

-XIII. Communism and Nazism -

A. Marxism

1. The most revolutionary class

Karl Marx, one of the few in the nineteenth century to see the explosion of wealth the twentieth century would bring, mocked the sober, dark-suited businessmen of his time. They claimed to want only stability. They claimed to view revolution with horror. Yet they were themselves, in a sense, the most ruthless revolutionaries the world had ever seen. Businessmen—members of what standard translations of Marx call the *bourgeoisie*—were indeed a most revolutionary and progressive class. In a real sense, the prehistory during which scarcity, want, and oppression had been human destiny was about to end. It was the business class of entrepreneurs and investors, together with the market economy that pitted individual businessmen against each other through competition, that was responsible for this greatest of all revolutions in the potential human condition.

But Marx also saw an overpowering danger: the economic system that the bourgeoisie had created would soon become the main obstacle to happiness. It could, Marx thought, create wealth, but it could not distribute wealth evenly. Alongside prosperity would come increasing polarization of wealth. The rich would become richer. The poor poorer, kept in a poverty made all the more hateful because needless.

2. The labor theory of value

Marx tried to make his argument as simple and convincing as one, two, three. He chose to analyze the economy using “labor value” units: *define* the production of the average worker to have a labor value of one. As time passes and productivity grows, the quantity of commodities that make up this one unit of value will increase. As long as this is remembered, the use of labor values is innocuous: production can be measured in any units as long as they are used consistently.

At any given time, the economy as a whole has a fixed, set stock of capital. Call the amount of capital that the average firm has for each of its workers “Capital”. The economy also has a set total flow of annual profits. Call the

profits that the average firm earns divided by its total capital stock the “Profit_Rate”. Call the annual wages of the average worker “Wages”. Then it must be—arithmetically—that the Profit_Rate times Capital per worker plus Wages must add up to one, where everything is measured in terms of its labor value.

$$(1) \quad \text{Profit_Rate} \times \text{Capital} + \text{Wages} = 1$$

As time passes and economic development progresses, production becomes more and more capital intensive. More machines are used by each worker. New methods are more productive, and new methods are more capital intensive. Businesses that do not adopt the newest technology will lose first market share and then money as other, more efficient, more modern firms undersell them. So over time the variable “Capital”—the number of machines per worker—grows.

But the economic system requires profits to function. If the rate of profit drops too low, then investors will stop investing. A falloff in investment causes a depression and unemployment. During the depression wages will drop, and the depression will not lift until the rate of profit is once again up above some minimum acceptable rate necessary to induce the business class to invest again.

Call this long-run floor that bounds the sustainable Profit_Rate “Profit_Floor”. Because the rate of profit cannot stay lower than the Profit_Floor for long, we know that:

$$(2) \quad \text{Wages} < 1 - \text{Profit_Floor} \times \text{Capital}$$

Over time, Marx argued, “Capital”—capital per worker—grows, and “Profit_Floor” stays the same. So Wages—the real annual wage of the average worker, defined in labor value terms—must fall. Profits per unit of capital must be at least as large as Profit_Floor. The number of units of capital per worker—Capital—grows. So either economic development comes to a halt, or workers’ wages will keep falling.

This was Marx’s argument that capitalism can deliver rapid economic growth, but it cannot deliver permanently rising living standards for the working class—the *proletariat*.

There are holes in this argument.

When a normal reader hears “declining wages” he or she hears not that workers’ share of total production falls, but that workers’ material standard of living—their ability to buy goods and services on the market—falls. Yet workers’ material standard of living is not “Wages” but is instead equal to the labor value of wages times the average productivity of labor. There is no reason in Marx's system for this—the labor value of wages times average labor productivity—to fall.

One interpretation is that Marx never meant to imply that the absolute standard of living of workers falls, but only that relative standards of living fall—that workers would be paid a smaller share of total production, and would feel relatively deprived as they gazed on palaces of the rich. But those who hold to such an interpretation have a very hard time facing passages in Marx’s writings like:

In proportion as capital accumulates, the lot of the laborer, be his payment high or low, must grow worse. The law that always equilibrates the relative surplus [unemployed] population to the extent and energy of accumulation, this law rivets the laborer to capital more firmly than the wedges of Vulcan did Prometheus to the rock. It establishes an accumulation of misery, corresponding with accumulation of capital. Accumulation of wealth at one pole is, therefore, at the same time accumulation of misery, agony of toil, slavery, ignorance, brutality, mental degradation, at the opposite pole, i.e., on the side of the [working] class...

Or:

The more productive capital grows, the more the division of labor and the application of machinery expands. The more the division of labor and the application of machinery expands, the more competition among the workers expands and the more their wages contract. [T]he forest of uplifted arms demanding work becomes thicker and thicker, while the arms themselves become thinner and thinner.

