engels in his introduction to *The Class Struggles in France*. The fact Engels (maybe Marx too) changed their views I hope helps to cement my point into your mind. They have ethical end goals, that being socialism. However, the so called “materialism” exist to give a practical direction and the illusion of a more solid justification. The problem isn't that this method or that method of reaching socialism is impractical, but that Marxism put itself in contradiction when it made itself revolutionary and socialist. If Marxism was in truth materialist it would do as it partly pretends to do. It would be a passive observer and predictor, and not push for any revolution. However, because it pushes for revolution it is now a self-fulfilling prophecy that didn't even fulfill itself. And Marx is more of a spook than the Utopian and Anarchist socialist that he was refuting. In truth it is Marx who shows a poverty of philosophy not Proudhon, also even less grounded than the cloudy and sometimes insane predictions of Charles Fourier.

I am not the first to see this. The fact that Marxism is an ethics of class struggle was stated by other Marxists.

But is there such a thing as communist ethics? Is there such a thing as communist morality? Of course, there is. It is often suggested that we have no ethics of our own; very often the bourgeoisie accuse us Communists of rejecting all morality. This is a method of confusing the issue, of throwing dust in the eyes of the workers and peasants.

¹²<https://www.epi.org/publication/china-trade-outsourcing-and-jobs/>

¹³ibid.

¹⁴Quote taken from *Philosophy of Marx* by Giovanni Gentile

¹⁵Quote taken from *Socialism And The Social Movement* by Werner Sombart

[...]

In the sense given to it by the bourgeoisie, who based ethics on God's commandments. On this point we, of course, say that we do not believe in God, and that we know perfectly well that the clergy, the landowners and the bourgeoisie invoked the name of God so as to further their own interests as exploiters. Or, instead of basing ethics on the commandments of morality, on the commandments of God, they based it on idealist or semi-idealist phrases, which always amounted to something very similar to God's commandments.

We reject any morality based on extra-human and extra-class concepts. We say that this is deception, dupery, stultification of the workers and peasants in the interests of the landowners and capitalists.

We say that our morality is entirely subordinated to the interests of the proletariat's class struggle. Our morality stems from the interests of the class struggle of the proletariat.

[...]

[...] When people tell us about morality, we say: to a Communist all morality lies in this united discipline and conscious mass struggle against the exploiters. We do not believe in an eternal morality, and we expose the falseness of all the fables about morality. Morality serves the purpose of helping human society rise to a higher level and rid itself of the exploitation of labor.¹⁶

This so called "materialism" is best called a tactical weaponized nihilism with the mask of historical determinism.¹⁷ Now, what do I mean by this. Marx is not a nihilist, as would be consistent with materialism. Marx and Marxists hold on to a consequentialist morality of class-struggle but attack their enemies as being too moral.

In a very broad sense, Marx is a moralist, and sometimes a stern one: he offers a rationale for conduct that sometimes requires self-sacrifice in the interests of others. [...]

At the same time, Marx often explicitly attacks morality and fundamental moral notions. He accepts the charge that 'Communism [...] abolishes [...] all morality, instead of constituting [it] on a new basis.' The materialist theory of ideology is supposed to have 'shattered the basis of all morality, whether the morality of asceticism or of enjoyment.' Talk of 'equal right' and 'fair distribution' is, he says, 'a crime,' forcing 'on our Party [...] obsolete verbal rubbish [...] ideological nonsense about right and other trash so common among the democrats and French Socialists.'¹⁸

Miller is correct to point out that most the claims that Marx was a Moralist comes down to just the language Marx uses, and not the theory itself. But as he points out "In short, with respect to a very large audience, Marx advocates principles that are supposed to guide present-day social and political choice in the same way as a political morality"¹⁹ This is not a replacing of morality as Miller claims and as Marx wants it to be. This is a consequentialist morality of one class, with the other function of being a tactical weaponized nihilism with the mask of an historical determinism. However, if it is inevitable coming from the exploitation and contradictions of capitalism, and if no moral judgments can be made then it has no reason to engage in the anti-nationalist revolutionary praxis other than to turn it into a self-fulfilling prophecy.

Marx will attack even people who side with him on bettering the life of the proletariat. Like with Proudhon, and puts the views of Proudhon and Bakunin as utopian and too moralistic. For example in the *The Poverty of Philosophy* he attacks Proudhon for just have the good and bad. He tries to show the

¹⁶In his October 1920 speech *The Tasks of the Youth Leagues*

¹⁷The term "economic determinism" is a bit misleading. It is true that "Marx frequently refers to processes in which actions motivated by one set of economic priorities lead to new situations producing new economic priorities". But in ways that Miller covers political phenomena are core to the views of Marx.

¹⁸*Analyzing Marx* by Richard W. Miller

¹⁹ibid.

problem with the example by defending American slavery, but two problems here. One Marx viewed slavery as — and I want to be clear — *at the time* “preventing anarchy”. But, even if Marx was right slavery can still be said to be morally bad, as Proudhon does with the state. Marx uses the attack of someone being moral as a tactical weaponized nihilism, but would not do the same to his own views. The same holds when he attacks Hegel of using “right”.

Marxism hides that this is a moral view with the mask of historical determinism. Here it takes and adapts Hegel’s dialectic of master and slave as we see it in the *Phenomenology of Spirit* and his *Encyclopedia*. And for this reason Marx says in the *Paris Manuscripts* that the *Phenomenology* contains the fundamental elements of revolution. For Marx the oppression of the proletariat by the bourgeoisie makes communism inevitable. As in Hegel’s view as stated in his *Encyclopedia*²⁰ the slave ultimately rises above the master. Thus the proletariat after it achieves greater self-consciousness will.

As shown in the *Phenomenology of Spirit*, self-consciousness constitutes itself only in the dual motion by which two self-consciousnesses recognise each other as mutually recogniant. However, the single self-consciousness conceives this duplication of self in and unequal perspective [...]. The servant consciousness leaves itself in the objective world and in the dimension of thingness. It finds itself among things shaped by its own reason. In this way it forms itself (*durch die Arbeit*, ‘through work’, Hegel writes) subjugating the object and forming it according to its own free will.

[...]

The real autonomous subject is now the Servant, the only one capable of acting directly, through work and in anthropising form, on the external reality and, thus, capable of asymmetrical relation that sees him servant. The Master, on his part, is not autonomous. His relation with the external world is mediated by the work of the Servant, in whom he depends. Devoid of working activity, the Master lacks a real consciousness of himself and of the objective world [...]

Thus, the dialectical overturn is produced. The Servant has become the Master, and the Master has become the Servant.²¹

But the ethics of class-struggle themselves are anti-nationalist. And really we should not have to go farther than that. The contradiction within the ethics of Marxism is almost irrelevant. Even the syndicalist before they became fascist are anti-national as they believed in class-war, and that “the first thing that must disappear is the State, which is the most outstanding representative of non-productive, parasitic Society.”²² and they attacked national sentiment;

Today it is notorious that revolutionary patriotism is dead; something else has arisen to take its place, a new feeling: the class idea which has replaced the idea of the fatherland, defining the split between the people on the one side and the State and democracy on the other. For with the appearance of revolutionary syndicalism a strange opposition has arisen between democracy and socialism, between the citizen and the producer, an opposition that has assumed its crudest as well as its most abstract form in the resolute rejection of the idea of the fatherland, which is identified with the idea of the State. And the strikes, which are becoming increasingly more powerful, more widespread and more frequent, are revealing to a surprised world the collective power of the workers, who are becoming more class conscious and more self-controlled with each passing day.²³

The view of self-governance of the workers more than being anti-national has another obvious problem of being anarchist. Even if many of the old syndicalists outside of Sorel were hostile to anarchism (to the

²⁰ibid. §435

²¹*Hegel and the Primacy of Politics* by Diego Fusaro.

²²*Anarchism And Syndicalism* by Édouard Berth

²³ibid.

point of arguing Proudhon was not an anarchist) it was in all practicality Anarchist (as was pointed out by Sombart). And Gentile comments on the syndicalist view against the state;

[...] opposing liberal individualism, which it has considered abstract and therefore unreal. Alternatively, one might consider pure Syndicalism. But pure Syndicalism is not the syndicalism of obligatory syndicates — whose very legal recognition implies a principle of obligation to an entity superior to the syndicates, that is to say to a State to which the syndicates would be subordinate. That relationship would contradict the central principle of pure Syndicalism which does not recognize any legitimate power external to the spontaneous and free syndicate. Pure Syndicalism prefers the de facto syndicate to the legally recognized syndicate. Pure Syndicalism aspires to absorb the State in itself. In the spontaneous and inevitably fragmentary character and multiplicity of the syndicates, essential unity would be destroyed. Pure Syndicalism is an ideal alternative that is antithetical to the most profound principles and inspirations of the Fascist State²⁴

But nationalism, syndicalism, corporatism and Marxism are the same in that they all want to raise up the conditions of the proletariat. Marxists and those preachers of class-war in their naive dogmatic fabrications built off either full blown lies or half truth will disagree. They will bring up only the weakest of data points. For them because we do not side with their anti-nationalism we can only be against the proletariat.

Let me show you the kind of things they will point out, here we go to New South Wales in Australia. In the 1927 Jack Lang from the Labor party lost to Thomas Bavin of the Nationalist Party. Bavin then cut popular social programs put in place under Lang, and this during an economic depression. Under Bavin there were many violent clashes between striking workers and police. then because of this Lang was reelected in 1930.

Now, from the proponents of class-war Jack Lang may not be the best as he was anti-communist and later formed the Non-Communist Australian Labor Party, but he was better than Thomas Bavin (unless you are an accelerationist). The believers in the internal class-struggle nationalism working against the proletariat rather one bad or inconsistent so called “nationalist”.

Now, let’s look at the history of the Nationalist Party. We go to 1916 following the 1916 Labor split on the issue of World War I Billy Hughes forms the National Labor Party. They latter merged with the Commonwealth Liberal Party into the Nationalist Party. So, already we see the problem here. The National Party was born out of the Labor Party. The National Party was born out of labor. When you look at Bavin you should see one bad or inconsistent so called “nationalist”.

And staying in Australia we see Australian Socialism, Anarchism and Communism (I know there were few Marxists) is filled with who are of lack of a better way of putting it totally racist. The white australia policy back in the early 1900’s had a lot of support from socialist and anarchist. These are not nationalist but were deeply for lack of a better term racist. William Lane was no nationalist, at the end of the day we wanted a stateless society but supported the white australia policy and wrote about a coming race war with the Chinese. Now, there is also just something about the Australian scene that makes people like this. Arthur Desmond when he was a socialist politician in New Zealand was an anti-racist. He attacked racism when writing about Te Kooti, but moving to New South Wales and becoming very anti-Semitic.

Maybe this is not the best example, and the better would be fascism and corporatism itself. We will go deeper when we respond to attacks made on corporatism, but we will state Fascism and national socialism. These are proletarian movements but they are also nationalist so we do not want to “eat the rich” so to speak. Fascism was a movement born out of the syndicalist labor movements of France and Italy. Nationalism itself — as I pointed out with Weber — comes from the Jacobins. When these Socialist in France and Italy became militant nationalist they rejected things like class-war as this goes against the nationalist ethic of unity and harmony of the nation. And Weber also correctly points out that Nationalist being defenders of capitalism is paradoxical; “because Nationalism had been the first to challenge property rights for the sake of a superior interest.”²⁵ It all follows logical from nationalism.

²⁴*Origins And Doctrine of Fascism* by Giovanni Gentile

²⁵ibid.

Men like Maurice Barrès in France described themselves as National Socialist. They realized that national unity implied social justice, that national power implied the planned use of national resources, that national harmony might mean the equalization or the redistribution of wealth and opportunity and economic power. Being doctrinaire, they did not feel the need to maintain the established order at all costs. Putting the nation first and property second, they found their theories were leading them toward Jacobinism — even while the official left-wing heirs of Jacobins were moving in the opposite direction.²⁶

This is the Nationalist and the Corporatist view. Nationalism like Corporatism and promotes unity and harmony of the nation as well as raising up the people of that Nation. There is a trend leftist have to explain with these groups organized around the proletariat. Labor unlike capital is not anti-nation as they make up the work-force of the nation. Labor is only anti-nationalist when made the weapon of class-war and then like in Marxism becomes international. Labor unlike capital does not have a natural tendency to go against the nation. However, the Marxist falsely view the for the proletariat “His home is the world, he is a child of the world”²⁷

Marxism and the non-Marxist preachers of class-war are will always view us as a movement which does one of two things: we actively work to lower the conditions of thee proletariat, or a movement the raises the proletariat only as much as we need to prevent their international revolution. Thus they say “It is precisely the attempt to maintain the capitalist system which leads under modern conditions with fatal precision to the resort to Fascism.”²⁸ Look to *State Capitalism and Dictatorship* by Anton Pannekoek were he makes these baseless and absurd claims about National Socialism that in German it is still the capitalist who rule.

4 The Roots And Forms of Corporatism

Feudal Socialism

Some people like to take corporatism back to the “Reactionary Socialism” of people like Adam Müller, Leopold von Haller in Germany along with much of the Tory Party and French Legitimists. The work of Müller and Haller is untranslated. However, the terms “Reactionary” and “Feudal” may have been given by Marx but it is fitting. These are men who wanted go back to the feudal guilds with also a strong association to the counter-enlightenment, and so for them the term “Reactionary” is fitting for them. And with Müller and Haller you see a different approaches: Müller was a political romanticist and Haller on the other hand according to Sombart was a materialist.

When the economic differences first showed themselves, and in consequence an anti-Capitalistic literature arose, no small part of it advocated that the Capitalist organization of society should be replaced by the organization which had preceded it. I am thinking of the writings of Adam Müller and Leopold von Haller in the first third of the nineteenth century. Men like these desired to see the medieval feudal system with its Craft guilds take the place of the Capitalist system. This point of view may still be met with, though in no wise so clearly and forcibly expressed as when it first appeared.²⁹

Christianity and Catholicism

The historic links between corporatism and christianity goes all the way back to St. Paul the Apostle within the Catholic faith, who wrote the following in 1 *Corinthians* 12;

²⁶ibid.

²⁷*The Proletariat* by Werner Sombart. The is when he was a Marxist

²⁸*A Reply to Liberal Critics of Bolshevism* by A.J. Muste

²⁹*Socialism And The Social Movement* by Werner Sombart

12 For as the body is one, and hath many members; and all the members of the body, whereas there are many, yet are one body, so also is Christ.

13 For in one Spirit were we all baptized into one body, whether Jews or Gentiles, whether bond or free; and in one Spirit we have all been made to drink.

14 For the body also is not one member, but many.

15 If the foot should say, because I am not the hand, I am not of the body; is it therefore not of the body?

16 And if the ear should say, because I am not the eye, I am not of the body; is it therefore not of the body?

17 If the whole body were the eye, where would be the hearing? If the whole were hearing, where would be the smelling?

18 But now God hath set the members every one of them in the body as it hath pleased him.

19 And if they all were one member, where would be the body?

20 But now there are many members indeed, yet one body.

21 And the eye cannot say to the hand: I need not thy help; nor again the head to the feet: I have no need of you.

22 Yea, much more those that seem to be the more feeble members of the body, are more necessary.

23 And such as we think to be the less honourable members of the body, about these we put more abundant honour; and those that are our uncomely parts, have more abundant comeliness.

Christianity's link to corporatism is biblical, something overlooked by the more modern liberal forms of christianity. In 1881 Pope Leo XIII, sought to expand understanding of corporatism and refine it into something more tangible. In 1884 in Freiburg, the commission declared that corporatism was a "system of social organization that has at its base the grouping of men according to the community of their natural interests and social functions, and as true and proper organs of the state they direct and coordinate labor and capital in matters of common interest. One of the main characteristics of corporatism is economic tripartism involving negotiations between business, labour, and state interest groups to establish economic policy.

Leo penned what is – in the author's humble opinion – one of the greatest philosophical works of the modern era: *Rerum Novarum: Rights and Duties of Capital and Labor*. *Rerum Novarum*, among other things, puts forth that neither employer nor employee is above the other, that both are as important as the other and that their cooperation is necessary for the betterment of society. It advocates that just as the employee is compelled to perform adequately at their job, so too is the employer compelled to provide adequate wages and conditions. Further, it affirms the natural right of the institution of private property and ownership of industry, while recognizing the need for state intervention in industry. This is a far cry from socialism – which Leo condemns and attacks repeatedly in the encyclical, along with rampant capitalism – which advocates for the destruction of class hierarchy and proletariat dominance over industry.

