AUSTRIAN CATHOLICS AND THE SOCIAL QUESTION 1918-1933

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University of Florida Monographs
SOCIAL SCIENCES
No. 2, Spring 1959
UNIVERSITY OF FLORIDA PRESS / GAINESVILLE, FLORIDA

Library of Congress
Catalogue Card No. 59-62692

PRINTED BY THE MILLER PRESS
JACKSONVILLE, FLA.

PREFACE

I hope that this monograph, as well as the larger study of which it forms a part, will be considered by those who knew him a fitting tribute to the memory of Cecil H. Driver, late professor of Political Science at Yale University. His patience, his understanding, his supreme capacity to help, to guide, and to clarify were indispensable for the completion of my work on Austrian Catholic thought and action. Over a period of many years, first as a teacher and then as a colleague, Cecil Driver gave generously of his time, his support, and his analytic and editorial skill.

I would like to thank the Editorial Committee for the University of Florida Social Sciences Monographs, and its chairman, Professor L. N. McAlister, for their support of this study. A grant from the Danforth Foundation, St. Louis, Missouri, during 1955-1956 made possible completion of this study in an earlier form. Finally I would like to acknowledge the counsel and encouragement of Professor Manning J. Dauer, chairman of the Department of Political Science at the University of Florida. He has helped immeasurably to make this research possible.

ALFRED DIAMANT

NEW HAVEN, CONN.
FEBRUARY, 1959

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INTRODUCTION

The problems created by the rapid transition from a traditional agricultural to a modern industrial society, now taking place in many parts of Asia and Africa, increasingly occupy the attention of social scientists. Some of their recent studies give the impression that these problems are new and unprecedented and that the methods for analyzing and dealing with them must be created *de novo.* Admittedly the speed with which the transition is taking place is unprecedented, but the phenomenon of transition itself is not. The causes as well as the consequences of the change from traditional to modern social patterns were first recognized by the Catholic Church in Europe because it suffered severely from this metamorphosis of European society and of the European political system. The French Revolution and the Industrial Revolution created polities and societies in which the Roman Church and its faithful came to play only peripheral roles. Members of the hierarchy as well as many laymen faithful to the Church developed an elaborate literature in which they not only subjected these new states and societies to a scathing critique, but also sought to prescribe methods for re-establishing the traditional order, prescriptions which seemed to be singularly unsuccessful in part because the social order they attempted to re-create had never existed except as an ideal in the writings of the social theorists. Nevertheless this corpus of social critique and prescription can help significantly in our understanding of the dynamics of social change from "traditional" to "modern" as it is now taking place in Asia and Africa and as it once occurred in Europe. This alone would fully justify an examination of the manner in which Catholics dealt with the problems of the industrial society during a period of transition.

There is another reason why this study of Austrian Catholic social thought has special significance today. In Europe, in Latin America, and increasingly in the United States, in Australia, and in Canada, the Roman Catholic Church and the laity who accept the guidance of the Church in public affairs play a more important role in the conduct of these affairs than ever before, chiefly because today the Church and its laymen make their influence felt on a mass basis

through political parties and interest groups in all walks of life. The nature of Catholic social thought is poorly understood, especially in the United States where the Roman Catholic Church and its laity are viewed as a monolith, acting in unison in some mysterious way with the help of a secret telephone line from the Vatican. It is imperative that scholars and practicing politicians get a better understanding of how the pastoral needs of the hierarchy, Catholic dogma and theology, reason and natural law, and the position of Catholics in an actual society interact to produce a social doctrine which, in turn, becomes the foundation of political action by Catholic-oriented political parties and interest groups.

The present study has attempted to analyze the manner in which Austrian Catholics dealt with the social problems caused by the rise of capitalism and industrialization—they applied the term "social question" to this rather complex set of problems. It does this by indicating the broad distribution of views in the Catholic camp about the evil consequences of the "new" social system and the disagreement among Catholics about how one might reform it or replace it with an entirely different one. On these and many other questions Catholics often fought more bitterly among themselves than they did against outsiders.

The period 1918-1933 is a natural unit—it is the period of the First Austrian Republic, reaching from the dismemberment of the Hapsburg Empire and the establishment of a republic under the impact of the general demand for democracy generated by the Wilsonian program to the end of democratic government amid the gunfire of civil war. The period begins with the adoption of a democratic constitution by a freely elected constituent assembly and ends with the initial stages of work on an octroi document which attempted to impose on Austria some of the principal elements of Catholic social doctrine.

The outstanding feature of the Austrian state created in 1918 was its internal division into two hostile camps of approximately equal strength: the socialist and the Catholic-conservative. The former was chiefly concentrated in the city of Vienna which contained one-third of the total population; its social base was the industrial workers. The latter controlled the remainder of Austria and relied on the support of the middle class in city and countryside. At the beginning there was also a small number of pan-German

groups, chiefly of a middle-class character; but they did not assume major importance until the last years of the First Republic when, together with other elements of the population, they were absorbed into the National Socialist movement.