Leon Trotsky, a good authority on Marx, thought that the doctrine was one of “relative immiserization”—increasing income inequality going along with rising working class material standards of living—in good times, absolute immiserization in bad times, all adding up to absolute immiserization over the long run.

But the logic slips for “relative immiserization” as well. “Capital” is the value of the machines used by the average worker measured in *labor value units*. Yet the argument that “Capital” will increase is an argument that the machine-to-worker ratio will rise—not that the labor value of the machines used by each worker will rise. If the price of machines falls relative to the price of labor as economic development continues, the capital intensity of production can rise while the variable “Capital” measured in labor units stays constant. In fact, this *is* economic development: machines become cheap relative to labor as technology advances. Relative wages—of skilled and of unskilled workers—in rich industrial nations have by and large kept pace with the growth of productivity over the past two centuries. There has been no consistent pattern of relative immiserization.

3. Does it matter?

The holes in Marx's log'c would be unimportant had the substance of Marx's predictions been correct. If decade after decade had seen falling wages, growing productivity, and polarization of the income distribution, we would not care whether Marx's logic was airtight or not. We would say that while he got details wrong he got the big picture right.

The holes would also be unimportant if we were judging Marx as a critic of his time. For in the mid-nineteenth century his fears were not unreasonable. The early stages of industrialization in Great Britain saw total production and national wealth rise, and saw wages fail to keep pace. It is possible to argue—it is not crazy to think—that from a material welfare standpoint the average unskilled laboring Englishman was worse off in 1840 than his predecessor had been in 1790.¹

But Britain's first industrial revolution is the only national case of industrialization in which there is a standard of living debate. In all subsequent national industrial revolutions, whether in Europe, in Asia on

¹ See George Boyer (1998), “The Communist Manifesto,” *Journal of Economic Perspective*

the Pacific rim, or in Europe's settler colonies, even early industrialization has enriched the poor.

Marx, however, did not have this multiplicity of examples before him in the 1840s when his views crystallized. He had only one example of industrialization to draw on: Britain. In Britain large and visible sections of the working class were worse off in 1840 than in 1790. Spinning and weaving textiles had been a part-time occupation for many and a full-time occupation for some of Britain's rural poor. The putting out system by which merchants would hire rural handloom weavers to turn yarn into cloth had provided much employment in Britain's countryside in the early nineteenth century. But with the coming of the power loom first the wages of the handloom weavers collapsed, and then the jobs themselves disappeared. Dark satanic mills in Lancashire left rural weaving skills useless, and populations impoverished. Andrew Carnegie's father was an impoverished handloom weaver in rural Scotland. Deprived of his livelihood, the family emigrated to America.

Some of the economists of the day said that the plight of the weavers was awful, but that nothing could be done. Attempts to ease their lot would only decrease the speed with which they abandoned the industry for other employments. This decreased speed of exit would lengthen and increase the total mass of misery generated by technological change. Hence the merciful thing was to let them starve as fast as possible.

The fact that nineteenth-century economists preached such doctrines led Thomas Carlyle to call economics by a nickname that has stuck: The Dismal Science.

Such was the situation that confronted Friedrich Engels in the early 1840s when he went to work in his family firm in the British textile industry, and that he then taught to his friend Karl Marx. Is it any wonder that Marx turned his mind to trying to discover why it was that the tremendous advances in productivity of the industrial revolution did not raise the standard of living of the poor?

But Marx mistook the birth pangs of industrial market capitalism for its death throes. In 1848 the belief that market capitalism inevitably produced a distribution of income that was unbearable and doomed to get worse was reasonable. By 1867, when Marx published the first volume of *Capital*, such a belief was eccentric. And by 1883, when Marx died, such a belief was indefensible. By 1914 or 1933 it was a doctrine not of reason, but of pure faith alone.

Why, then, spill so much ink on Marx? Because Marx became the prophet and his writings became the sacred texts of what can only be described as a Major World Religion: Communism. As interpreted by Lenin and others, Communism has been one of the major political forces of the twentieth century. Without Marx, the history of the twentieth century would have been unimaginably different: probably much better, possibly much worse, but very much other than it actually was. The dogmas of Communism as derived from the writings of Marx dictated insane and destructive policies to governments that ruled over billions, and left pronounced scars on the history of the twentieth century.

B. Communism

1. Lenin

As Europe industrialized in the second half of the nineteenth century and the first quarter of the twentieth, its politics became dominated by Marxian socialism. This is not to say that political parties pledging allegiance to Marxian versions of socialism won and held power: by and large they did not. But political debate revolved around the question of what should be done to deal with, ameliorate, or accept the forces pushing for socialism: socialism became the axis around which politics revolved.