Reconstruction of the Social Order by Pope Pius XI. Whereas Leo XIII addressed the working and economic conditions of workers, Pius XI addressed society as a whole. QA was an incredibly influential document, receiving praise and admiration from politicians across the globe, from Mussolini to Salazar. QA discusses tripartite corporatism, a then-novel form which split society into three corporate groups: government, industry, and labor. This was the model adopted by most corporate states of the era. Though the modern church is quite different from Leo XIII's or Pius XI's, it cannot be ignored that corporatism is ingrained in the very foundation of the faith.

It is well-established that corporatism was not the invention of politics or socio-economic thinking in the aftermath of World War I. It came back into vogue throughout Europe in the 1920s, but actually had a long history behind it, and can be traced to the 19th century when certain currents of political Catholicism voiced their criticism of the liberal order and the legacy of the French Revolution. It was counter-revolutionary Catholic circles in France, Belgium, Austria and Germany that sparked off the corporate idea, which was to build an organic society by reviving legally recognized trade-related bodies around which social order and harmony could be achieved (Pollard 2017, p. 42-44).

By way of reaction to the conflictual turn that the socio-economic order was taking and the need for a solution to class rivalry, part of Catholic culture harked back to the pre-revolutionary guild system. [...] In response to the social conflict engendered by liberal individualism and the capitalist economy, their idea was to revive solidarity between workers and entrepreneurs. Catholicism's approach to the social question was conservative, anti-revolutionary and paternalistic (Vallauri, 1971, p. 15-18). The problem of poverty and mounting social unrest was attributed to political upheaval under the banner of liberty. Reorganizing society into corporations and boosting the status of occupational groups would counter the modern individual's growing isolation and re-define the State-individual relationship thanks to the mediation of these intermediate bodies and the spirit of collaboration, solidarity and mutual acknowledgment between bosses and workers.

To the theorists of Catholic social thinking, the crisis was not so much political or social, as moral. To offset the woes of liberal atomism, one should hark back to the Ancien Régime and its organic model of society. Instead of the highly conflictual socio-economic dialectic underpinning industrial society, one needed mediation: this would be achieved by occupational associations and would diffuse — and hence defuse — class conflict. As Franz Hitze wrote in *Kapital und Arbeit und die Reorganization des Gesellschafts* (1880), 'the solution to the social question [...] does not lie in giving free rein to social forces, but in tying them to discipline: the watchword for the future is not individualism, but corporate association' (Hitze, 1880, p. 412)³⁰

Rome

Corporatism has roots in Rome with the *collegia*. They did not exist in Rome like the guilds in the medieval ages. First in Rome it was more religious than occupational. Then Rome was not entirely open to them, and many like the Dionysian associations banned the moment they went out of line.

The historian undertaking the study of Roman political organization in all its elements does not meet in the course of his analysis any fact manifesting the existence of corporations. They were not recognized in the Roman constitution as definite associations. In none of the electoral assemblies, in none of the army meetings, did the workers get together in organizations; the occupational group nowhere took part in public life as such, either in a body or through regular representatives. At most, there is a question as to three or four organizations that have been identified with certain of the centuries set up by Servius Tullius even there the fact is problematical. Moreover, as for the other corporations, they were certainly outside the official organization of the Roman people. [...] In addition, if, later, they finally became an integral part of the State and of the administrative machine, it cannot be said that this was a glorious triumph for them, but rather a painful dependence. If they then became a part of the State, it was not to occupy the position which their social services might rightfully give them, but simply so that they could be more adroitly watched by the governmental power.³¹

Medieval Guilds

They too existed in the forms of the medieval guilds. Unlike the Roman *collegia* the medieval guilds were more focused on occupation. However, they did exist in a non-occupational in what was normally spoken of as the "religious" or "social" guilds. The guilds vary in detail from nation to nation, but also from town to town. Also unlike Rome they were viewed much more positively. The guilds had to obey the town charter and town government, but other than that were more free and played a more important role than they did in Rome. The oldest statutes on the guilds go back to Paris in 1061 were those of the candle makers.

³⁰An inconvenient legacy: corporatism and Catholic culture from Fascism to the Republic by Maurizio Cau doi:10.1590/tem-1980-542x2018v250112

³¹*The Division of Labor in Society* by Émile Durkheim

Focusing on England these guilds were first those of the guild merchant. These guilds were later replaced by the craft guild, but there was likely a time when one may have been a member of both. The craft guild were more specialized on occupation. They ran the whole of that trade, and decided the place of work people would take up. More than this they provided charitable duties, and put their members into much closer relationships. And even ran more festive activities like mystery plays.

The whole tendency of mediæval society was toward organization, combination, close union with one's fellows. It might be said that all town life involved membership in some organization, and usually in that one into which a man was drawn by the occupation in which he made his living. These guilds or the town government itself controlled even the affairs of private economic life in the city, just as the customary agriculture of the country prevented much freedom of action there. Methods of trading, or manufacture, the kind and amount of material to be used, hours of labor, conditions of employment, even prices of work, were regulated by the guild ordinances. The individual guildsman had as little opportunity to emancipate himself from the controlling force of the association as the individual tenant on the rural manor had to free himself from the customary agriculture and the customary services. Whether we study rural or urban society, whether we look at the purely economic or at the broader social side of existence, life in the thirteenth and fourteenth centuries was corporate rather than individual.³²

And these guilds lived on outside of the middle ages, and did not totally die in the enlightenment. For example in Prussia the 1811 Stein and Hardenberg laws did great damage to the guilds, but the 1871 amendment to the Trade Law reorganized them in a voluntary form. Just about every year after that they made amendments to the Trade Law in the interest of the guild movement and were later declared to be an imperial duty.

Syndicalism

Similar organizational concepts came from France and Italy. Connecting Pierre-Joseph Proudhon's federalism with socialism and industrial and trade unionism, syndicalism proposed to organize society through local and partly autonomous workers' collectives federated into national associations realizing the unity of each industry or occupation. Having sidelined the capitalists, those units would eventually replace the state. But these anarchist elements died off as they became militant nationalist. Many becoming Fascist but some like Labriola rejected the evolution Syndicalism was taking.

Long before the World War, Georges Sorel [...] used the kindly doctrines of William James's pragmatism as a philosophical background for his main work, the *Reflexions sur la violence*. In this book Sorel espoused the formation of powerful workers' trade associations called syndicates (syndicates) which through violent revolutionary action would weaken the resistance of capitalists and employers, gradually forcing the latter to surrender all means of production. A union of workmen's syndicates in control of the productive apparatus of the nation would then take the place of the present liberal democratic state [...] To hasten the coming of the new syndicalist state the use of violence was regarded as legitimate and desirable. To sustain the hope of the masses and ultimately give them the courage and will to revolt, Sorel advocated keeping the vision of a final general strike of all the workers — the strike which would end capitalist domination — constantly before their eyes.³³

Fascism

Fascism was a product of French and Italian labor movements. It was an outgrowth of this Syndicalism that did make modification to the Syndicalist doctrine. However these modifications were already being made

³²*An Introduction to the Industrial and Social History of England* by Edward Cheyney

³³*Fascist Economic Policy* by William Welk

before Fascism (as they are the same people). The Cercle Proudhon already rejected things like class-war. It was the merging of Nationalism and Syndicalism that gave birth Fascist Corporatism. In fact, it can be argued that Fascism is a truer intellectual inheritor of Syndicalism than Noam Chomsky or Rudolf Rocker, but because of the different view of class it is fair to say as the Fascist do “Fascism has created its own syndicalism.”³⁴ And of of course you had this system put into practice first with D’Annunzio’s takeover of Fiume.

The new state had elements that were seen just a few year later official Fascist syndical system. The constitution established of a system of ten “corporations” to one of which everyone had to belong, and these regulated the economic life of the new state. As Rocco states;

The time has now come when class self-defense also must be replaced by state justice. To facilitate the change Fascism has created its own syndicalism. The suppression of class self-defense does not mean the suppression of class defense which is an inalienable necessity of modern economic life. Class organization is a fact which cannot be ignored but it must be controlled, disciplined, and subordinated by the state. The syndicate, instead of being, as formerly, an organ of extra-legal defense, must be turned into an organ of legal defense which will become judicial defense as soon as labor conflicts become a matter of judicial settlement. Fascism therefore has transformed the syndicate, that old revolutionary instrument of syndicalistic socialists, into an instrument of legal defense of the classes both within and without the law courts. This solution may encounter obstacles in its development; the obstacles of malevolence, of suspicion of the untried, of erroneous calculation, etc., but it is destined to triumph even though it must advance through progressive stages.³⁵

Guild Socialism

A kind of middle-ground ideology arose in Britain, associated with John Ruskin, A.J. Penty, A.R. Orage, R.H. Tawney, and partly overlapping with G.K. Chesterton and Hilaire Belloc’s Distributism. Here renovated guilds would unite labor with capital goods outside the logic of capitalism. “Pluralism,” an Anglo-American social theory related to Guild Socialism, flourished between the world wars and centered on group autonomy while downplaying the state.

5 Corporatism, How does it work?

Corporatism is an economic and social system which sees every economic factor, labor and capital, unified into a single reality. Both coordinating each other for the benefit of the nation. Under Corporatism Employers and Employees will be organized into syndicates, each syndicate obtains elected representatives from their particular industry and occupation. These two syndicates will then be tied together under a central organ titled a “Corporation” — Hence the name, Corporatism. Within these Corporations, the representatives of both would coordinate economic activity, put terms of labor, set wages and control prices through exercising price regulations. This system as such, can be viewed as one of, if not the most flexible economic systems imaginable. Not only is it capable of limiting economic activity, it’s also capable of freeing it when absolutely necessary.

The corporations that structure the state still play a regulating role by encouraging more business to thrive in areas where the generation of privately produced essential goods and services is deemed to be insufficient, and by discouraging business in areas where there is deemed to be a surplus of unessential goods and services. This prevents private enterprise from hijacking government-standardized prices by means of either purposely holding back on the production of certain essential goods and services to force a rise in value, or by fabricating over-demand namely through advertisement and other methods. The economic philosophy

³⁴ *The Political Doctrine of Fascism* by Alfredo Rocco

³⁵ *ibid.*

that we propose, corporatism, is extremely flexible. With this position, we can tolerate private enterprise including private property within limits and justify major projects of the state.

The Corporate State is based upon industrial and occupational organization. Every corporate state does this differently. This feature will be common throughout the entire system, both of Government and representation in production, and must be grasped as an absolute fundamental principle of Corporatism. This idea proposes that the society and economy of a nation should be organized into major interest groups called Corporations that function similarly to a medieval guild system. Workers would be organized along profession and industrial lines, and representatives of those interest groups would settle any problems through negotiation and joint agreement with State oversight. In the *Langnam-Verein* you have the *Verein Deutscher Eisen- und Stahlindustrieller* for iron and steel for example.

Under corporatism, the labor force and management in an industry belong to an industrial organization such as a guild, syndicate, or corporation. Representatives of the groups are elected into an Assembly of Labor and Management that settles issues through collective negotiation. The duties of these Corporations can be divided into three core categories; the Regulative, Planning, and Social aspects. Each Corporation must regulate the relations between the various factors of production in the industry it controls through negotiation; it must also plan the development of the industry or the closing down of redundant plant by working with the state and various entrepreneurs; finally, it must take heed of the social amenities of those engaged in the industry, their industrial insurance, superannuation, etc.

This is not just economic. To show you what I mean we will look to Italy and the law of May 17, 1928 and it also makes the whole state more technocratic. In article three the right to propose candidates for the Grand Council is given to the National Confederation of Syndicates, and as seen in articles two and six the final vote comes to the people themselves. After they are approved by Grand Council the vote is held. Thus this makes the whole state more technocratic as each confederation gets to propose a number of people for the Grand Council. And you see something similar in article 31 of The Constitution of Fiume.

[...] it would appear that the corporative organisation must be considered as an integral transformation of the concept of the State. By limiting, in accordance with the views of certain critics, the scope of the corporative system to the organisation of the occupational groups and not identifying the legal organisation of Italian society within the Fascist State with its organisation on an occupational basis, the political value of the system would be diminished. Hence the integral transformation of the concept of the State is impeded in so far as the existence of active forces or tendencies outside corporative syndicalism is admitted. Thus the theory of these critics must be rejected on the ground that it is in contrast with the spirit which animates the corporative structure which, in the opinion of the writer, cannot allow the survival of forces which limit its expansion and application to the fullest extent.³⁶

The corporate unions do more than protect people in their industry, but also, in political life. And thus each industry gets its representation in who gets into the Grand Council. This allows for a specialized Grand Council. This representation based on area of economic activity: agriculture, commerce, manufacturing, transportation and so on.

Under corporatism you also have policy that will follow from the ethic of unity and harmony. For example the displacement of jobs would be fixed by things like tariffs, policy's on outsourcing work and policy's on trade. Any class that tries to advance itself at the cost of the whole — capital or labor — will be suppressed. However, as I stated before the proletariat and labor is less of a threat to the whole as capital.

The Führer himself wrote that bringing a particular class of people into the community 'does not succeed by dragging down the upper classes, but by elevating the lower. This process can never be carried out by the higher class, but by the lower one fighting for its equal rights.'³⁷

³⁶ *The Italian Corporative State* by Fausto Pitigliani

³⁷ *Hitler's Revolution* by Richard Tedlow

We do not want to “eat the rich”, but we want to better the conditions of the lower classes in our society or our nation. We may more than happily bring down the higher classes when it is use full or necessary. However, at our heart is harmony. Thus, there should be programs and safety nets to help the poor. It is true that a such things exist in non-corporate states. However, under corporatism they are improved or made a new. It states in articles 26 and 27 of the The Charter of Labour talks about this need for these. However, Fascism started to put in such programs before The Charter of Labor in the law of may 1, 1925 creating the National Leisure Time Organization and better the law December 10, 1925 National Institute for Maternal and Infant Welfare. And that is not to talk about other programs instituted by the Fascist, but this is only the earliest.

Beside the government-owned Istituto Nazionale delle Assicurazioni (National Insurance Institute) which underwrites life insurance in competition with commercial companies and occupies a preeminent position in the Italian insurance world, two other governmental insurance institutions have been organized to carry out the government’s program of compulsory social insurance: the Istituto Nazionale Fascista della Previdenza Sociale and the Istituto Nazionale Fascista per l’Assicurazione contro gli Infortuni sul Lavoro (the National Fascist Institute for Social Insurance and the National Fascist Institute for Accident Insurance).³⁸

It may be said that corporatism wants to remove class. As now everyone is moved to something greater: an ideal more than the accumulation of capital. And rather that attacking the higher classes it may be better to help the poorer among us. Now, because the richer are all ways going to attack the poorer and go against the whole they must be cut down to size. The same goes for labor who under Marxism is made above that nation.

Now, it should not be hard to explain the heavy amount of nationalization existing in Italy as Fascism marched on. This is something the Liberal critics of corporatism actually get right. It does lead to more state control and intervention. This is not a bad thing however. *Rerum Novarum* may have viewed property as a right, but Fascism and other forms do not. In article nine of Constitution of Fiume it states “The State does not recognize the ownership of property as an absolute and personal right, but regards it as one of the most useful and responsible of social functions.”³⁹ and Alfredo Rocco stating it to only be a tool in *The Political Doctrine of Fascism*.