The Catholic Church and the social groups loyal to it (chiefly the middle and lower middle classes) had remained faithful to the monarchy until the very end and accepted only reluctantly the establishment of a republic. But they had to submit to the democratic *Zeitgeist* of the immediate postwar period and were forced to recognize the dominance of the socialist camp. Peace between these two major movements lasted only as long as economic conditions were tolerably favorable. The economic depression that came between the two wars hit the Austrian economy hard, and with it came deterioration of political stability and demands for changes in the political system to take account of the growing strength of the Catholic-conservative camp. But because there had never been an intergroup consensus on the fundamentals of political and social organization, no camp trusted the other with the ballot box, fearing that the opponents would use an electoral victory to make radical changes in the constitutional rules of the game. The spectacular rise of the Nazi movement in Austria complicated the situation and ultimately forced the Catholic-conservative movement into a two-front war against socialists as well as Nazis.

It is against this background that one must view Catholic social doctrines between 1918 and 1933, and it is the purpose of this study, after sketching in briefly the development of Catholic social theories before 1918, to analyze and criticize Austrian Catholic ideas about capitalism and industrialization. It will be left to a larger study to relate this body of socioeconomic ideas to Catholic political doctrines, as well as to the political and social bases of Austrian life.

1. CATHOLICISM AND THE SOCIAL QUESTION PRIOR TO 1918

In the nineteenth century European Catholics were compelled to deal with the new political and social problems thrown up by the French Revolution, the Industrial Revolution, and expanding capitalism. *Political Catholicism* dealt with these new political problems by finding ways for Catholics to influence the affairs of the neutral, republican state created by the French Revolution.[1] *Social Catholicism,* on the other hand, dealt with the problems of the Industrial Revolution and the new problems of capitalism.[2] It considered capitalism and industrialism manifestations of liberalism in the economic sphere, comparable in their effects on the social order to political liberalism. As political liberalism threatened the existing order by denying the divine origin of civil authority, so economic liberalism threatened that order by divorcing economic activity from moral standards. Catholics referred to the social consequences of this divorce as the "social question."

The Social Question Takes Shape

Catholics traced the new problems of capitalism in modern times to the operation of the market economy and the rise of powerful finance capitalism. During the Middle Ages the Scholastics had

1. For the use of the term see Ludwig Bergsträsser (ed.), *Der politische Katholizismus in Deutschland. Dokumente seiner Entwicklung.* Vol. II: *1871-1914* (Munich: Drei Masken Verlag, 1923), 5; see Wilhelm Schwer, *Catholic Social Theory* (St. Louis: B. Herder Book Co., 1940), pp. 272-279, and Heinrich Rommen, *The State in Catholic Thought: a Treatise in Political Philosophy* (St. Louis: B. Herder Book Co., 1950), p. 608.

2. Schwer, *op. cit.,* pp. 308-310; see also Johannes Messner, "Soziale Frage," *Staatslexikon im Auftrag der Görresgesellschaft* (5th ed.; Freiburg i.B.: Herder, 1926-1931), IV, 1659-1664. This is the last pre-1933 edition of the Catholic encyclopedia published in Germany by a group of German and Austrian Catholics. Hereafter cited as *Staatslexikon;* all references are to the fifth edition. The best summary volume on the development of Catholic social thought is Joseph Moody (ed.), *Church and Society: Catholic Social and Political Thought and Movements, 1789-1950* (New York: Arts, Inc., 1953).

defined the just price, the just wage, and the place of interest in the economic system. Scholastic social theory had firmly established the ethical basis of the just wage and just price. It had also condemned unearned income in the form of interest. But the rise of a money economy and the development of trade forced a modification of this ban on interest long before the growth of modern finance capitalism. The modification of the ban on interest was followed by the elimination of the just wage and the just price. Just as political liberalism had brought about the destruction of the system of rights and duties which characterized the organic society of an earlier period, so economic liberalism had put an end to the system of economic rights and duties which had imposed ethical standards on economic activity. Catholics blamed the economic theory of liberalism, usually called *Smithianismus* by Central Europeans, for making materialism and egotism respectable and giving them the appearance of scientific laws.[3] This theory, it was alleged, recognized only considerations of selfish, personal gain and destroyed the social character of property by freeing the property owner from all restraints which society or religion might impose on his use of the property. Throughout the nineteenth century Catholics usually stressed the evil effects of laissez faire, but said little about injustices resulting from the guild system and from the trading monopolies and other privileges of mercantilism.