Communism as we have known it was born when Vladimir Lenin's fraction of the Russian left seized power in a late-1917 coup from the post-Czarist Social Democratic government led by Kerensky. A brutal Civil War followed, as "White" supporters of the Czar, local autocrats seeking effective independence, Lenin's "Red" followers, stray other forces—including a Czech army that found itself effective ruler of Siberia for a while, and Japanese regiments fought back and forth over much of Russia for three years. The United States sent both troops to secure base areas for anti-Communist forces, and food to feed Russians (and Red Army soldiers) in Communist-controlled areas.

When the Civil War ended, Lenin's regime was in control. The Czarist generals were dead or in exile in Paris. Any liberal democratic or social democratic center had been purged by the Whites or the Reds in the course of the Civil War. And the relatively small group of socialist agitators that had gathered under Lenin's banner before the revolution found itself with

the problem of running a country and building a utopia, with the assistance of all those who had declared for the Reds and against the Whites and joined Lenin's banner during the Civil War.

Almost all observers had long seen Czarist Russia as heading for a revolution—including the Czar's government. Indeed, Russia had blundered into the 1905 Russo-Japanese War that it lost decisively in large part because the Czar's officials hoped that a “short victorious war” would distract popular attention and dampen the smoldering fires of revolution. The Czarist regime barely survived the uprising of 1905. It did not survive the First World War: military defeat left the Czar without supporters; Nicholas II fell in February 1917; and for the rest of the year various political groups tried to fill the power vacuum. Lenin won the struggle in the capital of St. Petersburg, and then was faced with the challenge of governing a country.

2. The abolition of private property

The first imperative facing Lenin's regime was the necessity of eliminating capitalism. According to the Marxist theory that Lenin deeply believed, capitalism—private ownership of businesses and land, and private receipt of profits—was *the* source of inequality or exploitation.

But how do you run industry and economic life in the absence of business owners—of people whose incomes and social standing depend directly on the prosperity of individual enterprises, and who thus have the incentives and the power to try to make and keep individual pieces of the economy productive and functioning? Lenin's answer was that you organize the economy like an army: top down, planned, hierarchical, with under-managers promoted, fired, or shot depending on how well they attained the missions that the high economic command had assigned them. Lenin had been impressed by what he saw of the German centrally-directed war economy of World War I:

The war has reaffirmed... that modern capitalist society... has fully matured for the transition to socialism. If... Germany can direct the economic life of 66 million people from a single, central institution... then the same can be done... by the non-propertyed masses if their struggle is directed by the class-conscious workers.... Expropriate the banks and... carry out in

[the masses'] interests the same thing the [wartime] Weapons and Ammunition Supply Department is carrying out in Germany.

3. Primitive accumulation

The second imperative facing Lenin's regime was to industrialize Russia. Frightened that the powers of the industrial core might decide to overthrow their regime, and desperately aware of their economic weakness, it seemed to Lenin and his followers that military discipline in the service of industrialization was essential. For someday the Communist regime might have to fight a war to survive.

Lenin was not wrong.

On June 22, 1941 Nazi Germany attacked the Soviet Union with all its strength, its wars aims (i) to exterminate Jewish Bolshevism, and (ii) to enslave or exterminate the inhabitants of the Soviet Union, in order to acquire more land for German farmers and more "living space"—*Lebensraum*—for the German nation.

How do you industrialize rapidly? Lenin's answer was that you take a leaf from Marx's interpretation of how Britain industrialized. Marx interpreted the economic history of Britain as one of "primitive accumulation" in which landlords used the political system to steal land from the peasantry, squeeze down their standard of living, force them to migrate to the cities to become a penniless urban working class, and use the resources from squeezing the peasant standard of living to build factories. Thus Lenin and his successors believed that industrialization was possible only if the ruling Communists first waged economic war against Russia's peasants. Squeeze their standard of living as far as you can in order to extract as much as possible to feed the growing industrial cities. Keep urban wages high enough to provide a steady stream of migrants to city jobs, but no higher. Every kopek that can be kept from being spent on consumption goods is a kopek that can go to a new dam, a new railroad, a new steel mill.

Communist ideologues justified this depression of the living standards of the current population for the benefit of a nebulous future by saying first that Russia had no choice, and second that the sacrifice was worth it for the sake of the future. Communism could never survive unless Russia were

powerful enough to fight off military enemies. And the more the sacrifices of this generation the quicker would utopia be attained.

In fact, there is a very wide range of experience showing that industrialization does not have to take place through blood and fire. Countries as diverse as France, the U.S., Korea, and Italy have seen industrialization take hold as better opportunities in the cities pull workers in from the countryside; there is no necessity for the peasantry to be starved, beaten, and pushed into the cities by making conditions in the countryside more miserable.