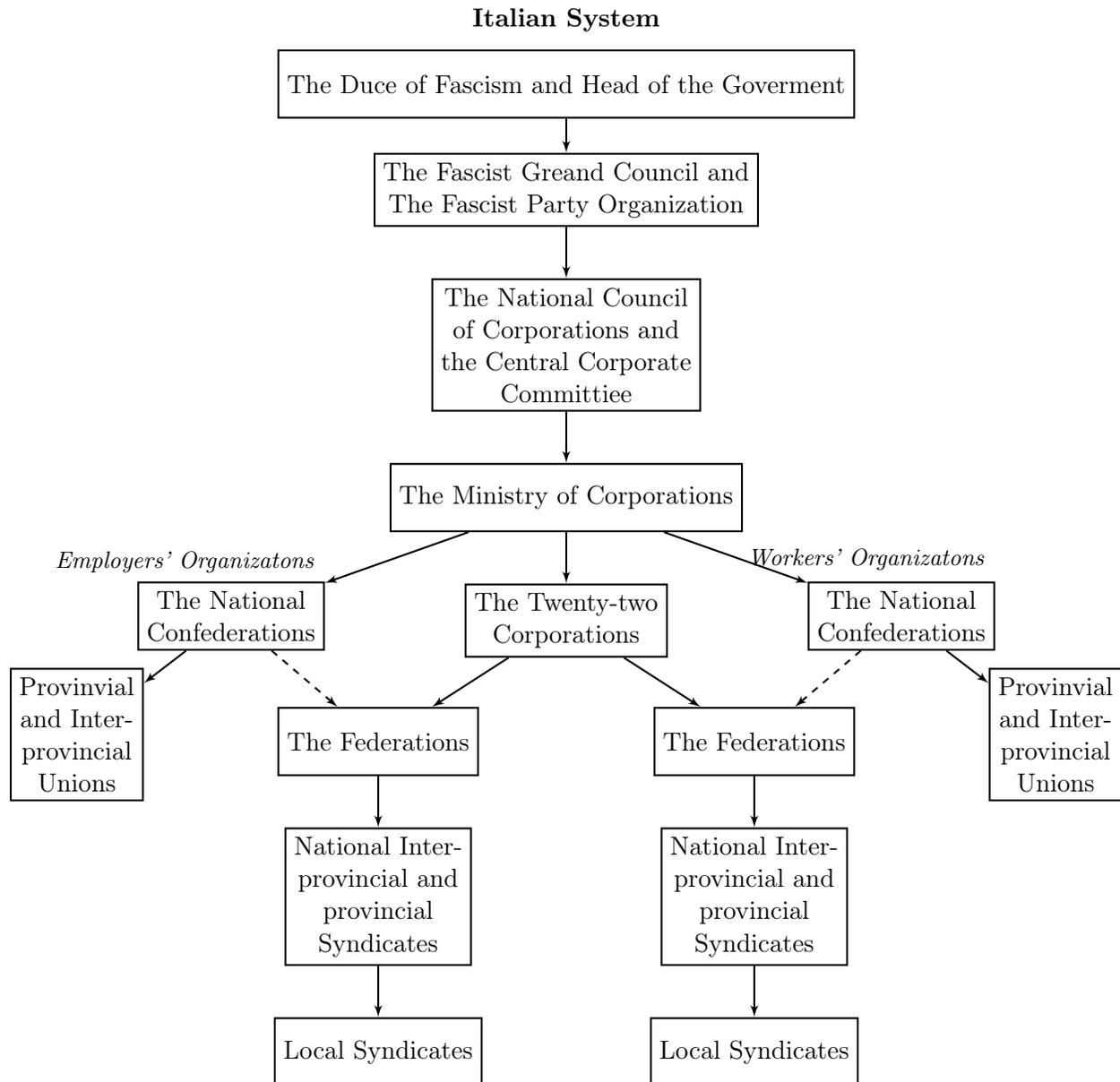
Giovanni Gentile in *Origins And Doctrine Of Fascism*

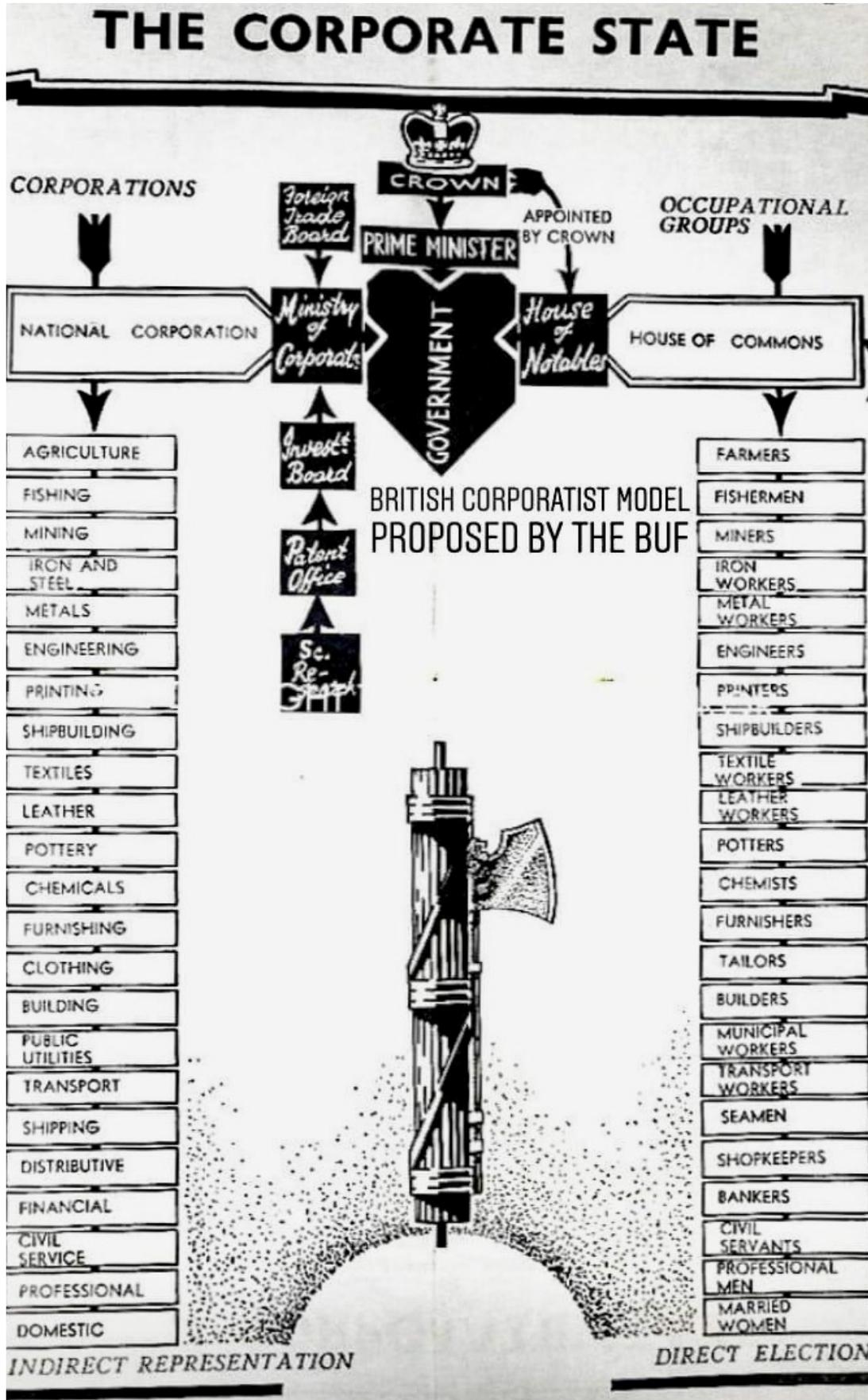
Fascism accepted from Syndicalism the idea of the educative and moral function of the syndicate. But since the intention was to overcome the antithesis between the State and the syndicate, the effort was made to enter the system of syndicates harmoniously into corporations subject to discipline by the State and to thereby give expression to the organic character of the State. In order to give expression to the will of the individual, the organic State must reach him, not as an abstract political individual that the old liberalism supposed — as a featureless atom. The organic State sought to reach the individual as it could only find him, as he in fact is: as a specialized producer whose tasks moved him to associate himself with others of the same category, all belonging to the same unitary economic organism that is the nation.

³⁸*Fascist Economic Policy* by William Welk

³⁹ibid.

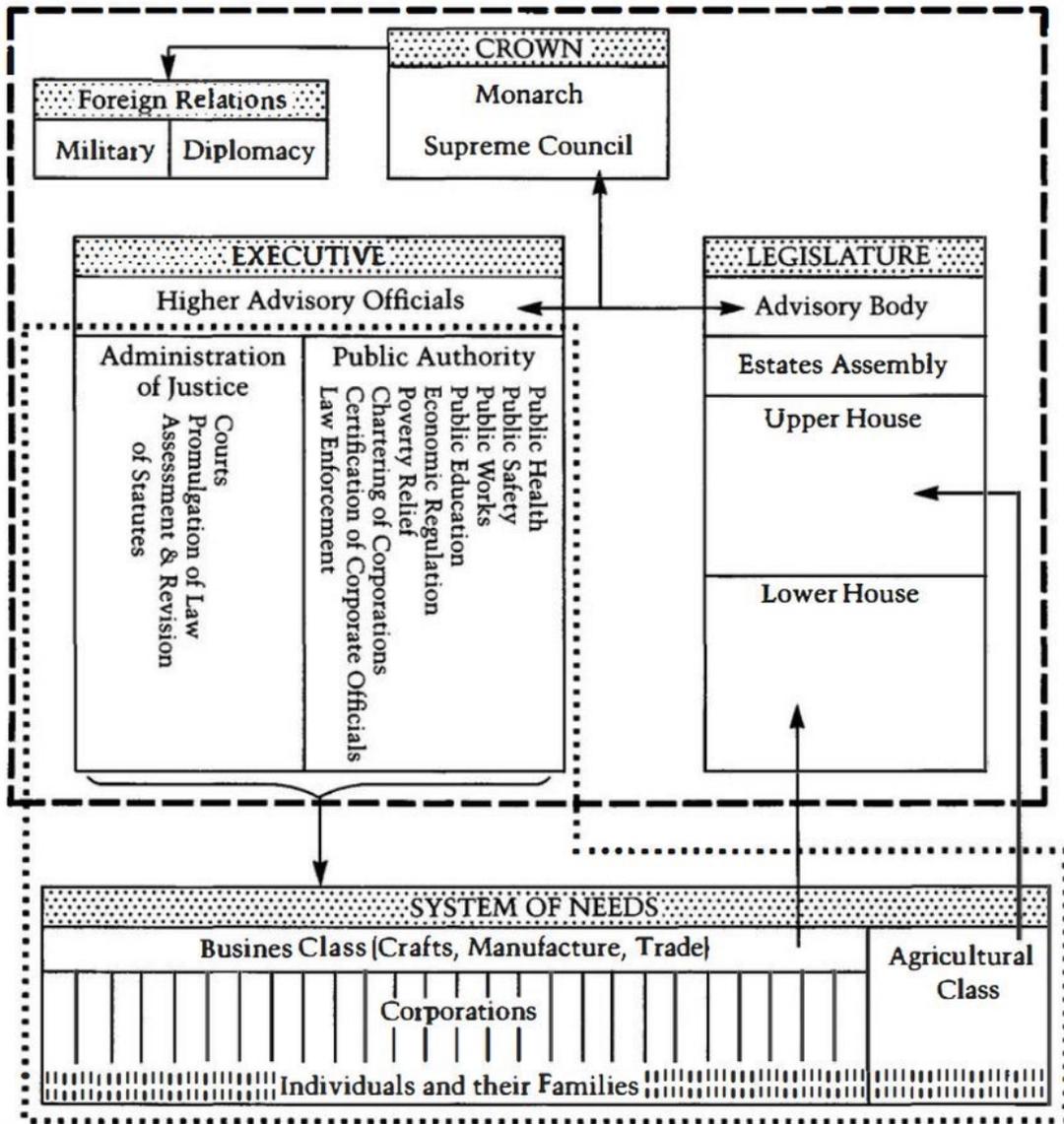
6 Corporate Structure





Hegel's System

Organizational Diagram of Hegel's State

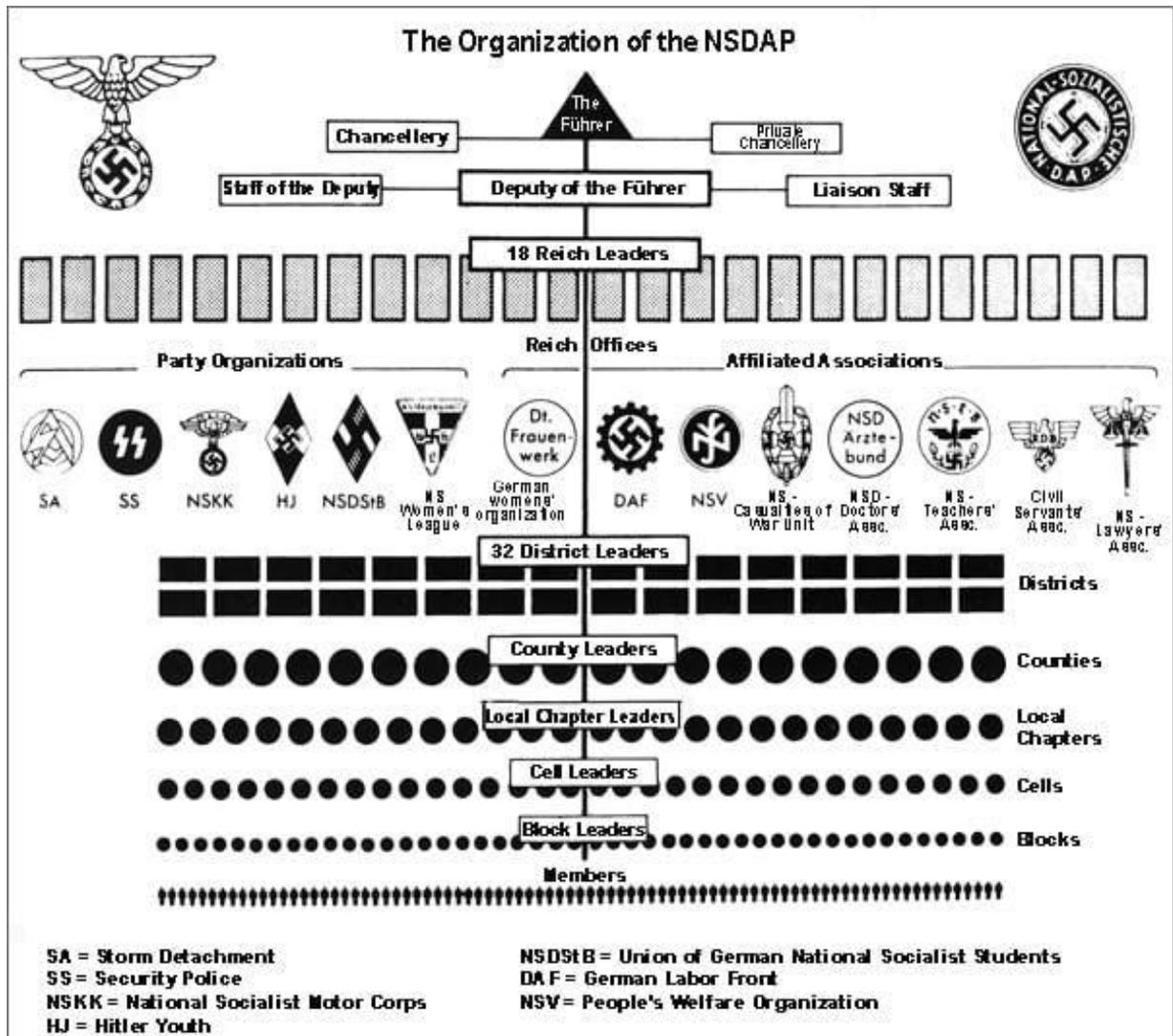


Civil Society (The "state external")

The Political State (the government) - - - - -

The State Proper is the entire system.