The Industrial Revolution intensified the problems created by the growth of the market economy. The new methods of factory production required concentration of large numbers of workers in the cities. The workers forced into the cities by the reduced labor needs of agriculture and the destruction of handicrafts were at the

3. The earliest attacks on *Smithianismus* came from the pens of the Romantic theorists, chiefly Adam Heinrich Müller; see especially his "Welches sind die Erfordernisse eines zureichenden staatswirtschaftlichen Systems," and "Adam Smith," in *Adam Müller Ausgewählte Abhandlungen,* ed. Jacob Baxa (2nd ed.; Jena: Gustav Fischer, 1931), pp. 32-40, 76-81; for a later Catholic statement Oswald von Nell-Breuning, S. J., "Die Eigentumslehre," *Die soziale Frage und der Katholizismus. Festschrift zum 40jährigen Jubiläum der Enzyklika "Rerum Novarum,"* eds. Jakob Strieder and Johannes Messner (published for the *Sektion für Sozial- und Wirtschaftswissenschaft der Görresgesellschaft;* Paderborn: Ferdinand Schöningh, 1931), pp. 140-160. This is a collection of essays on the social question by leading Austrian and German Catholics indispensable for a study of Central European Catholic social thought. Hereafter cited as *Die soziale Frage.*

mercy of the employer because they depended for their livelihood entirely on wages they could earn in factories. Soon the rationalization of production led to unemployment and the reduction of wages. As a result all members of a proletarian family were forced to go to work to support a single household. Catholics feared that the destruction of the family, resulting from the full-time work of mothers and young children, and the deplorable living conditions in the cities of the nineteenth century would lead workers to follow totalitarian agitators. They blamed the liberal bourgeoisie for this state of affairs. The bourgeoisie had destroyed the old organic order and erected in its stead a system based on individual rights. Thus it had opened the way for the proletariat to demand the same rights for itself and to seek to obtain them, whether by peaceful means or by revolution. The more wretched the living conditions of the workers, the more likely that they would resort to revolution, Catholics warned. Unless they were paid a wage based on their social needs, such as maintenance of the family, education of the children, savings for old age, instead of a wage based on supply and demand, there could be no hope for a solution of the "social question."[4] Catholics again raised the demand for a "just wage," but failed to realize that the complexity of modern industrial production had made extremely difficult the determination of the just share of the worker in the result of his labor. Because Catholic social thought during this period suffered from an excessive reliance on the Scholastic formulation of wage, price, and interest, Catholics tended to propose solutions for the "social question" applicable to the economic system of the Middle Ages, but unworkable in an industrial economy based on the market.

When Catholics dealt with these problems of capitalism and industrialism, they attempted to steer a middle course between two unacceptable extremes: laissez faire and socialism, between Adam

4. It is interesting to note that the Australian Court of Arbitration and Conciliation applied these same standards in determining the "fair and reasonable" wage. W. K. Hancock, *Australia,* vol. in *The Modern World: a Survey of Historical Forces,* ed. H. A. L. Fisher (London: Ernst Benn, Ltd., 1930), pp. 84-85. Hancock pointed out that the Australian conception of "fair and reasonable" was an ethical concept like the medieval idea of the just wage. He concluded that "the medieval idea of a concrete externalized justice here joins hands with modern optimism, which insists that man is in control of nature and that he can make life tolerable if he chooses to do so."

Smith and Karl Marx. Though they agreed on the necessity to avoid extremes, they differed over the nature of the "middle course." As a result Catholics held a variety of views on the social question, ranging from Catholic liberals to Catholic (religious) socialists and corporativists. In addition, some national groups were concerned mostly with the problems of the modern state and the nature of the political regime, while others dealt primarily with the problems of industrialism and capitalism.[5]

Catholics developed two types of solutions for the social question. Restoration of the old organic social order (Sozialreform) was one, and gradual reform within the existing social framework (Sozialpolitik) the other.[6] Their choice of solution and the methods proposed for implementing it were influenced by the degree and rate of industrialization of their country, by political developments such as the *Kulturkampf* in Germany and the Dreyfus affair in France, pastoral considerations (e.g., the position and needs of the hierarchy), and the nature of the "ideal" society they wanted.

The industrialization of Europe began in the west, and from there it moved east. On the continent the industrialization of France preceded that of central Europe. But not all countries of central Europe became industrialized at the same time, nor did their industrialization proceed at the same rate. The industrialization of Germany and Austria began almost simultaneously, but proceeded more rapidly in the former than in the latter country. Furthermore, the pattern of large-scale production became more firmly established in Germany, than in either France or Austria. The rapid destruction of the old economic order in Germany, including the apprentice

5. For a discussion of the elements of unity and diversity in Catholic social thought see Rommen, *op. cit.*, p. 13; Otto Schilling, *Die christlichen Soziallehren,* Vol. XVI of *Der katholische Gedanke* (Cologne: Oratoriumsverlag, 1926), pp. 170-174.