The third imperative was to survive. As the British historian Eric Hobsbawm has written of Lenin's regime, "as Lenin recognized... all it had going for it was the fact that it was... the established government of the country. It had nothing else. Even so, what actually governed the country was an undergrowth of smaller and larger bureaucrats..." And for a government to survive when there are no powerful social classes or interest groups that have ideological allegiances or substantive reasons to back it requires great ruthlessness.

The first severe test was the counterrevolution: the White armies bent on restoring the Czar. It soon became clear that volunteer cadres with their own elected officers were not very effective: the Communist government needed to draw on the skills of the old Czarist army officers. But could they be trusted?

Leon Trotsky, Commissar for War, came up with the answer: draft the officers, and shadow each one with an ideologically-pure political commissar who needed to sign each order, and who would indoctrinate the soldiers in socialism. This system of "dual administration" could be—and was—applied to everything. It was the origin of the pattern of administration that was to be common throughout Soviet society: the party watches over the technocrats to ensure their obedience at least to the formulas of Communist rule. And if the technocrats do not behave, the Gulag is waiting for them.

Lenin and the Communists won the Civil War, in part because of Feliks Dzerzhinsky's skill at organizing the secret police and Trotsky's skill at organizing the Red Army, in large part because although the peasants hated the Reds (who confiscated their grain), they hated the Whites even more: the Whites brought back the landlords whom the peasants had expelled in 1917-1918. The peasants saw the Reds as their only hope to stay free and keep their property (a vain hope, as it turned out in the end).

However, during the Civil War the Communist Party acquired the habit of great ruthlessness that was in the end exercised not only against society outside the Communist Party but against the activists of the Communist Party itself. A "command economy" turned out to require a "command polity" as well. The Communist Party won the Russian Civil War as a one-party dictatorship with a powerful and aggressive secret police, committed to using mass terror to suppress counter-revolutionaries, and banning even internal democracy and discussion of policies and politics.

We can gain at least some insight into Lenin's character from a short monolog that the writer Maxim Gorky reported, of Lenin as a classical music critic:

I know nothing that is greater than the *Appassionata* [by Beethoven]; I'd like to listen to it every day [Lenin said]. It is marvelous superhuman music. I always think with pride—perhaps it is naive of me—what marvelous things human beings can do!

But I can't listen to music too often. It affects your nerves, makes you want to say stupid nice things, and stroke the heads of people who could create such beauty while living in this vile hell. And now you must not stroke anyone's head: you might get your hand bitten off. You have to strike them on the head, without any mercy, although our ideal is not to use force against anyone.

Hm, hm, our duty is infernally hard.

4. Stalin

As the German Marxist Rosa Luxemburg had warned, the process begins by ruling in the name of the people, then by substituting the judgment of the Party for the wishes of the people, then by substituting the decisions of the Central Committee for the judgment of the Party, and then by substituting the whim of the Dictator for the decisions of the Central Committee.

Nevertheless complete disaster and terror could probably have been

avoided had the dictator who won the struggle for power after Lenin's death—Josef Stalin—not been a paranoid psychopath. Peasants were shot, died of famine, and were exiled to Siberian prison labor camps in the millions during the 1930s. Factory workers were shot or exiled to Siberian labor camps for failing to meet production targets assigned from above. Intellectuals were shot or exiled to Siberian labor camps for being insufficiently pro-Stalin, or for being in favor of the policies that Stalin had advocated *last* year and being too slow to switch.

Communist activists, bureaucrats, and secret policemen fared no better. Communists in other countries seeking to cooperate with their Russian comrades found themselves subject to dizzying changes in political tactics and strategy that had much more to do with inner party court politics in the Kremlin than with making the world a better place. Following Moscow's instructions, the Communist Party of Germany—largest and strongest in western Europe—spent its energies on trying to disrupt the Social Democrats rather than on trying to resist the Nazi takeover, and was destroyed by Hitler in 1933. Following Moscow's instructions, the largely urban Chinese Communist Party cooperated with Chiang Kai-Shek's Kuomintang until the day in 1927 that he purged them. More than five million Soviet Union government officials and party members were killed or exiled in the Great Purge of the 1930s as well. All of Stalin's one-time peers as Lenin's lieutenants were gone by the late 1930s—save for Leon Trotsky, in exile in Mexico, who survived until one of Stalin's agents put an icepick through his head in 1940.

We really do not know how many people died at the hands of the Communist regime in Russia. As Basil Kerblay write in his *Modern Soviet Society*, we know more about how many cows and sheep died in the 1930s than about how many of Stalin's opponents, imagined enemies, and bystanders were killed. Eric Hobsbawm writes "eight, rather than seven digits" of victims. R.J. Rummel estimates 62 million dead.

C. Nazism

1. Population

Adolf Hitler took the turn of the nineteenth century economist Thomas Robert Malthus deadly seriously.