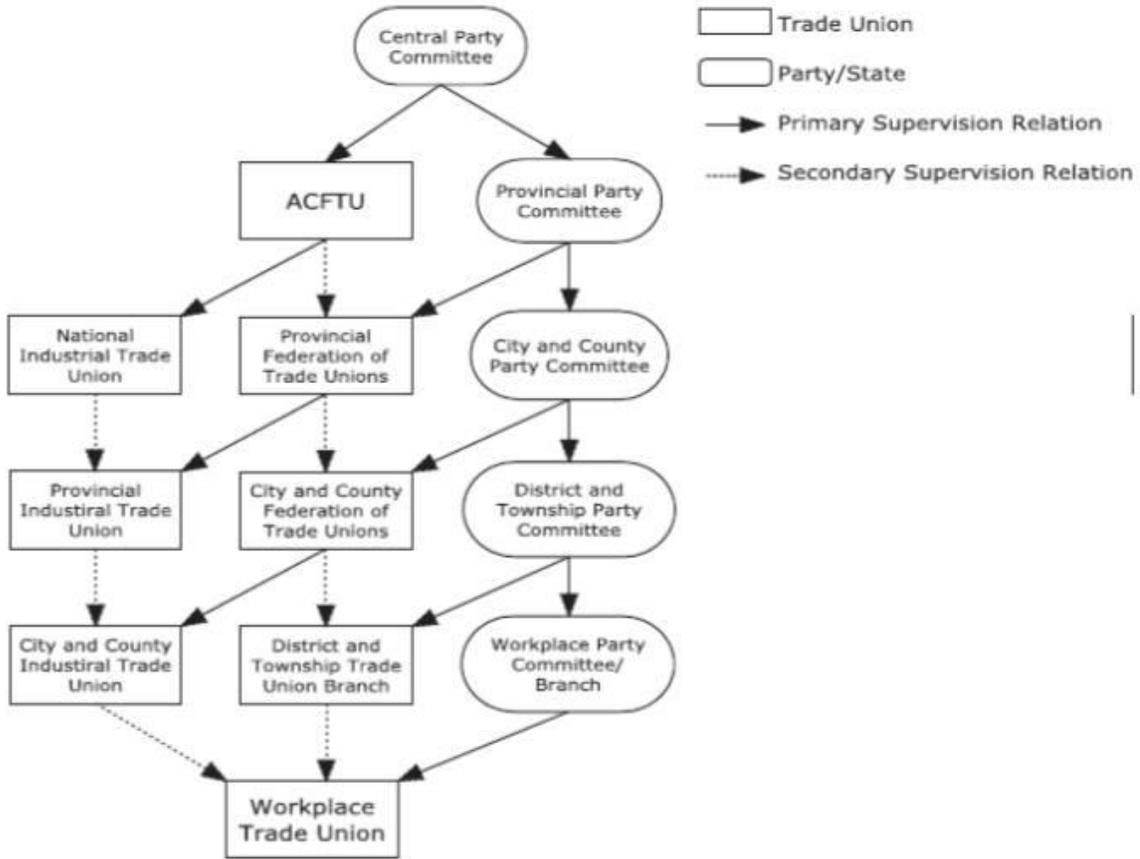
German System



Park set up three powerful agencies of oversee his development program:

- **The Economic Planning Board (EPB)**
- **The Ministry of Trade and Industry (MTI)**
- **The Ministry of Finance (MoF)**

There is an obvious similarity to the Japan's agencies for economic development. As in the case of Japan these agencies are important components of what might be called Korea, Inc. A fourth agency, the Korean Central Intelligence Agency (KCIA), was the instrument of political control which went along with the centralization of economic decision-making.



7 Responding to Attacks

Now we go over attacks made against Corporatism: the view that it is just capitalism only worst, and that it drives down wages and makes working conditions worst. But of these things that did actual happen they can not be put on the fascist. Here too we will be looking at historic corporate states, and not any modern ones. That just because with modern examples there is a lot of dust in the air, and not all of it but a lot more has settled with history. We will mostly look at the Third Reich, Fascist Italy and von Bismarck's state socialism. I will also recommend you look at some sources I cite here: *The Italian Cooperative State* by Fausto Pitiglian, *Bismarck And State Socialism* by William Dawson and *Hitler's Revolution* by Richard Tedor.

Lets state with wages, as this was an attack often made by American critics like Carmen Haider. First, a livable wage is guaranteed by article 12 of the charter of labor. However, there was a cutting of wages entering the 30s and even Pitigliani shows this. However this misses the full picture. Pitigliani in terms of an argument for corporatism suffers from when he was writing 1933. Now to give you a more full picture of the state of wages under Fascism I give data from Professor of Economic History Giovanni Favero. Favero was drawing from multiple sources but from all the sources pulled from we see the same main trends and only one source says wages did not in the end rise of that before the Fascist came to power. We do see a fall in wages entering the 30s. However, that trend changes around 34-35. And to add as Pitigliani points out;

The recent lowering of wages in Italy is rather a consequence of the economic depression that is

affecting the whole of the Western World than a deliberate attempt to adopt the low-wage as against the high-wage theory favoured in America

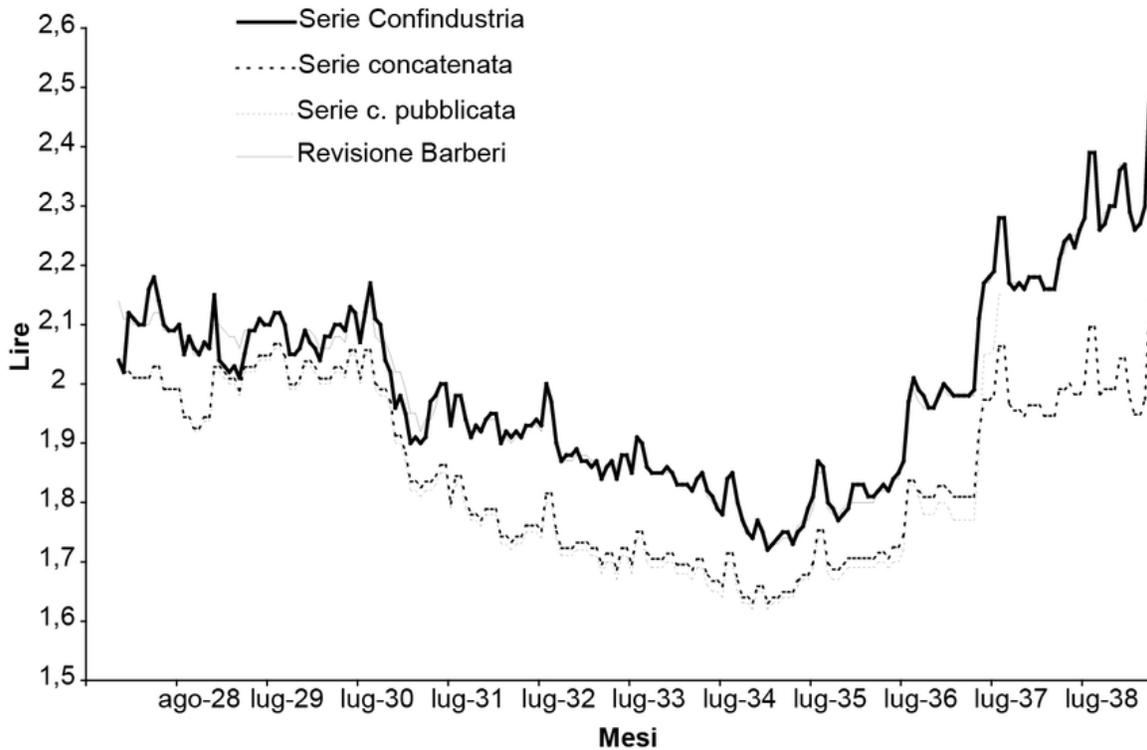


Figure 3: Wages in Fascist Italy. *Le Statistiche Sei Salari Industriali in Periodo Fascista* by Giovanni Favero

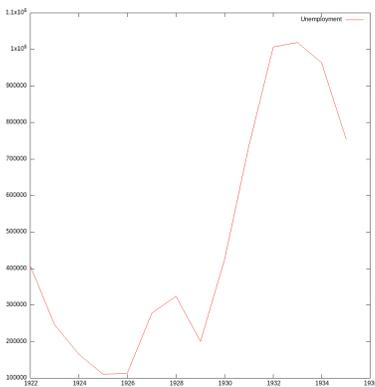


Figure 4: Unemployment in Fascist Italy 1922-1936. *Fascist Economic Policy* by William Welk

At the same time we saw a rise in unemployment. Now why do we see these things go up and then changes correlate around the same time, and in fact the movement in the more positive direction can be seen at the same date (1934-1935). The graph you see in Figure 4 is taken from data of the number of unemployed taken from May of each year up until 1935,⁴⁰ but the trend continues after that year even according to mainstream economist like Zamagni (however the reasons he gives for why I do not agree with). I believe both the increase in unemployment and reduction in wages have the same root, and really the Fascist took care of both. In fact. And as seen in the first article of the royal decree of march 1928 establishes employment offices which as article three states “shall make recommendations to the

competent ministers on questions pertaining to the labor market and shall fulfill all other tasks attributed to them by means of special regulations.”⁴¹

And if this is made to be an attack against Corporatism it’s a weak one. You can look to other corporate state like nazi Germany and to von Bismarck’s state socialism. Carmen Haider in his later works lies about

⁴⁰ *Fascist Economic Policy* by William Welk

⁴¹ *ibid.*

this but despite the fact Schach suggested that they should reduce wages Hitler made sure that they when up. And same with unemployment, because, here too, the nazis did great work. As Hitler brags about the economic miracle he created in his 1939 Reichstag speech;

Speeches and newspapers in these democracies tell us everyday about the difficulties we Germans face. [...] The statesmen either pity us or unctuously praise the tried recipes, which unfortunately, however do not seem to be so successful in their own countries [...]

[...]

While the question is this: which of the so-called great democracies is capable of performing the some feat? [...] in fact, our position was so difficult that there can be no comparison with the position of other great states. There are countries in the in the world where instead of one hundred and thirty-five people to the square kilometer, as there are in Germany, there are only only between five and eleven, where vast stretches of fertile lain lire fallow, where all imaginable minerals are available. There are countries which have all this and the natural wealth of coal, iron and ore and yet are not even capable of solving their own social problems of doing away with unemployment or overcoming their other difficulties.

[...] But as long as we still had an off shoot in Germany we had 7,000,000 unemployed; trade and industry were faced with absolute ruin in town and county, and society was on the point of revolution. Now we have solved these problems in spite of our difficulties, and for this we have our regime and our internal organization to thank. The representatives of foreign democracies marvel that we now take the liberty of maintaining the our regime is better than the former one

The graph you see in Figure 5 is data from *Statistisches Jahrbuch für das Deutsche Reich* showing unemployment in Germany from January of each year. Hitler for many Germans was nothing sort of an economic miracle. Then as stated by other historians that if Hitler had died in 1938 he would undoubtedly have been remembered by most Germans as one of their greatest leaders.

Upon taking office, Hitler had assigned the elimination of unemployment as his first priority. During the first twelve months of his administration, unemployment declined by nearly 2.3 million. In 1934, 2,973,544 persons were still out of work, but by November 1935, 1,750,000 more Germans had found full time jobs. Addressing the National Socialist party congress in Nuremberg on September 12, 1936, Reinhardt presented statistics demonstrating that ‘mass unemployment in Germany has been overcome. In some occupations, there is already a shortage of workers.’ He stated that among other civilized nations, of the 20 million people out of work in 1932, only two million had returned to the workforce over the previous four years (The statistics did not include the USSR, since no figures were available). During the same period in Germany, the economy created jobs for over five million previously unemployed persons. In addition, the average work day within this time frame increased from six hours 23 minutes to over seven hours per shift.

In November 1938, the German government officially recorded 461,244 citizens as unemployed. The statistic included individuals who were physically or mentally disabled, mostly home bound and hence unemployable. It also incorporated the populations of Austria and the Sudetenland. Germany had annexed these economically depressed lands the same year. Both had suffered massive unemployment, which Hitler had not yet had time to fully alleviate. From 1934 to 1937, the number of women in the work force increased from 4.5 million to 5.7 million. Despite programs to encourage women to return to traditional family roles, the government did not restrict those choosing a career. They were equally eligible for tax incentives offered for starting small businesses.⁴²

⁴² *Hitler's Revolution* by Richard Tedor

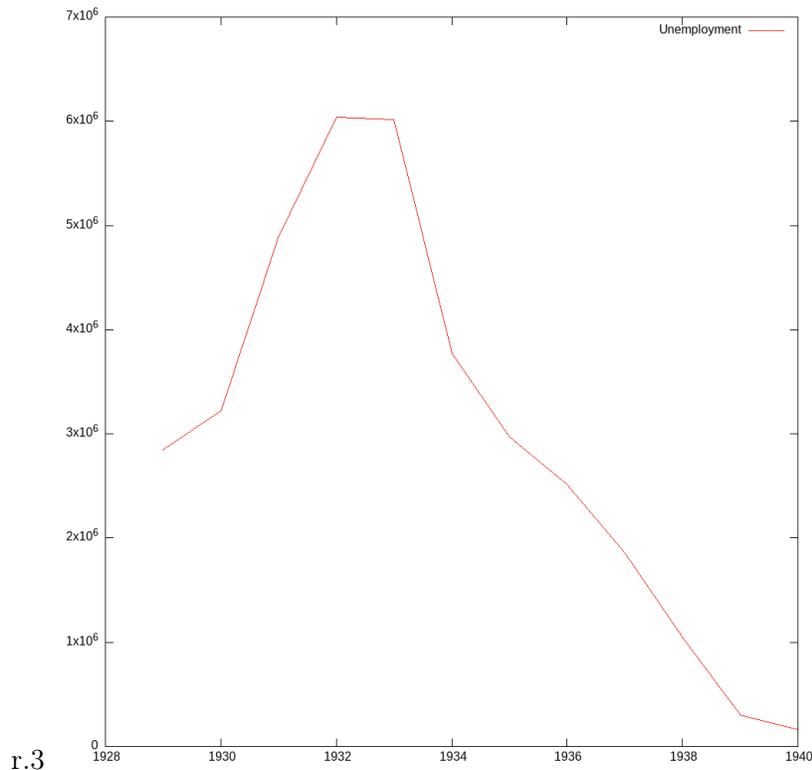


Figure 5: Unemployment in Third Reich 1922-1936. *Statistisches Jahrbuch für das Deutsche Reich*

Less impressive however was the rise in wages. As stated before Schach suggested that they should reduce wages to bring down unemployment, but the nazis did not do with. From my few there is little ground on the claim that these movements made labor conditions worst but to show that this is not a black and white view I will point out that the nazis did increase the working day. However, this is at war-time.

The Law for Regulation of Wages introduced guidelines for calculating salaries. Based on the principle of comparable pay for equal demands on an individual's time and energy, its goal was to guarantee a decent standard of living for everyone who worked hard. The law stated, 'Grading of salaries must correspond to the actual demands of the workinvolved. It therefore doesn't matter what job the individual has. Personal engagement is the decisive factor.' The regulation further called for anadjustment in salary for employees with unavoidable financial hardships,in order to guarantee their standard of living. Even time lost from workdue to weather conditions became a factor. It also required that everycitizen receive pay for overtime.

[...]

By 1938, the costs to employers for workers' salaries had risen by another 6.5 percent. Theyincluded paid holidays for labor, a measure Hitler personally introduced.The wage law established a minimum monthly income per person,sufficient to guarantee a decent living standard. It affected 96 percent ofall salaries nationwide. The Führer himself wrote that bringing aparticular class of people into the community 'does not succeed bydragging down the upper classes, but by elevating the lower. This processcan never be carried out by the higher class, but by the lower onefighting for its equal rights.'⁴³

And on to Bismarck. Let us first talk about the relief societies that were put in place under Frederick the Great. Life working on the railways was incredibly dangerous and wages were low. The relief societies were built to better such conditions by making employers pay for injuries and death caused by such work.

⁴³bid.

However, for much of their run they failed to do so. In 1838 “passed a law imposing upon railway companies and administrations nominal responsibility for the accidents which happened to their employees, save in the case of the latter’s neglect and blame.”⁴⁴ The law as written was ineffective and can be seen looking: wages were low, work was dangerous and workers were bullied into keeping quiet.

[...] the owners and conductors of railways, mines of all kinds of quarries, and factories liable for the injuries or death caused to their employees through accidents resulting from the pursuit of their callings, so long as the victims were not themselves to blame. In case of fatality the person or persons liable might be compelled to bear the costs of the medical measures attempted, the costs of burial, the loss caused to the deceased’s relatives during eventual illness, and in case the deceased were legally liable to support another or others, the latter might recover the loss thus sustained. In case of accident the compensation consisted of medical costs and the loss of wages suffered during illness or through temporary or permanent incapacity. The law was compulsory, and there was to be no contracting out of it.⁴⁵

And for a while yearly amendments to the law of 1871 were made improving it. And move over, a greater care for the people is shown under corporatism. And here too we should point the safety nets given by corporate states. It is true most of these thing existed before these corporate states, but such states made them better or built them totally a new as we have already seen with von Bismark. Then in America in view justified with both liberal capitalism and social Darwinism “The care of the poor of all ages was a responsibility assumed primarily by the private sector, generally through the extended family, friends and neighbors, and organized private charity”⁴⁶ In Italy also see more money being money being funneled into them as time goes. It is true throwing money doesn’t solve anything but it does show priorities.