6. Paul Jostock, *Der deutsche Katholizismus und die Überwindung des Kapitalismus. Eine ideengeschichtliche Skizze* (Regensburg: Friedrich Pustet, 1932), pp. 138-144. This is an excellent survey of the Catholic position on the social question in Germany and Austria. See also Karl Huemmer, *Der ständische Gedanke in der katholisch-sozialen Literatur des 19. Jahrhunderts* (Ph.D. dissertation, University of Würzburg, 1927) which traced the development of Sozialreform; Heinz Herberg, *Eine wirtschaftssoziologische Ideengeschichte der neueren katholischen Soziallehren in Deutschland* (Ph.D. dissertation, University of Bern, 1933) which has a good discussion of the distinction between these two tendencies; and Robert Kothen, *La Pensée et l'Action Social des Catholiques, 1789-1944* (Louvain: Em. Warny, 1945).

system and small-scale artisan enterprises, forced German Catholics to come to terms with the new system. For this reason German Catholic social theory had a more "modern" appearance than Austrian or French.[7] In Austria, on the other hand, industrialization proceeded more slowly, small-scale enterprises managed to survive in large number, and corporative vocational organizations retained legal powers to control the economic activities of their members.

In spite of these differences in the growth of industrialization in various countries, the treatment of the social question by all European Catholics can be divided into four stages.[8] (1) Before 1850 industrialization was slow, especially in the countries of the Metternich system. Industrial production was on a small scale and severely restricted by legislation which favored the old methods of production. Catholic social theorists were preoccupied with the problems of pauperism and of the artisan. They believed that Christian charity would suffice for the effective treatment of the economic dislocations caused by the Napoleonic Wars. (2) Between 1850 and 1870 many European countries began to industrialize and thereby hastened the end of the old economic order. The industrial proletariat emerged as a distinct social class with social and economic characteristics which differed fundamentally from those of the artisan. Bishop Wilhelm Emmanuel von Ketteler of Germany was the first high-ranking member of the hierarchy to understand the need for a new approach to the social question.[9] He realized that the solutions appropriate for an artisan economy were inappropriate for the industrial proletariat. (3) Between 1870 and 1880 the new industrialism suffered its first crisis—the boom and depression of 1873. (4) Thereafter, as a result of the increasing difficulties of the industrial proletariat and certain

7. Jostock, *op. cit.*, pp. 154-159. This accommodation on the part of the German Catholics found its formal expression in the Solidarist school of social thought. See Chap. 2 below for a discussion of the significance of Solidarism in the development of Austrian Catholic thought.

8. This follows the analysis of Clemens Bauer, "Wandlungen der sozialen Ideenwelt im deutschen Katholizismus des 19. Jahrhunderts," *Die soziale Frage,* pp. 11-46.

9. The best study of Ketteler is Fritz Vigener, *Ketteler: Ein deutsches Bischofsleben im 19. Jahrhundert* (Munich: R. Oldenbourg, 1924); see also Hugo Graf Lerchenfeld, "Ketteler," *Staatslexikon,* III, 92-103. For Ketteler and the social question see Jakob Strieder, "W. E. von Ketteler und die soziale Frage im deutschen Katholizismus," *Die soziale Frage,* pp. 47-63.

lower middle class and lower class groups, Catholics gave increased attention to the social question. These efforts culminated in the encyclical *Rerum novarum* issued by Leo XIII in 1891[10] which marked the end of decades of discussion and controversy over the social question among Catholics. Leo XIII codified and gave official sanction to a body of ideas common to Catholics in many countries, but did not promulgate a novel social theory.[11] From 1891 until the end of the First World War Catholic social theory was dominated by the classic formulation of the social question contained in that encyclical.

Catholic consideration of the social question was also influenced by political developments. In countries where Catholics faced difficult questions of regime, as in the France of the Third Republic, their social theorists paid less attention to the social question than elsewhere. Social thought was also shaped by the political positions of the social groups which were the principal pillars of the Church. For example, in imperial Germany governed by a Protestant dynasty, Catholic social thought associated Catholic interests with those of a nobility and middle class who opposed the centralizing and *étatiste* tendencies of the Hohenzollerns. In Austria, on the other hand, the Catholic nobility and middle class sought the protection of a benevolent dynasty against economic liberalism. This fact led Catholic social thinkers in Austria to look favorably on state intervention in economic and social affairs.

Pastoral considerations have always influenced Catholic social thought. The concern of the Church with the fate of the industrial proletariat stemmed in part from the weakening of Church influence over urban masses. City churches emptied and urban parishes

10. Peter Tischleder, "Leo XIII.," *Staatslexikon,* III, 926-960, especially 940-942. The article by Tischleder is an excellent summary of the contribution of Leo XIII to the development of Catholic thought on the modern state and the social question. See also Eduardo Soderini, *The Pontificate of Leo XIII,* trans. Barbara Barclay Carter (London: Burns Oates & Washbourne, Ltd., 1934), pp. 150-158. The most convenient edition of Leo's major encyclicals has been published recently: Étienne Gilson (ed.), *The Church Speaks to the Modern World: the Social Teachings of Leo XIII* (New York: Doubleday & Co., Inc., 1954); see Gilson's introduction, pp. 11-18.