We today know Malthus as the pessimist who gloomily predicted that human populations would outrun their food supply. That either nature would bring human populations back into balance with the food supply via war, famine, disease, and death; or (a better alternative) that “moral restraint”—late marriages and infrequent sex supported by strong religious faith—could allow a small gap between the edge of starvation and average living standards. We know Malthus as someone whose doctrines provided a good description of life before he wrote, but were a bad guide (so far) to subsequent history.

Hitler drew different lessons from Malthus. He began thinking about foreign policy from the premise that;

Germany has an annual increase in population of nearly nine hundred thousand souls. The difficulty of feeding this army of new citizens must grow greater from year to year and ultimately end in catastrophe.... There were four ways of avoiding so terrible a development:

One way was birth control to reduce population growth, but Hitler saw population restriction as a violation of the principles of social Darwinism and a way to weaken the German race. A second way was to increase agricultural productivity and farm more land, but Hitler saw this as doomed for the same reason as Malthus did: diminishing returns. The third way was to purchase food from abroad by “produc[ing] for foreign needs through industry and commerce”; Hitler calls this way relatively “unhealthy” and unrealistic, for Britain would never allow Germany to become the dominant industrial and mercantile power without a fight, and without using all its political resources to discourage German competition with British industries.

2. Living space

What is left? The fourth way is to acquire new soil: a policy of territorial expansion. And Hitler goes on to say:

We must... coolly and objectively adopt the standpoint that it

can certainly not be the intention of Heaven to give one people fifty times as much land and soil in this world as another.... [W]e must not let political boundaries obscure for us the boundaries of internal justice....[T]he law of self-preservation goes into effect; and what is refused to amicable methods it is up to the fist to take...

If land was desired in Europe, it could be obtained by and large only at the expense of Russia, and this meant that the new Reich must again set itself on the march along the road of the Teutonic knights of old, to obtain by the German sword sod for the German plow and daily bread for the nation. (pp. 138-41.)

Pre-World War I German foreign policy went wrong because it tried to make Germany an industrial and a commercial rather than a territorial power—and thus involved itself in a war with Britain. Hitler wanted to take a different road, and:

...consciously draw a line beneath the foreign policy tendency of our pre-War period. We take up where we broke off six hundred years ago. We stop the endless German movement to the south and west, and turn our gaze toward the land in the east. At long last we break off the colonial and commercial policy of the pre-War period and shift to the soil policy of the future.

If we speak of soil in Europe today, we can primarily have in mind only *Russia* and her vassal border states.

Here fate seems desirous of giving us a sign. By handing Russia to Bolshevism, it robbed the Russian nation of that intelligentsia which... guaranteed its existence.... For centuries Russia drew nourishment from this Germanic nucleus of its upper leading strata. Today... it has been replaced by the Jew.... [I]t is... impossible for the Jew to maintain the mighty empire forever.... The giant empire in the east is ripe for collapse...

Here we have the core of Nazism: (i) a very strong dose of German anti-

semitism (with a paranoid belief in a conspiracy between Jewish financiers who control the capitalist economy and steal from the Germans, Jewish liberal intellectuals who preach humanism and enfeeble the Germans, and Jewish communists who seek to enslave the Germans; (ii) a belief in the German nation and the “aryan” German race as an entity with a special, heroic destiny; (iii) war as the ultimate test of national strength and worth; and (iv) conquest—with extermination or removal of the resident population—to create more “living space” for the German people and larger fields for the German farmers. Add to this (a) the leadership principle—a hatred of parliamentary institutions, and a belief that a good political order sees an inspired leader giving people vision and commands (rather than see parliamentarians haggle and compromise on behalf of interest groups)—(b) the use of terror to obtain obedience, and (c) the desire to make sure that all of society's organizations serve the national cause, and you have Nazism.

Hitler took his Malthusian economics-based Aryan-racial-domination ideology in dead earnest. He took it in earnest on March 15, 1939, when German tanks rolled (unopposed) into Prague and Germany annexed Czechoslovakia. He took it in earnest on September 1, 1939, when German tanks rolled (opposed) across the Polish border, crushed the Polish army in less than three weeks, and began the European phase of World War II. He took it in the most earnest of all on June 22, 1941, when German tanks rolled (opposed) across the Soviet border and Germany—still engaged in a brutal war with Britain—took on the Soviet Union as an enemy as well because the entire point of Hitler's foreign policy was the drive to the east: to win bread for the German nation and sod for the German plow by the sword, and to exterminate, expel, or enslave the slavic peoples who lived to Germany's east and stood in the way.

And he took it in dead earnest in the Final Solution to the “Jewish Problem.”

D. Fascism

1. Nazism light

Fascists were tamer versions of Nazis. Most fascists' economic doctrine was largely negative: they were not socialists, and they did not believe that the Marxist platform of the nationalization of industry and the expropriation of the capitalist class was the right way to run an economy.