I fail to see how anyone looking at these with an honest eye could say the they lowed the conditions of labor. As shown of to the side in the graph I made von Bismark did increase wages. Not shown in Figure 6 but also after von Bismark wages stopped following GDP as you can see in figure 7. Maybe I sent the mark a little too early in the year, but you can clearly see that von Caprivi’s movement to free trade broke the bond of wages and GDP.⁴⁷

Some Corporate states are just terrible. And something that should also be said is that most of the actually legitimate criticisms made against historical examples of corporatism only apply during weak periods of its implementation (as I have soon you with wages in Italy). Just look to the so called “clerical fascism” in Austria. Otto von Bismark may have failed at a lot of things, he may have turned down what was good legislation that would have improved his corporate state like he did in 1885 (if that can even be put on him). However, out side of accidentally increased child labor he did not make working conditions worst. I bring these things up partly to show that unlike the critics of corporatism we are honest. The so called “clerical fascism” in Austria may be one of the worst examples of corporatism. This is just a failed neutered corporate state built off Catholicism.

Beginning in 1931, [Austrian] unemployment grew rapidly, reaching a peak in 1933–6, with between 24 and 26 per cent of the labour force out of work [...] When, in 1937 and 1938, there

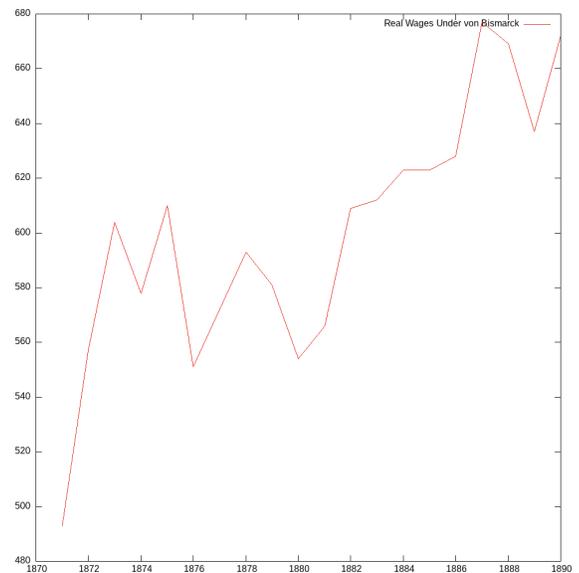


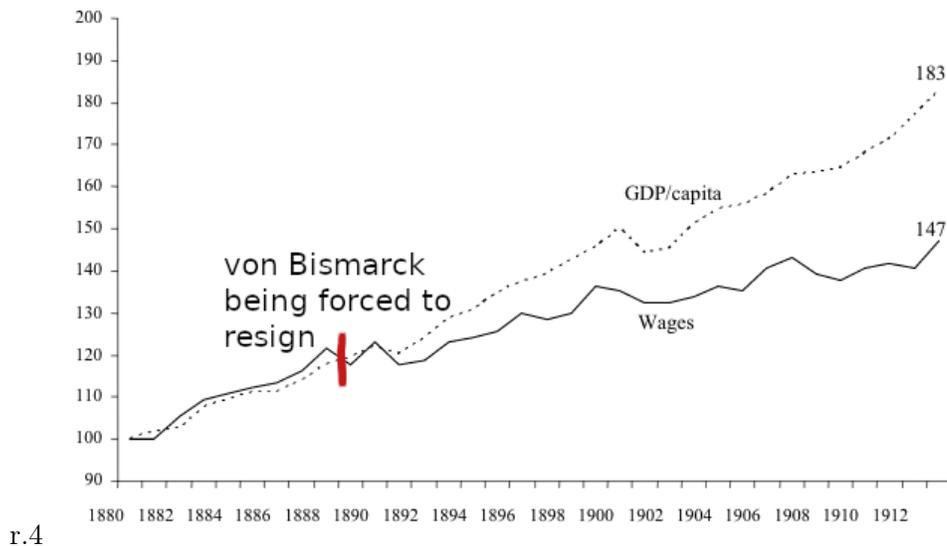
Figure 6: Real wages under von Bismark 1871-1890. *Welfare State and Labor Mobility* by David Khoudour doi:10.1017/S0022050708000077

⁴⁴ *Bismarck and State Socialism* by William Harbutt Dawson

⁴⁵ *ibid.*

⁴⁶ Quote taken from *Welfare State and Labor Mobility* by David Khoudour doi:10.1017/S0022050708000077

⁴⁷ Something David Khoudour doesn’t talk about.



r.4
 Figure 7: Wages and GDP in Germany 1880-1914 1871-1890. *Welfare State and Labor Mobility* by David Khoudour doi:10.1017/S0022050708000077

was a modest recovery, unemployment never dropped below the 20 per cent value. This had a devastating effect on the legitimacy of the Austrian system [...] As the Austrian government sustained its reluctance to apply Keynesian policies, the economic recovery never entered a serious tale-off phase in the second half of the 1930s. Linked to an exhausted determination of the Austrian government to resist the pressures from Germany, the economic crisis of the 1930s should be seen as an additional reason why the Austrian society was receptive to the annexation by Germany in March 1938⁴⁸

Austrian unemployment was also a disaster, they eliminated of the work's council, they made series of cuts to both welfare and nemployment benefits. Even Hitler would not allow the Liberal Schacht go as far as these so called "fascist" let Ludwig von Mises go. Then also the series of cuts to both welfare and unemployment benefits goes against the treads of all other corporate states. Other bad examples could be Franco in Spain.

The Spanish leader (*El Caudillo*) did initially employ a corporatist system somewhat modeled off of Italy wherein strikes were banned, independent labor unions lost their free status, and wages were fixed by the government. Efforts were made to ban foreign products from Spain [...] but Franco's model skewed towards his power base of large landowners and rich industrialist, directly conflicting with the National Syndicalist concepts of land reform and dislodging wealthu interests. This rose against the *Caudillo's* claim that he was supportive of 'an integrating National Socialism,' and was only enhaced by a shift towards pro-capitalist economics in the 1950s and 1960s.⁴⁹

And any claim that corporatism worsens the economy could not be more off base. Hitler saved Germany, and as I have partly already covered the Fascist saved Italy from the economic depression. Both Mussolini and Bismark help bring industrialization to Italy and German. I also feel at the same time it is better to call corporatism political more than economic. However, the three examples I have given of working corporate states did improve the economic conditions. Otto von Bismark rightfully deserves the praise for his accomplishments. Ralf Dahrendorf, Thorstein Veblen and Christopher Dawson are right about german

⁴⁸ *Austria* by Peter Gerlich & David Campbell doi:10.1057/9780333993774_2

⁴⁹ *Socialism of The Right* by Martin Goldberg

industrialization. What took most nations like Britain 150 year to do took Germany one-third the time. Thorstein Veblen on the Prussian state says that;

The Imperial State has come into the usufruct of this industrial state without being the burden of its long-term institutional consequences. Carrying over a traditional bias of Romantic loyalty, infused anew with a militant patriotism by several successful wars, and irritably conscious of national power in their new-found economic efficiency, the feudalistic spirit of the population has as yet been hardly dampened by their brief experience as a modern industrial community. And borne up by its ancient tradition of prowess and dynastic aggression, the Prussian imperial State has faithfully fostered this militant spirit and cultivated in the people the animus of a solidarity of prowess.⁵⁰

Now, next lie can be seen in I have already talked about in the section on Marxism and class-war. This lie can be seen in the Communist International of 1928 where Fascism is called a “terrorist dictatorship of big capital”⁵¹ from the view of the Communist International;

The characteristic feature of Fascism is that, as a consequence of the shock suffered by the capitalist economic system and of special objective and subjective circumstances, the bourgeoisie—in order to hinder the development of the revolution—utilises the discontent of the petty and middle, urban and rural bourgeoisie and even of certain strata of the declassed proletariat, for the purpose of creating a reactionary mass movement.

[...]

After capturing power, Fascism strives to establish political and organisational unity among all the governing classes of capitalist society (the bankers, the big industrialists and the agrarians), and to establish their undivided, open and consistent dictatorship.⁵²

All this is with out any base in reality. Same when Pannekoek says that in Germany “the bourgeoisie is in complete power”⁵³ like it is in the Liberal America. Such claims are with out base, but are made everywhere even by non-Marxist. People like the egoist and homosexual activist Adolf Brand were all over making claims like this. This view can be best summed up as “capitalism in decay” to take from a fake Lenin quote. This is made not just on Fascism but I see an article from the Jacobin that views it as just a welfare state that surprised labor. However such claims have no real base. In Italy for example;

Salvemini continued: ‘now the industrialists are no longer content with Mussolini. They are not as manageable as they wished.’ At the end of actual, referring to information passed along to Donati, editor of the Catholic newspaper *Il Popolo*, Salvemini noted: ‘An industrialist of Turin told Donati that in his circle people are beginning to ask themselves if it might now be wise to pay the Communists to fight the Fascists!’ In early May, the future Communist leader Palmiro Togliatti wrote to Gramsci in Moscow that ‘The Industrial classes are rather wary of the new regime, fearing unpredictable developments in the class struggle with Fascist syndicates.’⁵⁴

It may also be nice to point out that corporatism in its most complete form is not at all much different from a state-enforced mutualism. However, there are too many lies here that we should talk about quickly. And it may be worth noting that we can play the same game as them which I have shown. When they say we are funded by big capital two things must be pointed out: the rational inconsistency there and the lies. In fact similar yet opposite attack in made the Austrian economist Ludwig von Mises but there is more truth, but ridiculous.

⁵⁰Quote taken from *A History of Prussia* by H. W. Koch

⁵¹Quote taken from *Fascism and Social Revolution* by R. Palme Dutt

⁵²ibid.

⁵³From his *State Capitalism and Dictatorship*

⁵⁴*Italian Industrialists from Liberalism to Fascism* by Franklin Hugh Adler

It is quite embarrassing for these Communist — who enjoy the high they get from their pretentious intellectualism and academic prowess — to show themselves unable to have any understanding of these basic things. When the Marxists meet to come up with a “scientific understanding” of the phenomenon they come up with this. However, I don’t think these people are honest actors. Think back to my example of Togliatti who in the 60s he compares American Republicans to Fascist after telling Gramsci in the 20s that industrialist fear Fascism.

First, we must point out how irrational this view is. They believe that these nations that were destroyed by the forces of capitalist plutocracies are the tools of capitalism. They believe (if they even now) that these proletarian movements that grew out of some of the most radical socialist are supporters of the bourgeois in their hearts. This just does not make sense. It’s like industrialist paying Communist to break up unions, that is to say it’s weird.

Next, there is no way you can honestly call it “capitalism in decay”. Even if this point is made dishonestly I will respond to some of their points. The truth is like Hitler told Wagener in September 1930;

Do you think that a die-hard industrialist is ready to suddenly admit that what he owns is not a right but an obligation? That capital no longer rules but will be ruled? That it’s not about the life of the individual, but about that of the whole group?⁵⁵

And with the Nazis a lot of people like to talk about “The myth of privatization”. This is a myth and the man who caused a lot of the so called “privatization” was put in a camp. Also, under a state like Nazi Germany and Fascist Italy the lines between public and private becomes blurred. There is a lot that is private on paper, indirectly nationalized or put under so much regulation that you can’t say they were acting freely. Let me give an example of this indirect nationalization with Ufa Film. Ufa Film was privatized in 1921, but it went under this indirect nationalization. Joseph Goebbels brought Ufa Film under the control of his propaganda ministry in addition to the other media companies. In March of 1937, the Hugenberg Group had to sell its Ufa Film shares for 21.25 million Reichsmarks to Cautio Treuhand GmbH (a quasi-state holding company that worked on behalf of Goebbels). Ufa was practically nationalized.

What evidence do they have when these people say “capitalism in decay”? None, and this also can’t be said of Bismark who also gets misrepresented. It is put as his State Socialism came as a reaction against social Democrats, but I would recommend you look to chapter ii of Dawson’s book. I do not view Bismark as the same threat to capital as Fascism was (read Dawson and you will see why), but his economic views came as a reaction against Liberalism in Prussia: free trade, free competition and the vague ideas of individualism. And a reaction against the Stein and Hardenberg laws — bringing a lot of these things to Prussia — but not that Bismark wanted to move back the serfdom and feudalism in fact he their land reforms (not that he believed in so called “property rights”).

None of these worked for big capital. And something else you see with attacks on historical forms of corporatism is that they are attacked at their weak points. Call back the point on wages in Fascist Italy. That point only works for a short period of the state, but people will point to that short period to show how the Fascist lowered wages.

They will ignore the corporative structure or will only let it exist to advance big capital. Here I will address the lie that the officers were “just whoever the fascist wanted to put in.” To start as Pitigliani points out that with syndical officers “Various ministerial regulations and the practice of recent times show the tendency of the Government to entrust the Officers. tendency of the Government to entrust the nomination of the responsible representatives of the syndical association to the choice of the members”⁵⁶ And elsewhere are elected by other parts of the corporative body. Even going farther in the law of May 17, 1928 also goes into the political representation, and makes the whole state more technocratic (as I have shown before).

Then moving to another end Ludwig von Mises attacks corporatism, syndicalism and guild socialism in *Human Action*. Isn’t it kinda funny for the man who ruined the corporatism of the Fatherland Front to be talking about the flaws in this system. For him these fail because of the fetishization of production and form

⁵⁵Quote taken from *Hitler’s Revolution* by Richard Tedlow

⁵⁶ibid.

him “purpose of production is consumption.”⁵⁷ Something he misses as many economist to is that theology intersects with philosophy which intersects with politics which intersects with economics, and one should look to the whole. You may have noticed that our argument for corporatism is more political than economic, and it is correct to view corporatism as more of a political view than an economic view. Our argument has been built off nationalism.

It is good to act as to improve the conditions of labor, and is more than a mere fetishization of production. Here too Mises commits a similar mistake to the socialist he attacks. Unlike the socialist he is guilty of a fetishization of consumption, and a consumption past obesity. And an interesting line from Mises follows; “What the syndicalist considers the most serious defect of the capitalist system and disparages as the brutality and callousness of autocratic profit-seekers is precisely the outcome of the supremacy of the consumers.”⁵⁸ Thus, poor working conditions come from people “voting with their wallet”.

So, in the view of Mises at what point would he have to agree with slavery. Sense now production is all most irrelevant, and under slavery the product is still made. And after all does this “supremacy of the consumers” put something like 1 million children in Bangladesh into similar conditions to that of slavery. And here we see the “democracy of the consumers” to be just as much of a scam as the so-called “democracy” we have here in America. Ask any American if they support child labor in Bangladesh, and then, look at how many even look at the tag to see where it’s from before buying it. And as I have shown with China this kind of relationship is provides is with cheaper products but displaces jobs and lowers wages. I point out that productivity and GDP have not been in line with wages as is seen throughout liberalism. However, none of that matters for Mises.

However, Mises does make a point that holds some truth. He view the sydicalism, guild socialism and corporatism will all incree state control in the economy. And, we see this — partly intentionally — in Italy. *Rerum Novarum* may view property as a right, but for the Fascist it is just a tool that the Fascist are happy to remove. This is a rejection of the Liberal view that the state should protect property. However, this point does not hold up unless you buy into the Liberal nonsense of Mises, and would ignores the good these systems have done.

8 Readings On Corporatism

Hegel in *Philosophy of Right*

§250

The agricultural estate, in view of the substantiality of its natural and family life, has within itself, in immediate form, the concrete universal in which it lives. The Universal estate, by definition, has the universal for itself as its basis and as the end of its activity. The intermediate estate, i.e. the estate of trade and industry, is essentially concerned with the particular, and the corporation is therefore especially characteristic of it.

§251

The work performed by civil society is divided into different branches according to its particular nature. Since the inherent likeness of such particulars, as the quality common to them all, comes into existence in the association, the selfish end which pursues its own particular interest comprehends and expresses itself at the same time as a universal end; and the member of civil society, in accordance with his particular skill, is a member of a corporation whose universal end is therefore wholly concrete, and no wider in scope than the end inherent in the trade which is the corporation’s proper business and interest.