11. For the discussion of the various currents which influenced and shaped *Rerum novarum* see Wilhelm Schwer, "Zeitbedingte Elemente in Rundschreiben 'Rerum Novarum,' " *Die soziale Frage,* pp. 403-415. Schwer warned that the encyclical could be understood only against "the background of these concrete tensions and crises."

decayed as a result of mass desertion of the urban proletariat. These developments caused the Church to consider the causes of this mass apostasy and to devise countermeasures. Finally, the ideal of a "right" social order formed the foundation of all Catholic social thought. Natural law, as interpreted by Catholics, as well as theology and revealed truth, shaped this "right" social order toward which Catholic social reform tried to work.

Austrian Catholics and the Social Question

Within this general configuration of European developments, Austrian Catholics were forced to cope with most of the same social and political problems. The social theory they evolved to deal with them was fashioned from general Catholic and specifically Austrian materials. Austrian Catholic theory had two principal sources: the encyclicals of the popes, and the social theory of the Romantics. It was also influenced by a number of peculiarly Austrian institutions.

The social theory of the Church, expressed in encyclicals or pastoral letters, provided the foundation for the social theory of Austrian Catholics. Though papal encyclicals dealing with social questions do not have the binding force of dogma and revealed truth, they contain instructions "of highest authority" for the faithful.[12] Thus, Austrian Catholic treatment of the social question was deeply influenced by the publication of Leo XIII's social encyclical *Rerum novarum*. The social theory of the Romantics was the second important source of Catholic social thought. The principal elements of this Romantic doctrine, fashioned chiefly by Adam Heinrich Müller (1779-1829) and Karl von Vogelsang (1818-1890), were defense of a strong autocratic monarchy and demand for the corporative reconstruction of society.[13]

Catholic social theory prior to 1918 was influenced by three peculiarly Austrian institutions: a close tie between throne and altar;[14] a peasantry and a petty bourgeoisie as principal supporters of

12. Schwer pointed out that although "the social encyclical did not represent, either in form or content, an infallible decision, it was, nevertheless, an instructional manifestation of the highest authority."—*Op. cit.*, p. 415.

13. For a review of the Austrian Romantic school see Diamant: *Catholics, Politics, and Economics: Austrian Catholic Criticism of Democracy and Capitalism, 1918-1934* (to be published by Princeton University Press), Chap. 2.

14. Paul von Mitrofanov, *Josef II. Seine politische und kulturelle Tätig-*

Catholic political action; and well-developed corporative organizations in the professions, agriculture,[15] and the trades *(Gewerbe)*.[16] The close alliance between throne and altar that characterized the Austrian state until 1918 enabled Catholics to influence public policy to a greater degree than in other countries, even after the rise of liberalism late in the nineteenth century. The Catholics of the German-speaking crown lands remained loyal to the Hapsburg dynasty long after all other national or political groups had deserted it.[17] Next, Catholic social theory reflected the economic and social needs of the peasants and the urban petty bourgeoisie who were the principal supporters of the Church. It became concerned chiefly with the effects of capitalism and industrialism on the rural and urban lower middle class and neglected the need of the industrial workers.[18] As a result Catholic trade unions failed to attract many

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keit (Vienna: C. W. Stern, 1910), II, 666-801; Taras von Borodajkewycz, "Die Kirche in Österreich," in Josef Nadler & Heinrich von Srbik (eds.), *Österreich: Erbe und Sendung im deutschen Raum* (Salzburg: Anton Pustet, 1937), p. 263; Oszkar Jaszi, *The Dissolution of the Hapsburg Monarchy* (Chicago: University of Chicago Press, 1929), pp. 152-162; C. A. Macartney, *The Social Revolution in Austria* (Cambridge: Cambridge University Press, 1926), pp. 10-12.

15. Geoffrey Drage, *Austria-Hungary* (London: John Murray, 1909), pp. 54-94. The chapter on agriculture in the western half of the empire is still a very good source of information.

16. Heinrich Waentig, *Gewerbliche Mittelstandspolitik. Eine rechtshistorischwirtschaftspolitische Studie auf Grund österreichischer Quellen* (Leipzig: Duncker & Humblot, 1898), pp. 136-220.

17. Jaszi, *op. cit.*, pp. 158-160. See also Rudolf Sieghart, *Die letzten Jahrzehnte einer Grossmacht. Menschen, Völker, Probleme des Habsburger-Reichs* (Berlin: Ullstein Verlag, 1932) pp. 316-317, 319. A high-ranking civil servant and then a banker, Sieghart was one of the most powerful figures behind the scene in the Catholic-conservative movement, both before and after 1918. His bias is obvious, but his capacity as an observer of the political scene is of a very high order.