But they did not buy into the “national living space”, “*lebensraum*” doctrines of Hitler. They were less anti-semitic. They tended to do their killing on a retail rather than a wholesale scale.

But fascists were identifiably of the same ideological *genus* as Nazis. They recognized each other. It is no accident that Hitler writes of his “profoundist admiration for the great man south of the Alps,” Benito Mussolini, the founder of fascism. It is no accident that Mussolini allied with Hitler during World War II, and no accident that both Hitler and Mussolini sent aid to Francisco Franco's rebels in the Spanish Civil War of the late 1930s. It is no accident that Nazis fleeing Europe after the collapse of Hitler's Third Reich found a welcome in Juan Peron's Argentina.

2. Authority

The *fascies* were a symbol of order and strength in the more than 2,000 years-dead Roman Republic. They became a standard symbol of republican strength in the iconography of the post-1500 revival of republican doctrines and ideals. Go into the mid-nineteenth century U.S. Treasury building, and look at the ironwork of the railings in the southern staircases. And there you will find the *fascies*. The *fascies* were bundles of sticks, tied together. They were carried by the bodyguards and attendants of Roman politicians. The message was that one stick could be easily broken, but that a bundle of sticks tied together was very strong. Hence the strength and power of the Roman Republic depended on its unity, and its respect for each of its citizens.

Fascism as a twentieth-century doctrine was the invention of Benito Mussolini, who had been a rising if erratic star in Italy's socialist party before World War I. Mussolini, however, became convinced during World War I of the inadequacy of socialism: it had no place for the enormous outpouring of nationalist enthusiasm that he saw during the war, no place for the struggle between nations, and no recognition of the fact that solidarity was associated with the national community—not with one's international class or with humanity in general. Moreover, socialism had no plan for how a post-capitalist economy would operate. Mussolini soon became an ex-socialist, intent on integrating the lessons and appeal of nationalism with the appeal of socialism. The movement he produced he called “fascism.”

Mussolini's new movement first supported Italian nationalism, expressed in

the occupation of regions on the Italian-Yugoslav border. It second opposed socialism, recruiting groups of young thugs and sending them out into the streets to beat up socialists, disrupt working-class organizations, and their supporters among elected officials. Italy's elected politicians alternately tried to suppress and to ally with fascism. In 1922, after winning some electoral successes, Mussolini threatened to make Italy ungovernable through large-scale political violence unless named prime minister. The king named him prime minister. And from there he became dictator of Italy: *Duce*, or "leader".

3. The core of fascism

There are some who deny the existence of "fascism," save as a confidence trick performed by Mussolini to seize power and give some cloak of ideology to his personal despotism. It is certainly true that fascism was disorganized, self-contradictory, confused, and vague. But most political movements are disorganized, self-contradictory, confused, and vague. In forming a coalition or a party the goal is to maintain friendships and alliances by the blurring of differences and the vagueification of concepts inside the group, and not to obtain conceptual clarity, or logical, or correct thought.

But fascism in the twentieth century had too many adherents to be a non-existent ideology, even if most fascists most of the time were clearer on what they were against than what they were for. I count six elements usually found—in Italy and elsewhere—in regimes that called themselves "fascist":

- *A belief in leaders*: good politics sees not representatives expressing the desires of those below but leaders who command; the goals of a country are imposed by leaders of vision from above.
- *A belief in the value of a strong and unified nation*: the willing and eager sacrifice of individual goals and lives to strengthen the national purpose, with war and expansion as tests of strength and arenas for heroic sacrifice.
- *Coordination and propaganda*: advertising, ceremonies, the ruling party as an enforcer of social discipline and respect for the leader.
- *A belief in at least some traditional hierarchies*: the army, the family, sometimes the church.
- *A hatred of socialists and liberals*: socialists as opponents of national self-assertion (and as potential betrayers of the people to slavery under a

foreign Russian elite); liberals as unwilling to take the steps necessary to fight socialists, as self-absorbed individualists who weakened the nation, and as parliamentarians who did not recognize that the nation, not the individual, held rights.

- *A hatred of Jews*: rootless cosmopolitans uninterested in the national destiny; thieves and deceivers to boot; people who made their money through financial manipulation rather than heroic feats of engineering and construction.

4. Fascism as critique

Perhaps the dominant theme of fascism as an ideology was that liberal capitalism had had its chance and had failed along several dimensions, which were seen as—somehow—linked together. The first was economic failure: it had not guaranteed high employment and rapid economic growth. A second was distributional failure: either the rich got richer and everyone else stayed poor, or liberal capitalism failed to preserve an adequate income differential between the more-educated, more-respectable lower middle class and the unskilled industrial proletariat; depending on which aspect of income distribution was highlighted, industrial capitalism produced an income distribution that was either too unequal or not unequal enough.