⁵⁷ibid.

⁵⁸ibid.

§252

By this definition, the corporation has the right, under the supervision of the public authority, to look after its own interests within its enclosed sphere, to admit members in accordance with their objective qualification of skill and rectitude and in numbers determined by the universal context, to protect its members against particular contingencies, and to educate others so as to make them eligible for membership. In short, it has the right to assume the role of a second family for its members, a role which must remain more indeterminate in the case of civil society in general, which is more remote from individuals and their particular requirements.

The tradesman is distinct from the day labourer, as he is from someone who is prepared to perform an occasional contingent service. The former, who is — or wishes to become a master, is a member of an association not for occasional contingent gain, but for the whole range and universality of his particular livelihood. Privileges, in the sense of rights of a branch of civil society which constitutes a corporation, are distinct from privileges proper in the etymological sense, in that the latter are contingent exceptions to the universal law, whereas the former are no more than legally fixed determinations which lie in the particular nature of an essential branch of society itself.

§253

In the corporation, the family not only has its firm basis in that its livelihood is guaranteed - i.e. it has secure resources - on condition of its [possessing a certain] capability, but the two [i.e. livelihood and capability] are also recognized, so that the member of a corporation has no need to demonstrate his competence and his regular income and means of support - i.e. the fact that he is somebody - by any further external evidence. In this way, it is also recognized that he belongs to a whole which is itself a member of society in general, and that he has an interest in, and endeavours to promote, the less selfish end of this whole. Thus, he has his honour in his estate.

As a guarantor of resources, the institution of the corporation corresponds to the introduction of agriculture and private property in another sphere. When complaints are made about that luxury and love of extravagance of the professional classes which is associated with the creation of a rabble, we must not overlook, in addition to the other causes [of this phenomenon] (e.g. the increasingly mechanical nature of work), its ethical basis as implied in what has been said above. If the individual is not a member of a legally recognized corporation (and it is only through legal recognition that a community becomes a corporation), he is without the honour of belonging to an estate, his isolation reduces him to the selfish aspect of his trade, and his livelihood and satisfaction lack stability. He will accordingly try to gain recognition through the external manifestations of success in his trade, and these are without limit, because it is impossible for him to live in a way appropriate to his estate if his estate does not exist; for a community can exist in civil society only if it is legally constituted and recognized. Hence, no way of life of a more general kind appropriate to such an estate can be devised. - Within the corporation, the help which poverty receives loses its contingent and unjustly humiliating character, and wealth, in fulfilling the duty it owes to its association, loses the ability to provoke arrogance in its possessor and envy in others; rectitude also receives the true recognition and honour which are due to it.

§254

In the corporation, the so-called natural right to practise one's skill and thereby earn what there is to earn is limited only to the extent that, in this context, the skill is rationally determined. That is, it is freed from personal opinion and contingency, from its danger to oneself and others, and is recognized, guaranteed, and at the same time raised to a conscious activity for a common end.

§255

The family is the first ethical root of the state; the corporation is the second, and it is based in civil society. The former contains the moments of subjective particularity and objective universality in substantial unity; but in the latter, these moments, which in civil society are at first divided into the internally reflected particularity of need and satisfaction and abstract legal universality, are inwardly united in such a way that particular welfare is present as a right and is actualized within this union.

Remark: The sanctity of marriage and the honour attaching to the corporation are the two moments round which the disorganization of civil society revolves.

When the corporations were abolished in recent times, it was with the intention that the individual should look after himself. But even if we accept this, the corporation does not affect the individual's obligation to earn his living. In our modern states, the citizens have only a limited share in the universal business of the state; but it is necessary to provide ethical man with a universal activity in addition to his private end. This universal [activity], which the modern state does not always offer him, can be found in the corporation. We saw earlier that, in providing for himself, the individual in civil society is also acting for others. But this unconscious necessity is not enough; only in the corporation does it become a knowing and thinking part of ethical life. The corporation, of course, must come under the higher supervision of the state, for it would otherwise become ossified and set in its ways, and decline into a miserable guild system. But the corporation in and for itself is not an enclosed guild; it is rather a means of giving the isolated trade an ethical status, and of admitting it to a circle in which it gains strength and honour.

§256

The end of the corporation, which is limited and finite, has its truth in the end which is universal in and for itself and in the absolute actuality of this end. So likewise do the separation and relative identity which were present in the external organization of the police. The sphere of civil society thus passes over into the state.

Pope Leo XIII in *Rerum Novarum*

The discussion is not easy, nor is it void of danger. It is no easy matter to define the relative rights and mutual duties of the rich and of the poor, of capital and of labor. And the danger lies in this, that crafty agitators are intent on making use of these differences of opinion to pervert men's judgments and to stir up the people to revolt.

In any case we clearly see, and on this there is general agreement, that some opportune remedy must be found quickly for the misery and wretchedness pressing so unjustly on the majority of the working class: for the ancient workingmen's guilds were abolished in the last century, and no other protective organization took their place. Public institutions and the laws set aside the ancient religion. Hence, by degrees it has come to pass that working men have been surrendered, isolated and helpless, to the hardheartedness of employers and the greed of unchecked competition. The mischief has been increased by rapacious usury, which, although more than once condemned by the Church, is nevertheless, under a different guise, but with like injustice, still practiced by covetous and grasping men. To this must be added that the hiring of labor and the conduct of trade are concentrated in the hands of comparatively few; so that a small number of very rich men have been able to lay upon the teeming masses of the laboring poor a yoke little better than that of slavery itself.

To remedy these wrongs the socialists, working on the poor man's envy of the rich, are striving to do away with private property, and contend that individual possessions should become the

common property of all, to be administered by the State or by municipal bodies. [...] But their contentions are so clearly powerless to end the controversy that were they carried into effect the working man himself would be among the first to suffer. They are, moreover, emphatically unjust, for they would rob the lawful possessor, distort the functions of the State, and create utter confusion in the community.

It is surely undeniable that, when a man engages in remunerative labor, the impelling reason and motive of his work is to obtain property, and thereafter to hold it as his very own. If one man hires out to another his strength or skill, he does so for the purpose of receiving in return what is necessary for the satisfaction of his needs; he therefore expressly intends to acquire a right full and real, not only to the remuneration, but also to the disposal of such remuneration, just as he pleases. Thus, if he lives sparingly, saves money, and, for greater security, invests his savings in land, the land, in such case, is only his wages under another form; and, consequently, a working man's little estate thus purchased should be as completely at his full disposal as are the wages he receives for his labor. [...] strike at the interests of every wage-earner, since they would deprive him of the liberty of disposing of his wages, and thereby of all hope and possibility of increasing his resources and of bettering his condition in life.

What is of far greater moment, however, is the fact that the remedy they propose is manifestly against justice. For, every man has by nature the right to possess property as his own. This is one of the chief points of distinction between man and the animal creation, for the brute has no power of self direction, but is governed by two main instincts, which keep his powers on the alert, impel him to develop them in a fitting manner, and stimulate and determine him to action without any power of choice. One of these instincts is self preservation, the other the propagation of the species. Both can attain their purpose by means of things which lie within range; beyond their verge the brute creation cannot go, for they are moved to action by their senses only, and in the special direction which these suggest. But with man it is wholly different. He possesses, on the one hand, the full perfection of the animal being, and hence enjoys at least as much as the rest of the animal kind, the fruition of things material. But animal nature, however perfect, is far from representing the human being in its completeness, and is in truth but humanity's humble handmaid, made to serve and to obey. It is the mind, or reason, which is the predominant element in us who are human creatures; it is this which renders a human being human, and distinguishes him essentially from the brute. [...]

[...]

The fact that God has given the earth for the use and enjoyment of the whole human race can in no way be a bar to the owning of private property. For God has granted the earth to mankind in general, not in the sense that all without distinction can deal with it as they like, but rather that no part of it was assigned to any one in particular, and that the limits of private possession have been left to be fixed by man's own industry, and by the laws of individual races. Moreover, the earth, even though apportioned among private owners, ceases not thereby to minister to the needs of all, inasmuch as there is not one who does not sustain life from what the land produces. Those who do not possess the soil contribute their labor; hence, it may truly be said that all human subsistence is derived either from labor on one's own land, or from some toil, some calling, which is paid for either in the produce of the land itself, or in that which is exchanged for what the land brings forth.

Here, again, we have further proof that private ownership is in accordance with the law of nature. Truly, that which is required for the preservation of life, and for life's well-being, is produced in great abundance from the soil, but not until man has brought it into cultivation and expended upon it his solicitude and skill. Now, when man thus turns the activity of his mind and the strength of his body toward procuring the fruits of nature, by such act he makes his own that portion of nature's field which he cultivates - that portion on which he leaves, as it were, the

impress of his personality; and it cannot but be just that he should possess that portion as his very own, and have a right to hold it without any one being justified in violating that right.

So strong and convincing are these arguments that it seems amazing that some should now be setting up anew certain obsolete opinions in opposition to what is here laid down. They assert that it is right for private persons to have the use of the soil and its various fruits, but that it is unjust for any one to possess outright either the land on which he has built or the estate which he has brought under cultivation. But those who deny these rights do not perceive that they are defrauding man of what his own labor has produced. For the soil which is tilled and cultivated with toil and skill utterly changes its condition; it was wild before, now it is fruitful; was barren, but now brings forth in abundance. That which has thus altered and improved the land becomes so truly part of itself as to be in great measure indistinguishable and inseparable from it. Is it just that the fruit of a man's own sweat and labor should be possessed and enjoyed by any one else? As effects follow their cause, so is it just and right that the results of labor should belong to those who have bestowed their labor.

[...]

The contention, then, that the civil government should at its option intrude into and exercise intimate control over the family and the household is a great and pernicious error. True, if a family finds itself in exceeding distress, utterly deprived of the counsel of friends, and without any prospect of extricating itself, it is right that extreme necessity be met by public aid, since each family is a part of the commonwealth. In like manner, if within the precincts of the household there occur grave disturbance of mutual rights, public authority should intervene to force each party to yield to the other its proper due; for this is not to deprive citizens of their rights, but justly and properly to safeguard and strengthen them. But the rulers of the commonwealth must go no further; here, nature bids them stop. Paternal authority can be neither abolished nor absorbed by the State; for it has the same source as human life itself. 'The child belongs to the father,' and is, as it were, the continuation of the father's personality; and speaking strictly, the child takes its place in civil society, not of its own right, but in its quality as member of the family in which it is born. And for the very reason that 'the child belongs to the father' it is, as St. Thomas Aquinas says, 'before it attains the use of free will, under the power and the charge of its parents.'⁽⁴⁾ The socialists, therefore, in setting aside the parent and setting up a State supervision, act against natural justice, and destroy the structure of the home.

[...]

[...] It is the Church that insists, on the authority of the Gospel, upon those teachings whereby the conflict can be brought to an end, or rendered, at least, far less bitter; the Church uses her efforts not only to enlighten the mind, but to direct by her precepts the life and conduct of each and all; the Church improves and betters the condition of the working man by means of numerous organizations; does her best to enlist the services of all classes in discussing and endeavoring to further in the most practical way, the interests of the working classes; and considers that for this purpose recourse should be had, in due measure and degree, to the intervention of the law and of State authority.

It must be first of all recognized that the condition of things inherent in human affairs must be borne with, for it is impossible to reduce civil society to one dead level. Socialists may in that intent do their utmost, but all striving against nature is in vain. There naturally exist among mankind manifold differences of the most important kind; people differ in capacity, skill, health, strength; and unequal fortune is a necessary result of unequal condition. Such inequality is far from being disadvantageous either to individuals or to the community. Social and public life can only be maintained by means of various kinds of capacity for business and the playing of many parts; and each man, as a rule, chooses the part which suits his own peculiar domestic condition. As regards bodily labor, even had man never fallen from the state of innocence, he would not

have remained wholly idle; but that which would then have been his free choice and his delight became afterwards compulsory, and the painful expiation for his disobedience. ‘Cursed be the earth in thy work; in thy labor thou shalt eat of it all the days of thy life.’

[...]

The great mistake made in regard to the matter now under consideration is to take up with the notion that class is naturally hostile to class, and that the wealthy and the working men are intended by nature to live in mutual conflict. So irrational and so false is this view that the direct contrary is the truth. Just as the symmetry of the human frame is the result of the suitable arrangement of the different parts of the body, so in a State is it ordained by nature that these two classes should dwell in harmony and agreement, so as to maintain the balance of the body politic. Each needs the other: capital cannot do without labor, nor labor without capital. Mutual agreement results in the beauty of good order, while perpetual conflict necessarily produces confusion and savage barbarity. Now, in preventing such strife as this, and in uprooting it, the efficacy of Christian institutions is marvellous and manifold. First of all, there is no intermediary more powerful than religion (whereof the Church is the interpreter and guardian) in drawing the rich and the working class together, by reminding each of its duties to the other, and especially of the obligations of justice.

[...] The following duties bind the wealthy owner and the employer: not to look upon their work people as their bondsmen, but to respect in every man his dignity as a person ennobled by Christian character. They are reminded that, according to natural reason and Christian philosophy, working for gain is creditable, not shameful, to a man, since it enables him to earn an honorable livelihood; but to misuse men as though they were things in the pursuit of gain, or to value them solely for their physical powers — that is truly shameful and inhuman. Again justice demands that, in dealing with the working man, religion and the good of his soul must be kept in mind. Hence, the employer is bound to see that the worker has time for his religious duties; that he be not exposed to corrupting influences and dangerous occasions; and that he be not led away to neglect his home and family, or to squander his earnings. Furthermore, the employer must never tax his work people beyond their strength, or employ them in work unsuited to their sex and age. His great and principal duty is to give every one what is just. Doubtless, before deciding whether wages are fair, many things have to be considered; but wealthy owners and all masters of labor should be mindful of this — that to exercise pressure upon the indigent and the destitute for the sake of gain, and to gather one’s profit out of the need of another, is condemned by all laws, human and divine. To defraud any one of wages that are his due is a great crime which cries to the avenging anger of Heaven. ‘Behold, the hire of the laborers... which by fraud has been kept back by you, crieth; and the cry of them hath entered into the ears of the Lord of Sabaoth.’ Lastly, the rich must religiously refrain from cutting down the workmen’s earnings, whether by force, by fraud, or by usurious dealing; and with all the greater reason because the laboring man is, as a rule, weak and unprotected, and because his slender means should in proportion to their scantiness be accounted sacred. Were these precepts carefully obeyed and followed out, would they not be sufficient of themselves to keep under all strife and all its causes?

[...]

The Church, moreover, intervenes directly in behalf of the poor, by setting on foot and maintaining many associations which she knows to be efficient for the relief of poverty. Herein, again, she has always succeeded so well as to have even extorted the praise of her enemies. Such was the ardor of brotherly love among the earliest Christians that numbers of those who were in better circumstances despoiled themselves of their possessions in order to relieve their brethren; whence ‘neither was there any one needy among them.’ To the order of deacons, instituted in that very intent, was committed by the Apostles the charge of the daily doles; and the Apostle Paul, though burdened with the solicitude of all the churches, hesitated not to undertake laborious

journeys in order to carry the alms of the faithful to the poorer Christians. Tertullian calls these contributions, given voluntarily by Christians in their assemblies, deposits of piety, because, to cite his own words, they were employed ‘in feeding the needy, in burying them, in support of youths and maidens destitute of means and deprived of their parents, in the care of the aged, and the relief of the shipwrecked.’

[...] The foremost duty, therefore, of the rulers of the State should be to make sure that the laws and institutions, the general character and administration of the commonwealth, shall be such as of themselves to realize public well-being and private prosperity. This is the proper scope of wise statesmanship and is the work of the rulers. Now a State chiefly prospers and thrives through moral rule, well-regulated family life, respect for religion and justice, the moderation and fair imposing of public taxes, the progress of the arts and of trade, the abundant yield of the land-through everything, in fact, which makes the citizens better and happier. Hereby, then, it lies in the power of a ruler to benefit every class in the State, and amongst the rest to promote to the utmost the interests of the poor; and this in virtue of his office, and without being open to suspicion of undue interference - since it is the province of the commonwealth to serve the common good. And the more that is done for the benefit of the working classes by the general laws of the country, the less need will there be to seek for special means to relieve them.