18. Karl von Vogelsang's writings exemplify this tendency best; they influenced all subsequent Catholic analysis in Austria. The present study has relied on Wiard von Klopp (ed.), *Die sozialen Lehren des Freiherrn Karl von Vogelsang. Grundzüge einer katholischen Gesellschafts- und Volkswirtschaftslehre nach Vogelsangs Schriften* (2nd ed., Vienna:Reinhold Verlag, 1938), pp. 277-339. From Vogelsang's journalistic output and from essays which appeared in various places, Klopp, Vogelsang's son-in-law, has created in this volume a useful and workable instrument for the analysis of Vogelsang's thought. This work will be hereafter cited as Vogelsang, *Lehren*. The scholarship of those who have worked on Vogelsang directly from the sources confirms the present analysis: August M. Knoll, *Vogelsang als Nach-*

followers and remained an insignificant part of social Catholicism in Austria. Finally, Catholic social theory was influenced by the corporative traditions of the Austrian middle class. These groups were accustomed to rely on occupational "chambers," professional or agricultural, to protect their social and economic position. The repeal of corporativist and mercantilist restrictions on the economy seriously threatened this elaborate system of corporative chambers. Consequently demands for the re-establishment of powerful corporative organs became an indispensable part of Austrian Catholic theory.

Under the influence of Romantic social theory and of these specifically Austrian institutions, Austrian Catholic social thought developed differently from the social thought of Catholics elsewhere. It is generally agreed that Catholic social thought must take into account the infinite worth of the human soul, and must try to create a social organization in which voluntary action by individuals and groups and compulsory action by the state and its organs are evenly balanced. Austrian Catholic social thought, however, always seemed to tip that balance in favor of compulsion. This was the result of the Romantic, corporative, and *étatiste* influences on Austrian social thought. Some critics have even contended that Austrian Catholic thought should not be regarded as a part of Catholic thought because of the predominance of these Romantic, corporative, and *étatiste* features. Nevertheless, Austrian Catholic social thought fits into the two-fold pattern of Catholic social thought outlined above; because of the predominance of Romantic doctrines and certain sociopolitical institutions, the Sozialreform tradition prevailed in Austria throughout the nineteenth century, though after the publication of *Rerum novarum* Sozialpolitik proponents carried the day. But Sozialreform theorists did not remain silent, even after 1890, and by 1918 Austrian Catholics subscribed to a variety of social theories ranging from the extreme social Romanticism of Müller and Vogelsang to the Sozialpolitik tendencies represented by Franz Martin Schindler, the teacher of and inspiration for Ignaz Seipel, long-time chancellor of the First Republic and undisputed leader of the Catholic clerical party until his death in 1932.

fahre der Romantik (Ph.D. dissertation, University of Vienna, 1924) and "Karl von Vogelsang und der Ständegedanke," in *Die soziale Frage*, pp. 64-85; Jostock, *op. cit.*, pp. 109-118; and Josef Schwalber, *Vogelsang und die moderne christlich-soziale Politik* (Munich: Leohaus Hauptstelle Katholisch-sozialer Verein, 1927).

A Critique of Austrian Social Catholicism

By 1918 the essential elements of Austrian Catholic social thought had been fully developed and the foundation laid for the treatment of the social question during the ensuing priod. It might be appropriate at this point to summarize the substance of Austrian Catholic thought during the nineteenth century. This can be done in four propositions. (1) Austrian Catholics were deeply concerned with the physical and spiritual well-being of the individual. Catholic theology commanded them to place the individual and his immortal soul at the center of their attention, so that they could aid him in fulfilling his earthly, and ultimately his transcendent, mission. (2) Catholic social theory based on the natural law tradition of the Scholastics required the establishment of a rich group life so that society could express itself through a multitude of social organs. (3) Austrian Catholics considered the state an important, but not the only, social organ which corresponded to man's social needs on earth. Therefore, they wanted to reduce the bureaucratization and centralization of the modern state and return many of the functions it had usurped, during the period of absolutism, to the proper social organs, such as vocational groups, families, and local communities. (4) They desired to create political and social institutions which would recognize the rich variety of individual and group experiences and would respect the important distinction between domestic society and civil society, the state.