The third dimension was moral failure: the market economy reduced all human relationships—or at any event many human relationships—to arms-length market transactions: you do this for me, and I will pay you. But people are not entirely comfortable dealing with each other as nothing but black boxes: machines for transforming your money into useful commodities, or your labor time into your money. Contests and gift-exchanges have more psychological resonance. And by ignoring and trying to suppress as much as possible of the contest and gift-exchange dimensions of economic relationships, the market society dehumanized much of life.

Moreover, fascists said, the liberal capitalist order ignored the fact that we are all in this together: that inhabitants of a nation have common interests that are much more powerful than any one individual's interest. Thus economic policy needs to be made in a "syndicalist" or "corporatist" mode: the state needed to mediate between employers and unions, and the state needed to crack heads when necessary to make sure that employers and unions did the right thing. Not market forces but government regulation would set the price of labor and the quantity of employment.

Not only the liberal economy but also the liberal government was flawed: parliaments were incompetent. Composed either (a) of time-servers with no initiative, (b) corrupt distributors of favors to special interests, or (c) ideological champions who focused not on the public interest but what made their own narrow slice of supporters feel good. Parliamentary regimes were simply incompetent to handle the problems of modern life, and needed to be replaced by leaders who would not "represent" but would lead the people.

In many ways, fascism was the only game in town if you were a non-socialist who did not approve of liberal democracy—or who feared that liberal democracy led to Communism once the working class realized its voting strength. Traditional hierarchies—kings, nobles, and priests—no longer had force or legitimacy. So the only alternative was arbitrary despotic leadership in the service of fighting socialism.

If you took a look at European and Latin American governments between the World Wars, you could easily convince yourself that fascism was the wave of the future. Nearly everywhere democracy was in retreat, unable to provide answers to the economic problems of the Great Depression or to resolve social conflicts. On the eve of World War II democracies in the world were few and far between: Great Britain and its Dominions (Australia, New Zealand, Canada, and perhaps South Africa), the United States (if you were white), Ireland, France, Belgium, Holland, and Scandinavia (Sweden, Norway, and Denmark). That was it. Everywhere else you had authoritarian, non or anti-democratic governments of the left or the right.

Your choice appeared to be between Stalin—or Hitler.

E. Two Radical Political Movements or One?

Yet was there much difference between the two?

The historian Felipe Fernandez-Armesto sees the struggles between radical fascists and radical socialists as in some way registering their closeness. He ponders George Orwell's "naïve" question "aren't we all socialists?", asked in Barcelona in 1937 during the Spanish Civil War as the Stalinist

Communist Party exterminated the anarchist POUM (while Franco's fascists waited outside); and compares it to asking “aren’t we all Christians?” at the sixteenth-century massacre of Protestants in Paris on St. Bartholemew's Day.

Fernandez-Armesto concludes that:

from the perspective of the future, the differences among all forms of violent political extremism will blur. The politics of twentieth-century Europe were horseshoe-shaped, and the extremists at both ends seemed close enough to touch.... Individuals moved between fascism and militant socialism as if by connecting channels. Mussolini was a socialist youth leader before he became a fascist *duce*.... [M]any Nazis tried to make the party conform to its name: the National Socialist German Workers’ Party. Britain's [fascist leader], Oswald Mosley, was a socialist cabinet minister before he took to the streets.... [M]y father... carried a communist card and wore a [fascist] Falangist uniform [in Spain] at different moments in the 1930s.

The British socialist historian Eric Hobsbawm—a card-carrying communist from before World War II until 1956—has a couple of asides in his histories that strike me as revealing of the closeness between fascism and communism. The first comes in his history of the twentieth century, the *Age of Extremes*:

In short, to be a social revolutionary increasingly meant to be a follower of Lenin and the October Revolution [in Russia], and increasingly a member of supporter of some Moscow-aligned Communist party.... Nobody else within sight offered both to interpret the world and to change it, or looked better able to do so.... So long as the communist movement retained its unity, cohesion, and its striking immunity to fission, it was, for most of the world's believers in the need for global revolution, the only game in town. Moreover, who could possibly deny that the countries which broke with capitalism in the second great wave of world social revolution, 1944 to 1949, did so under the auspices of the orthodox, Soviet-oriented communist parties?... The force of the movement for world revolution lay in... Lenin’s “party of a new type,” a

formidable innovation of twentieth-century social engineering.... It gave even small organizations disproportionate effectiveness, because the party could command extraordinary devotion and self-sacrifice from its members, more than military discipline and cohesiveness, and a total concentration on carrying out part decisions at all costs. This impressed even hostile observers profoundly...