[...] There is another and deeper consideration which must not be lost sight of. As regards the State, the interests of all, whether high or low, are equal. The members of the working classes are citizens by nature and by the same right as the rich; they are real parts, living the life which makes up, through the family, the body of the commonwealth; and it need hardly be said that they are in every city very largely in the majority. It would be irrational to neglect one portion of the citizens and favor another, and therefore the public administration must duly and solicitously provide for the welfare and the comfort of the working classes; otherwise, that law of justice will be violated which ordains that each man shall have his due. To cite the wise words of St. Thomas Aquinas: ‘As the part and the whole are in a certain sense identical, so that which belongs to the whole in a sense belongs to the part.’ Among the many and grave duties of rulers who would do their best for the people, the first and chief is to act with strict justice - with that justice which is called distributive - toward each and every class alike.

But although all citizens, without exception, can and ought to contribute to that common good in which individuals share so advantageously to themselves, yet it should not be supposed that all can contribute in the like way and to the same extent. No matter what changes may occur in forms of government, there will ever be differences and inequalities of condition in the State. Society cannot exist or be conceived of without them. Some there must be who devote themselves to the work of the commonwealth, who make the laws or administer justice, or whose advice and authority govern the nation in times of peace, and defend it in war. Such men clearly occupy the foremost place in the State, and should be held in highest estimation, for their work concerns most nearly and effectively the general interests of the community. Those who labor at a trade or calling do not promote the general welfare in such measure as this, but they benefit the nation, if less directly, in a most important manner. We have insisted, it is true, that, since the end of society is to make men better, the chief good that society can possess is virtue. [...]

[...]

Whenever the general interest or any particular class suffers, or is threatened with harm, which can in no other way be met or prevented, the public authority must step in to deal with it. Now, it is to the interest of the community, as well as of the individual, that peace and good order should be maintained; that all things should be carried on in accordance with God’s laws and those of nature; that the discipline of family life should be observed and that religion should be obeyed; that a high standard of morality should prevail, both in public and private life; that justice should be held sacred and that no one should injure another with impunity; that the members of the

commonwealth should grow up to man's estate strong and robust, and capable, if need be, of guarding and defending their country. If by a strike of workers or concerted interruption of work there should be imminent danger of disturbance to the public peace; or if circumstances were such as that among the working class the ties of family life were relaxed; if religion were found to suffer through the workers not having time and opportunity afforded them to practice its duties; if in workshops and factories there were danger to morals through the mixing of the sexes or from other harmful occasions of evil; or if employers laid burdens upon their workmen which were unjust, or degraded them with conditions repugnant to their dignity as human beings; finally, if health were endangered by excessive labor, or by work unsuited to sex or age — in such cases, there can be no question but that, within certain limits, it would be right to invoke the aid and authority of the law. The limits must be determined by the nature of the occasion which calls for the law's interference - the principle being that the law must not undertake more, nor proceed further, than is required for the remedy of the evil or the removal of the mischief.

Rights must be religiously respected wherever they exist, and it is the duty of the public authority to prevent and to punish injury, and to protect every one in the possession of his own. Still, when there is question of defending the rights of individuals, the poor and badly off have a claim to especial consideration. The richer class have many ways of shielding themselves, and stand less in need of help from the State; whereas the mass of the poor have no resources of their own to fall back upon, and must chiefly depend upon the assistance of the State. And it is for this reason that wage-earners, since they mostly belong in the mass of the needy, should be specially cared for and protected by the government.

[. . .] Most true it is that by far the larger part of the workers prefer to better themselves by honest labor rather than by doing any wrong to others. But there are not a few who are imbued with evil principles and eager for revolutionary change, whose main purpose is to stir up disorder and incite their fellows to acts of violence. The authority of the law should intervene to put restraint upon such firebrands, to save the working classes from being led astray by their maneuvers, and to protect lawful owners from spoliation.

Edward Potts Cheyney in *An Introduction to the Industrial and Social History of England*

The gild might therefore be defined as that form of organization of the inhabitants of the town which controlled its trade and industry. The principal reason for the existence of the gild was to preserve to its own members the monopoly of trade. No one not in the gild merchant of the town could buy or sell there except under conditions imposed by the gild. Foreigners coming from other countries or traders from other English towns were prohibited from buying or selling in any way that might interfere with the interests of the guildsmen. They must buy and sell at such times and in such places and only such articles as were provided for by the gild regulations. They must in all cases pay the town tolls, from which members of the gild were exempt. [. . .]

[. . .]

Meetings were held at different periods, sometimes annually, in many cases more frequently. At these meetings new ordinances were passed, officers elected, and other business transacted. It was also a convivial occasion, a gild feast preceding or following the other labors of the meeting. In some gilds the meeting was regularly known as 'the drinking.' There were likewise frequent sittings of the officials of the fraternity, devoted to the decision of disputes between brethren, the admission of new members, the fining or expulsion of offenders against the gild ordinances, and other routine work. These meetings were known as 'morrow-speches'.

The greater part of the activity of the gild merchant consisted in the holding of its meetings with their accompanying feasts, and in the enforcement of its regulations upon its members and upon outsiders. It fulfilled, however, many fraternal duties for its members. [. . .] The gild merchant also sometimes fulfilled various religious, philanthropic, and charitable duties, not only to its

members, but to the public generally, and to the poor. The time of the fullest development of the gild merchant varied, of course, in different towns, but its widest expansion was probably in the early part of the period we are studying, that is, during the thirteenth century. Later it came to be in some towns indistinguishable from the municipal government in general, its members the same as the burgesses, its officers represented by the officers of the town. In some other towns the gild merchant gradually lost its control over trade, retaining only its fraternal, charitable, and religious features. In still other cases the expression gradually lost all definite significance and its meaning became a matter for antiquarian dispute. [...]

By the fourteenth century the gild merchant of the town was a much less conspicuous institution than it had previously been. Its decay was largely the result of the growth of a group of organizations in each town which were spoken of as crafts, fraternities, gilds, misteries, or often merely by the name of their occupation, as the spurriers,' the dyers,' 'the fishmongers.' These organizations are usually described in later writings as craft gilds. It is not to be understood that the gild merchant and the craft gilds never existed contemporaneously in any town. The former began earlier and decayed before the craft gilds reached their height, but there was a considerable period when it must have been a common thing for a man to be a member both of the gild merchant of the town and of the separate organization of his own trade. The later gilds seem to have grown up in response to the needs of handicraft much as the gild merchant had grown up to regulate trade, though trading occupations also were eventually drawn into the craft gild form of organization. [...] the number of craft gilds in any one town was often very large. At London there were by 1350 at least as many as forty, at York, some time later, more than fifty.

The craft gilds existed usually under the authority of the town government, though frequently they obtained authorization or even a charter from the crown. They were formed primarily to regulate and preserve the monopoly of their own occupations in their own town, just as the gild merchant existed to regulate the trade of the town in general. No one could carry on any trade without being subject to the organization which controlled that trade. Membership, however, was not intentionally restricted. Any man who was a capable workman and conformed to the rules of the craft was practically a member of the organization of that industry. [...] Another class of rules was for mutual assistance, for kindness among members, and for the obedience and faithfulness of journeymen and apprentices. There were provisions for assistance to members of the craft when in need, or to their widows and orphans, for the visitation of those sick or in prison, for common attendance at the burial services of deceased members, and for other charitable and philanthropic objects. Thus the craft gild, like the gild merchant, combined close social relationship with a distinctly recognized and enforced regulation of the trade. This regulation provided for the protection of members of the organization from outside competition, and it also prevented any considerable amount of competition among members; it supported the interests of the full master members of the craft as against those in the journeyman stage, and enforced the custom of the trade in hours, materials, methods of manufacture, and often in prices.

[...]

Thus if there were men in the mediæval town who were not members of some trading or craft body, they would in all probability be members of some society based merely on religious or social feeling. The whole tendency of mediæval society was toward organization, combination, close union with one's fellows. It might be said that all town life involved membership in some organization, and usually in that one into which a man was drawn by the occupation in which he made his living. These gilds or the town government itself controlled even the affairs of private economic life in the city, just as the customary agriculture of the country prevented much freedom of action there. Methods of trading, or manufacture, the kind and amount of material to be used, hours of labor, conditions of employment, even prices of work, were regulated by the gild ordinances. The individual gildsman had as little opportunity to emancipate himself from the controlling force of the association as the individual tenant on the rural manor had to free

himself from the customary agriculture and the customary services. Whether we study rural or urban society, whether we look at the purely economic or at the broader social side of existence, life in the thirteenth and fourteenth centuries was corporate rather than individual.

Edmondo Rossoni in *The Significance of Fascist Syndicalism*

Labour unions cannot be expected to give up their class position or the weapon of the strike, unless employers change their traditional attitude of sheer resistance to labour. Captains of industry must undergo a change of heart and even relinquish some of their despotic power, which is incompatible with modern ideas and with the dignity of labour. Whether one likes it or not, the birth of Syndicalism in the world results from the improvement in the conditions of the salaried and wage-earning classes; a new will, strictly controlled and disciplined, is intervening in regulating production and in determining the relations between classes. The aim of fascist syndicalism is unity and collaboration: it does not oppose, but conforms to the needs of production; it does not deny the conscious aims of labour, but harmonises them with the aims and with the industrial experience of the managers. This is the true and fundamental difference between fascism Syndicalism and Trade-Unionism, based as the latter is on class warfare. If this is understood by the capitalist class, the whole position changes, and collaboration finds a fertile soil for development. But, if this is not understood, it becomes futile to cry out for a collaboration which is doomed to die before birth, like seed cast upon stones.

There are clear and definite principles in the syndicalist doctrine of Fascism; and, without a knowledge of these principles, it is impossible to arrive at a clear idea of the social problem which is, after all, the greatest problem of modern life. The different exponents of Socialism strenuously challenge the herd logic of Capitalism, and are mobilizing the masses against the capitalist system. The effects of this socialist movement and the great harm resulting to the workers are known, so that every reaction against Socialism becomes confused with a defence of the employers with all their old prerogatives and attributes. The same conclusions were drawn at first with regard to Fascism. In its beginnings, it was certainly a movement mainly directed against Bolshevism; but, in its recent developments, it has shown itself capable of creating new social instruments and institutions, which have succeeded in bringing the economic conflict between classes into some sort of order and discipline. Naturally it was difficult to make foreigners understand this second and more important side of Fascism, especially when European countries, struggling with Socialism, thought that they could appeal to Fascism simply as an anti-socialist force. Fortunately the efforts of foreign 'fascisti' have never been taken seriously, for they have been thoroughly partisan and hurtful, rather than useful to the reputation of our revolution abroad. [...] But it is well known that, behind this socialist play-acting, there is a short-sighted and stupid organization of big political and financial speculators whose interest it is to slander Fascism, and through Fascism the new Italy.

These speculators and social-democrats, however, can hardly hold to their position much longer. There are already defections in their camp, either because the hope of unjoining Italian unity grows fainter every day, or because the deeds of Fascism in its five years of life are more eloquent than the persistent lies of interest groups. The Mussolini method is to steer clear of polemics with the internal and external enemies of Fascism, and, instead, to emphasise all that Fascism does to heal and to discipline the life of the country, and to raise the prestige, the dignity, and the value of Italy in the world. This method is showing itself marvelously powerful in winning the admiration of all sincere men. The merely imitative fascists abroad are lessening in numbers and becoming played out, while not a few interpreters of responsible political movements in certain countries are beginning to judge the Italian achievement in a spirit of fair play, and this even when they go to Geneva. Some of them, indeed barely conceal their intention of moving towards ends which

have been already worked out and realised by Mussolini in Italy, but which they would naturally adapt to the genius and needs of their own people.

Under the influence of Fascism the old political groups and characteristics are losing their value. Fascism was right to remove all meaning from the old political jargon of 'right' and 'left.' But what regrets were felt and what tears were shed over the destruction of the innumerable small and big parties which infested the political camp! The unanimous and relentless determination of the militant fascists seemed cruel tyranny to the various parties: the moderate and popular parties, the liberal democrats, the democratic liberals, the radicals, socialists, reformists, maximalists, communists, and so on. But now it is clear to everyone that unification and simplification are elemental necessities to a people who desire good government.

We are convinced that a similar destiny is reserved for fascist syndicalism abroad. The last Labour Conference at Geneva extended far greater sympathy to our movement than the preceding conference had done. As time goes on, those labour delegates who are hostile to us not from conviction, but from a sense of party loyalty, decrease in numbers. There are even some who admire our achievements, and yet exclaim: 'What a pity the corporations are fascist!' [...]

The conception of fascist Syndicalism changes the outlook of all those engaged in industry, and takes from Socialism all that it has of value. Even the old terminology of masters and men is changing. The word servitude of labour; a servitude which is in direct contradiction to modern progress. The Italian scheme of corporations brings about a much needed co-operation between the directors and the executors of an undertaking, and is the only present-day conception which entails equilibrium and economic justice.

It should be emphasised that it was these very fascist organisers who were the first to insist that the old expressions, 'masters' and 'men,' should be abolished and this because master supposes servants. Such terminology belongs to a past civilization. Nowadays we are no longer able to concur with the old absurd idea of class distinctions, nor do we hold that there is by nature any moral inferiority between men. On the contrary, it is fully recognized that all men have the same right to citizenship in the national life.

Fascist syndicalism has a definite programme and definite activities; its deep-lying principles and ideals are destined to illuminate the whole international field of labour. This is inevitable; for the future progress of civilization cannot be ensured either by means of communist negotiations or through the rigid individualistic system of Capitalism. A new moral, political, and economic order can only be achieved through the fascist idea of all workers bound together for the food of all, both in the world of industry and in social life. Thus the very best that Socialism can give is taken, and, at the same time, the government rises to a higher perception of justice. In the light of the twentieth century, there can be no room for any government based on Absolutism, on purely material preoccupations, or on oppression.

Giuseppe Bottai in *The Corporative State*

Between the years 1919 and 1922, a turbulent period of disorder and disintegration in society and in the State, in this Italy of ours men were perhaps not lacking who could have brought together and directed the perplexed and scattered energies in the cause of preservation and defence and of necessary reaction. But, as I have observed elsewhere, there was one man only, Benito Mussolini, who, thrust forward by a revolutionary impulse, had the force to take up again the historical thread of the Italian Revolution. If the Bolshevik upheaval was one of the dangers which threatened Italy after the war and the victory, another was the conservative political involution. It was necessary to find the way toward the future, between upheaval and conservatism. Signor Mussolini presented himself to take up again our revolutionary tradition, which was turned aside in the last years of the Risorgimento, and has only today translated itself into institutions and laws.

Thus the bases of the new order, which is being realized step by step, were suggested even before the March on Rome by the Duce, who, while he battles and strives, radiates in all directions his creative thought. Let us consider Signor Mussolini in the formation of the corporative State. The inflexible constructor of today is already fully manifest in the discourse to the workmen of Dalmine in March, 1919. 'You act in the interests of your class, but you have not forgotten the nation. You have spoken of the Italian people, not only of the metal workers, to whose category you belong'. The Minister of Corporations [Guilds] who, in preparing the Charter of Labour, sets before the representatives of the Syndicalist Associations the fundamental principle that 'there must be equal rights for all social classes,' and in the Charter itself states that there is 'judicial equality between employers and workers,' chooses the noble words pronounced eight years before: 'You are not the poor, the humble, the rejected, according to the old phrases of literary socialism; you are the producers, and it is as such that you assert your right to treat with industrialists as peers with peers'

However, in speaking of the corporative State, it must not be understood as meaning only all that which pertains to the relations between employers and workers—relations based on a principle of collaboration rather than upon a struggle of classes. Fascism with its new arrangements aims at a more complex end. This, summed up in a few words, is 'to reassert the sovereignty of the State over those syndicates, which, whether of an economic or social kind, when left to themselves broke out at one time against the State, subjecting the will of the individual to their own arbitrary decision, almost causing the rise of judicial provisions alien to the legal order of the State, opposing their own right to the right of the State, subordinating to their own interests the defenceless classes, and even the general interest, of which the State is naturally the judge, champion and avenger'.