An examination of nineteenth-century Catholic thought leads one to the conclusion, which will receive additional support from this present study, that Austrian Catholics failed to devise political and social institutions which correctly expressed their basic propositions. Instead of providing for the undisturbed development of a multitude of social organs and for a reasonably clear distinction between state and society, Austrian Catholics continuously exalted the position of the state at the expense of all other social organs. This can be traced primarily to their concept of state and law as instruments for the enforcement of moral and ethical standards. A state which claims the right to enforce such standards inevitably will seriously weaken, if not destroy, the area of society, the area of voluntary action.[19] Austrian Catholics might have recognized theoret-

19. The Western tradition of the relations of state and society, of legal

ically the right of a variety of social organs to apply these moral and ethical standards, derived from theology and natural law, but a long *étatiste* tradition predisposed them to appeal to the state and to use the state for the enforcement of such standards.

Their concept of law and state as agencies for the enforcement of moral and ethical principles had important consequences for state, society, and economy. At this point it is possible to indicate only a few. The most important of these is the subjection of the economic sector of life to state control on the grounds that the state must enforce the observance of moral standards in economic activity. But if the state in this manner claims control over economic as well as all other aspects of social activity, there will be a great amount of "congestion"; that is to say, the state will need a huge bureaucratic machinery to supervise all these activities. As a result the area of genuine voluntary action will be minute.

Austrian Catholics also made the state supreme by their failure to distinguish clearly between voluntary social organizations and social groups acting as agents of the state. They could hardly conceive of a voluntary social organization which would act without any direction or grant of compulsory power from the state. What they chose to call social organs were actually state instrumentalities, clothed with compulsory power by the state and made subject to state supervision. Finally, they exalted the state because they failed to provide for the genuine expression of a wide variety of talents, functions, and purposes of individuals and groups. They protested repeatedly that the guiding principle of their social theory was *suum cuique*—full possibility for the individual to achieve his purpose in society. The Western democratic tradition has demonstrated successfully that the only way to assure the individual such freedom of development is through a set of rules of general applicability, "a mode of treating things in general, things of all sorts and descriptions."[20] Austrian Catholics insisted that such a system of law and individual rights would destroy individual differences and create a society of isolated and uniform "atoms." In its place they proposed to put a highly developed hierarchical order which would supposedly provide an appropriate niche for the qualities, desires, wishes of

obligation and ethical, voluntary self-determination is well stated in Ernest Barker, *Principles of Social and Political Theory* (London: Oxford University Press, 1951), pp. 121-122.

20. *Ibid.*, p. 45

every individual or group. They refused to see that such a system would quickly lead to anarchy, unless held together by a strong central power. In this manner they again strengthened the state at the expense of individuals and social groups.

This critique suggests four conclusions. (1) Austrian Catholics lacked a genuine understanding of the distinction between the state as the area of compulsory, and society as the area of voluntary, action. A result of this was the fact that they were unable to foresee clearly the dangerous consequences for individual and group autonomy which would follow from this lack. (2) This failure led them to erect a monistic system in place of the Thomist pluralist scheme which they professed to have accepted. They elevated the state to a supreme position and subordinated all other social bodies to it.[21] (3) They were, therefore, caught in a dilemma. They had to profess a preference for a limited state which would recognize the autonomy of the Church and of other social organs, while their own social theory and their historical experience inclined them toward a strongly authoritarian, if not totalitarian, state. (4) Finally, their inability to conceive of a genuine state-society dichotomy explains their failure to understand the nature of democratic government and the role of political parties. Where state and society are one, there is no need for political parties which are primarily channels through which ideas and programs flow from society to the state. In such a nation there is also little chance for democratic government whose basis is discussion, for where the state serves to enforce moral and ethical standards, the one *true* set of standards, there can be no discussion of alternative ideas and programs.

21. J. D. Mabbott suggests that there are four possible views of the relation between the state and other associations: Abstract Monism, Concrete Monism, Pluralism, and a fourth theory which can find no special function for the state. Abstract Monism regards the existence of associations within the state as a sign that the state is lacking in unity and proposes to suppress all associations. Concrete Monism admits the value of functional associations but regards them as part of the state; as a result there will be complete state control in such a system. This scheme makes it possible to classify Austrian Catholic social thought as pluralistic in theory but a "concrete monism" in practice.—*The State and the Citizen: an Introduction to Political Philosophy* (London: Hutchinson's University Library, 1947), pp. 112-113, 119-123.

2. SOZIALPOLITIK DOCTRINES AND QUADRAGESIMO ANNO

Austrian Catholic treatment of the problems thrown up by capitalism and industrialism during the period 1918-1933 was in the tradition of social thought developed during the nineteenth century when Austrians were first forced to deal with the social question. Consequently Austrian Catholic social doctrines during the period of the first Austrian Republic closely followed the Sozialreform-Sozialpolitik pattern developed during that earlier period. The continuation of this basic pattern makes it possible to divide Austrian social theorists into two groups.