The assumption that unthinking obedience to the current dictator in Moscow was appropriate because it was the way to change the world begs the question of what kind of change, and what kind of world, was to be made. It seems only a hair's breadth away from a fascist worship of force and the leader. For did party discipline *impress* or *horrify* observers?

The impression is that for Hobsbawm (as well as for many others) a principal attraction of communism was in its closeness to fascism: the glorification of force and effectiveness. When World War II broke out, Stalin and Hitler were allied—and world communist doctrine was that the British and French were the bad guys in trying to stop Hitler's expansion. Hobsbawm comments that:

There is something heroic about the British and French Communist Parties in September, 1939. Nationalism, political calculation, even common sense, pulled one way, yet they unhesitatingly chose to put the interests of the international [Communist] movement first [and side with Hitler]. As it happens, they were tragically and absurdly wrong. But their error, or rather the error of the Soviet line of the moment... should not lead us to ridicule the spirit of their action. This is how the socialists of Europe should have acted... carrying out the decisions of the [Communist] International.... It was not their fault that the [Communist] International should have told them to do something else.

That right action could *ever* be unthinking, automatic, complete, and voluntary obedience to a superior human authority—no matter which—is a strange doctrine. That right action would have been unthinking, automatic, complete, and voluntary obedience to an “International” that was the psychopathic Soviet dictator Josef Stalin is simply insane.

The answer to Hobsbawm was given best more than fifty years ago by the American literary critic Edmund Wilson, who writes of the:

...remarkable scene at the first congress of the Soviet dictatorship after the success of the October insurrection of 1917, when [Leon] Trotsky, with the contempt and indignation of a prophet, read [the socialist] Martov and his followers out of the meeting. “You are pitiful isolated individuals,” he cried at this height of the Bolshevik triumph. “You are bankrupt; your role is played out. Go where you belong from now on—in the garbage-pile of history!”

These words are worth pondering for the light they throw on the course of Marxist policy and thought. Observe that the merging of yourself with the onrush of the current of history is to save you from the ignoble fate of being a “pitiful isolated individual”; and that the failure to so merge yourself will relegate you to the garbage-pile of history, where you can presumably be of no more use.

Today [in the late 1930s], though we may agree with the Bolsheviks that Martov was no man of action, his croakings over the course that they had adopted seem to us full of far-sighted intelligence. He pointed out that proclaiming a socialist regime in conditions different from those [of advanced industrialization, high technology, and material abundance] contemplated by Marx would not realize the results that Marx expected; that Marx and Engels had usually described the “dictatorship of the proletariat” as having the form, for the new dominant class, of a democratic republic, with universal suffrage [for the working class] and the popular recall of officials; that the [Bolshevik] slogan “All power to the Soviets [workers’ councils]” had never really meant what it said and that it had soon been exchanged by Lenin for “All power to the Bolshevik Party.”

There sometimes turn out to be valuable objects cast away in the garbage-pile of history—things that have to be retrieved later on. From the point of view of the Stalinist Soviet Union, that is where [Leon] Trotsky himself is today [in the late 1930s]. He might well discard his earlier assumption that an isolated individual must needs be “pitiful” for the conviction of Dr. Stockman in Ibsen’s [play] *An Enemy of the People* that “the strongest man is he who stands most alone.”

lyrics of "The Internationale"

Arise ye prisoners of starvation
 Arise ye wretched of the earth
 For reason thunders new creation
 'Tis a better world in birth.

Chorus

Then, comrades, come rally
 And the last fight let us face
 The "Internationale"
 Unites the human race.

Never more tradition's chains shall bind us
 Arise ye toilers no more in thrall
 The earth shall rise on new foundations
 We are but naught, we shall be all

Chorus

No more deluded by reaction
 On tyrants only we'll make war
 The soldiers too will take strike action
 They'll break ranks and fight no more.

Chorus

And if those cannibals keep trying
 To sacrifice us to their pride
 They soon shall hear the bullets flying
 We'll shoot the generals on our own side.

Chorus

No savior from on high delivers
 No faith have we in prince or peer
 Our own right hands the chains must shiver
 Chains of hatred, greed, and fear
 E'er the thieves will out with their booty
 And give to all a happier lot.

Each at the forge must do his duty
And we'll strike while the iron is hot.

lyrics of "The Horst Wessel Song"

Raise high the flag and stand as one, together.
Stormtroopers march with steady, iron tread.
Though comrades fall, shot down by leftists and reaction,
They march with us in spirit to the fight.

Clear the streets, the Brown Battalion marches!
The streets are clear—the Brown Battalions rule.
The swastika flag brings hope to oppressed millions;
The day of freedom and bread is here.

At last the call to fight rings out loudly.
And we are ready: we storm into the fight.
As Hitler's flag waves overhead proudly,
At last our slavery ends in this land!