In this way, having as a solid basis the principle of functional subordination of the Associations to the State, the corporative arrangement, as it progresses by degrees proves itself to be the foundation of the high political structure. From what was a sectional, quarrelsome, monopolistic, internationalist syndicalism. Fascism has been able to evolve and develop elements of solidarity, of discipline and force, creating a new constitutional system. A reversal of values appears in this process: Fascist syndicalism is the opposite of that which existed before Fascism, for pre-Fascist syndicalism was against the State, and Fascist syndicalism submits to the State.

That is not to say that pre-Fascist syndicalism had no justification. The liberal State was incapable of appreciating the good which it contained, or that which was of historical or human interest in it. The liberal State took its stand on the rights of the individual an idea too elementary in the face of new judicial needs. The tragic error of liberalism, from which arose with all its violence the phenomenon of class justice, came about by having admitted the working classes to political rights without assuring them parity of contract, that is, equality of civil right.

Now it is not necessary to adore the masses, but they cannot be repulsed or ignored. 'We have had to accept syndicalism, and we do so,' declared Signor Mussolini at Udine on the eve of the March on Rome. 'Only with the masses, which have a place in the life and history of the nation, shall we be able to make a foreign policy.' A splendid, clear intuition! In all countries the power of the masses tends to shift from domestic to international politics. The example of the Pan-American Congress of Syndicates, held at Washington in 1927, is sufficient to illustrate this.

Fascism, then, not only does not remain in ignorance and fear of the values and the forces which arise from certain tendencies, but recognizes, disciplines, and organizes them for the supreme ends of the nation and the State, which thus gathers into its ethical and political sphere all social life, that is to say all social and economic forces at work among its citizens, endowing them with its ethical and political spirit.

At this time, therefore, when we want to define the Fascist State, and distinguish it from other forms of States, we say that it is a corporative State. [...]

Although, as I have indicated elsewhere, the adjective ‘corporative’ has become one of common acceptance and has found its way into political as well as into scientific language, nevertheless the idea which it contains, and by which it is inspired, is only slowly becoming clear and revealing its content. At an earlier time, by ‘corporative’ was understood all that which regarded the relations between employers and workers, from the point of view of collaboration rather than of conflict between classes. The word thus had a limited application and was not given its full meaning, which is of an eminently political and legal character.

This character has not been, and is not always considered, and so confusions and mistakes arise. For instance: before the passing of the law of April 3rd, 1926, no. 563, there existed in Italy a national syndicalism, an emanation of Fascism inspired by the ideas of collaboration, but it certainly would not have been correct to speak of a corporative State.

This was begun only when the State stepped in to discipline the associations of producers, and elevate them to a legal status, to assign to them their character as legal organizations, and to give them special representation which permitted them to stipulate collective labour contracts and to impose contributions on their own members. It is thus clear that the meaning of the word ‘corporative’ must be sought only in the legal regulations by which the Fascist State has realized itself as a concrete example of a truly sovereign State, containing fully in itself the civil society of which it is the form: an accomplished unity in which the said society exalts itself and attains its own perfect autonomy.

Although from an analysis of the principles which underlie Fascist legislation concerning the recognised syndicalist associations, (from the law of April 3rd, to the more recent law relative to the National Corporative Council), we can use the word ‘corporative’ in a scientific and rigorous sense; even so the same word is not quite clear until we explain the legal principles which govern Fascist corporative legislation. If it is true from a technical point of view that a law must find in itself the justification for its own imperative force and for the limitations of the rules contained in it, it is also incontestable that the interpretation of the law cannot be other than systematic and historical.

[...]

Moreover it is not a difficult matter to identify the aims of the Fascist State, since this State, unlike others, defined itself in the declarations contained in the ‘Charter of Labour’, which is therefore a document indispensable for its comprehension.

[...] it would be an error to deny the political and historical value of the Declaration of the Rights of Man and of the Citizen, formulated by the French Revolution, so it would be an equal error not to see in the ‘Charter of Labour’ the most solemn political assertions of the Fascist State, which tends to realize in itself the moral, political and economic unity of the Italian nation. And here economic unity is conceived as being inseparable from the national interests and their aims, — namely the well-being of the producers and the development of the national life. Having fixed in their general outline the aims of the Fascist State, we pass on to various observations: first of all, in no other State is economic unity realized as it is in the Fascist State, which in this sense manifests itself as the most complete type of State. If the liberal State marked a progress in comparison with the absolutist regime, in so far as it performed its historical function of admitting the bourgeoisie who had been kept outside till then, the Fascist State is still nearer to perfection, since it has brought under its sovereignty those economic forces, workers as well as capitalists, which were not only without legal discipline, but which acted against the State. In this manner the State received shocks from within as well as from without, both from the capitalists who aimed at subjugating it, and were ready to associate themselves with international plutocracy, and from the working classes who were urged on by socialism to overthrow the State, and were leagued with an internationalism which denied the patriotic ideal.

Hence the crisis of the modern State, which could have been met only by means of a political,

moral, and economic unification of society in the State, or of society which makes itself one with the State. This, then, is the achievement of the Fascist State, in which there are no individuals or groups of individuals which it does not recognize, subordinate and regulate, according to its aims.

[...]

The most difficult task of the Fascist State was not to oppose the distressing consequences of the liberal regime, but to find the best way in which authority could assert itself without suppressing liberty, and without thereby running the risk of destroying itself. Turning to the question of economic unity, we may say that it would have been very inconvenient, and would have constituted a dangerous illusion, to attain this without understanding the reasons for the syndicalist organization which is closely related to the production and distribution of the wealth created by modern capitalism. This error, however, was not easy to avoid, considering the aberrations to which syndicalism had abandoned itself, especially in the period following the war, when it was transformed from an economic instrument into a purely political weapon of offence against even the most sacred ideals of civilization. And thus when liberalism inexorably had to destroy every form of association, it did so essentially by means of a system of castes, similar to the ancient and noble medieval guilds of arts and crafts, from which outsiders were excluded and in which all free activity was prohibited.

The Fascist State, endowed with a spirit eminently political, and therefore realistic, and animated at the same time by the firm resolve to put itself on a legal basis, had to find the occasion for the reconciliation between social forces and its own sovereignty, in the legal recognition of the forces themselves. It had to act so as to have in its presence only individuals and groups whose position had been declared legal: individuals thus acquired the character of citizens, and their groups, the character of 'juridical persons,' — legal associations. In short, existing syndicates had to become legal syndicates, and the Fascist State has accomplished this.

[...] They are, in the first place, regarded as 'juridical persons' active and passive at the same time, that is to say, having both rights and duties. They have rights, not only over their members, but also over all those who are in the categories to which their members belong, inasmuch as the recognized association has by law the right to levy contributions both on those inscribed and those not inscribed, and to represent them in regulating the conditions of labour. The recognized associations have duties, because, having the 'jus imperi' and as 'juridical persons,' they must render account to the State for the manner in which they conduct themselves in the spheres of action assigned to them.

[...]

The syndicate, finally, with regard to its own members, has not only the power of representation and of levying contributions, as has been said, but has besides this duties which range from the guardianship of economic and moral interests to the assistance even of non-members and to the moral and national education of both. Each recognized syndicate therefore gives unity to its own category of producers, represents, protects, assists and educates them morally and nationally; and in this unification it keeps ever present the two inseparable aims: the well-being of its category, and the development of national power. But those whom the recognized syndicates represent are not mere citizens; they have the legal and moral character of producers; their position is not simply that of subjects before the sovereignty of the State, but more specifically that of passive 'juridical persons.' There is a double reason for this: first, in the eyes of the State their duty is to work, and, second, they are responsible, in the case of certain undertakings, for the direction of production, even if it is private, because the private organization of production has been declared to be a matter of national interest, or what is the same thing, of interest to the State.

Thus we reach the federations and the confederations of employers and of workers, organisms which trace their origin to the fact that all categories of producers are bound together by their

relations with other categories, while the resulting groups are joined with others in still larger combinations, by the interests they represent, and by the territorial district in which they act, where they assert their common economic activity and labour in some special branch of production. The organization of the producers thus reflects what is commonly called 'the law of the division of labour,' which from another point of view reveals itself as a law of the unification of labour. Among the recognized syndicalist associations, both of the lower and upper grade, federations and confederations, there also exists a complexity of relations in which representation, protection, and syndicalist assistance reach their highest development, especially when the legal limits of each sphere are kept distinct. When the syndicalist order is considered merely in its vertical structure, the functions of protection and of assistance stand out in special relief; and when one recognized syndicate cannot oppose another of employers or of workers in the same productive category, it tends to become an instrument of economic perfection for its own members. As the recognized syndicalist associations are of two sorts for each branch of production — one for employers and the other for workers — the distinction cannot result in separation, nor must it produce strife, inasmuch as the Fascist State, as an organic and sovereign State, admits competition, but not any violent clash of social forces.

We come now to the relations of employers and employed. These are regulated between the different categories by collective contracts, which have binding force over all those who belong to the same categories whether they are enrolled in the syndicates or not. On the other hand, controversies which may arise between the said categories, respecting the application of collective contracts or of other existing regulations, or requests for new conditions of labour, must be settled in a conciliatory manner by the recognized associations of superior grade and by the coordinating agencies, or, if conciliation fails, by the Magistracy of Labour. As a legal consequence of this principle, strikes and lock-outs are forbidden by law and are legal offences.

[...]

The distinction, therefore, between syndicalism and corporativism, although one is completed by the other, is clear and profound, and to neglect it would be a source of equivocation and of misunderstanding. It is a distinction both of organs and functions. While the recognized syndicalist associations are 'juridical persons,' the corporations [guilds], on the other hand, are organs of State administration. So, while the syndicalist function is strictly connected with the syndicates, the corporative function belongs only to the State. By its corporative activity the State acquires a new and typical function which, though it may seem to be a part of its administrative function, yet constitutes at least a very special phase of it.

[...]

Two questions were proposed to the Chamber, and of these one was proposed again to the Senate: Can the Corporative Council formulate regulations which are contradictory to the existing laws of the State? In the future, will Parliament be able to issue laws regulating collective economic relations among the various categories of producers, or relations between employers and workers? The answer cannot be other than negative for the first question and affirmative for the second. Such questions might have had some meaning at the time of the discussion of the law of January, 1926, which dealt with the problem of the regulations between the executive power and the legislative power; but they were not raised then, nor when the constitutional character of emergency decrees (Decreto Legge) was treated. The principle of the superiority of the legislative regulations over other juridical regulations was never questioned by Fascism, because it responds to the essential need of every legal organization, namely, the definition of its agencies. The idea of a conflict between these agencies is repugnant to the Fascist conception of the State, considered as an organic unity. As the syndicate disciplines professional activities in view of the national interests, and the corporation [guild] disciplines the relations between category and category in view of those interests for which it is constituted, so the National Council disciplines the interests

of the categories with a view to the national prosperity, while Parliament, finally, intervenes in view of the political interests of the nation.

Neither can all the interpretations of the corporation [guild] in the economic order be accepted. Both from extreme corporativists and from the guardians of private initiative come some errors of interpretation. The National Council should, according to them, represent the advent of a new economic regime, the regime of corporative economy. But this economy was born with the law of April 3, 1926, if by corporative economy one means the economic regime advocated by Fascism. It has existed since the time when Fascism, renouncing the attitude of State indifference to economic facts, assumed the function of regulator of the economic life of the nation.

On the other hand, an impartial examination of Fascist legislation on syndicalism dissipates the fear of those who dread the suffocation of individual economy. Some provisions of the law, in fact, represent in a certain sense not an amplification, but a limitation, of State action in economic matters. One can then tranquilly refute the opinion of those who see in corporative economy a regime for stabilizing prices. And to dispel every doubt, an examination of the law ought to suffice, especially as regards the composition and the functioning of the Council. It is clear that the Council's field of activity is exclusively that of the categories of producers represented in it: both workers and employers, under the guidance of the Head of the Government, the high regulator of national interests.

Also paragraph 3 of article 12 of the bill prefacing the regulation of collective economic relations, has given rise to the erroneous statement that the Council, in carrying out this function, adopts provisions as delegate of the interested associations. Now it must be remembered that if these associations have the power to make regulations about collective relations of labour, they have none at all over the regulation of collective economic relations. They cannot then delegate faculties which they do not possess; those faculties belong, instead, to the Corporations [guilds].

These faculties belong, instead, to the Corporations [guilds]. These faculties can be exercised only after the decisions of the syndicalist associations which express the will of the producers, and thus are not the expression of a coercive will of the Council. Thus a real economic self-discipline under the laws of the State is attained: [...] Here is in fact an economic hierarchy by means of which every desire is realized through the one immediately above it. This organization is that which responds most perfectly to modern tendencies in economic matters. The Fascist State does not intervene in business matters, but coordinates them on common lines. And it is a conception that reverses the ideas of socialist theory and at the same time transcends those of the liberal system.

In conclusion: the Fascist State may be denned as a State of syndicalist composition and corporative function, since as a truly sovereign State, it seeks to be adequate to the civil society which makes up its structure, and as a State with aims of its own, distinct from those of civil society, it has as its permanent object, to create, by means of its own action, and to achieve the moral, political, and economic unity of the Italian nation.

9 Conclusion

Corporatism views private property as a useful tool but not as a principle. Exploiting property holders for the social ends of the society. Hence why Fascists like Mosley strongly advocated for a corporate state, rejecting class conflict. Doing so prevented a violent revolution thus rejecting the reliance on economic and social collapse for change.

This adds more context to the fact that both Marx and Engels actually co-opted and flipped the original definitions of utopian and scientific socialism. The man who invented these terms was Eugen Dühring, a German pessimist philosopher, anti-Semite, and an anti-Marxist socialist who took his economic thought from the nationalist Friedrich List:

It was Dühring who first made a distinction between utopian and scientific socialism, which he had cast in just the opposite way from Engels. While a utopian socialism is revolutionary, striving to overthrow and destroy the entire existing order, scientific socialism studies the laws of society and adapts its reforms to them. While the utopian socialist is a dreamy idealist who would destroy the machinery of society, the scientific socialist learns how to make that machinery serve his own ends⁵⁹

These include the Nordic models of Europe, but also East Asian and Islamic fundamentalist regimes such as Taiwan, Singapore, and Iran. Syria and Algeria are more corporatist, as was Iraq under Saddam Hussain, Egypt under Nasser, and Libya under Gaddafi. The South Korean government under General Park Chung-Hee was in fact corporatist not laissez-faire. The formerly communist regimes such as Vietnam and China are now clearly corporatist in economic philosophy although not in name.

On Marxism, Oswald Spengler stated in his essay *Prussianism and Socialism* that the issue of socialism is;

Socialism contains elements that are older, stronger, and more fundamental than his [Marx's] critique of society. Such elements existed without him and continued to develop without him, in fact contrary to him. They are not to be found on paper; they are in the blood. And only the blood can decide the future.⁶⁰

Yockey also stated this in his book;

The ethical and social foundations of Marxism are capitalistic. It is the old Malthusian 'struggle' again. Whereas to Hegel, the State was an Idea, an organism with harmony in its parts, to Malthus and Marx there was no State, but only a mass of self-interested individuals, groups, and classes. Capitalistically, all is economics. Self-interest means: economics. Marx differed on this plane in no way from the non-class war theoreticians of capitalism – Mill, Ricardo, Paley, Spencer, Smith. To them all, Life was economics, not Culture [. . .] All believe in Free Trade and want no 'State interference' in economic matters. None of them regard society or the State as an organism. Capitalist thinkers found no ethical fault with destruction of groups and individuals by other groups and individuals, so long as the criminal law was not infringed. This was looked upon as, in a higher way, serving the good of all. Marxism is also capitalistic in this.⁶¹

Therefore if the Right wishes to restore a culture that is predicated on traditional values, then it cannot do so by embracing economic doctrines that are themselves antithetical to tradition, and which were welcomed by Marx as part of a subversive process. The organic corporate state is not something confined to time and place. Fascism and National Socialism was the corporatist manifestation during the late 19th and early 20th centuries. Thus answering to the crisis of social dislocation engendered by Liberalism and Marxism. The corporate state revives the social organism by returning to the traditional mode of social relations. Corporatism re-establishes the Right as inherently anti-capitalist and in that way Inherently anti-communist.

⁵⁹ *Weltschmerz* by Frederick C. Beiser

⁶⁰ *ibid.*

⁶¹ From his *Imperium*