The Nature of the Pattern

The development of Catholic social theory between 1918 and 1933 was influenced by political, social, and economic developments in the same manner that social doctrines during the nineteenth century bore the imprint of contemporary Austrian institutions. It might be appropriate, therefore, at this point to summarize briefly those political and social developments during the republican period which influenced decisively the pattern of social theorizing.[1]

Austrian Catholic social thought was profoundly influenced by the powerful position of the industrial working class and of the Social Democratic party, its principal spokesman during this interwar period. The strength of the Socialists forced the Catholic clerical movement into an antisocialist alliance with fundamentally pro-capitalist bourgeois groups. Because the clerical movement was unable to undermine the loyalty of the workers to the Social Democratic party, Catholic labor groups remained small in number and had little influence on the formulation of the Catholic social program.[2] That program continued to stress ideas favorable to the

1. For a full statement of the social bases of Austrian politics between 1918 and 1933 see Diamant, "The Group Basis of Austrian Politics," *Journal of Central European Affairs,* XVIII (July, 1958), 134-155.

2. From its inception the Catholic labor movement had been under the influence of the Romantic schools whose social program was attractive to

lower middle class of artisans, shopkeepers, and white collar groups in the cities, and the small peasants in the provinces, the very groups which had remained the principal supporters of the Church in Austria. But serious tension soon developed within the Catholic clerical movement because Catholic clerical governments came to be dominated by the representatives of big business and industry as well as large landholders. Consequently these governments found it difficult to pursue policies which reflected accurately and simultaneously the wishes of big business and large landholders and the petty bourgeois, small peasant demands of the Catholic clerical rank-and-file. This divergence between Catholic social theory and the public policy of Catholic-dominated governments increased the difficulties within the clerical camp which, because of the need for an all-inclusive antisocialist alliance, included groups ranging all the way from Fascist armed formations like the Heimwehr to Catholic trade union groups and Religious Socialists.

The economic position of the groups which supported the Church also influenced the social programs advocated by Austrian Catholics. The urban middle class of shopkeepers, artisans, white collar and professional people had been the principal victims of the currency inflation and the postwar economic collapse. Their own economic position deteriorated while that of competing groups, such as the industrial workers and a new upper class, improved. Their hostility to the First Republic and to the capitalist system was reflected in their rediscovery of the corporativist and authoritarian doctrines of the political Romantics. The depression of 1929 further weakened the position of these social groups, and Austria, as a whole, never recovered from the effects of mass unemployment and deflation before the beginning of the Second World War.

The creation of a republic in 1918 had confronted Austrian Catholics with an entirely new problem. Though they had been forced to cope with many of the problems of the modern state even during the monarchical period, the fundamental loyalty of the Hapsburg dynasty to the Church had served to soften the impact of these problems on the Austrian state. On the other hand, the postwar decade did not present Catholics with a radically different economic

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artisans, but not to industrial workers. See Karl Lugmayer (ed.), *Das Linzer Programm der christlichen Arbeiter Österreichs* (Vienna: Verlag der Typographischen Anstalt, 1924), pp. 7, 15-69, *passim.*

situation. Catholics, assisted by other bourgeois political groups, had been able to withstand the nationalization demands of the Socialists, though they had been forced to permit the passage of an extensive welfare and social security program.[3] As a result, the postwar Austrian economy differed little from that of prewar days, and the social problems raised by that economy did not require any reformulation of the Catholic social doctrines laid down in *Rerum novarum.* This encyclical had encouraged the development of comprehensive social programs along Sozialpolitik lines, the most significant of which was the Solidarist social theory developed by a group of German Jesuits. This theory was fundamentally procapitalist and profoundly influenced the treatment of the social question by the hierarchy and many lay theorists who followed Catholic doctrines.[4]

The vast economic and social changes since 1891, and especially the consequences of the depression of 1929, led Pius XI to make a number of important modifications in the Leonine corpus of social theory. These changes were incorporated in the encyclical *Quadragesimo anno,* published in 1931. The Austrian hierarchy and many Austrian lay theorists were then forced to reconsider their social doctrines in the light of the changes announced in the encyclical. They attempted to follow the papal call for radical social reconstruction while maintaining their procapitalist Solidarist position and their opposition to extensive government intervention in the economy.

In spite of the predominance of Sozialpolitik doctrines among Austrian Catholics during most of the life of the First Republic, a small group of social Romantics continued to advocate the Sozialreform program.[5] However, their influence on Austrian Catholic thought was negligible. The overwhelming majority of their coreligionists were preoccupied with controlling the modern state and with satisfying the demands of big business and big agriculture. They had little use for Romantic political and economic doctrines which would have done away with bigness in agriculture and in-

3. Charles A. Gulick, *Austria from Habsburg to Hitler,* Vol. I, *Labor's Workshop of Democracy* (Berkeley: University of California Press, 1948), pp. 134-143, 190-214; Otto Bauer, *Die österreichische Revolution* (Vienna: Wiener Volksbuchhandlung, 1923), pp. 161-182.

4. For the analysis of the Solidarist program see the next section below.

5. August M. Knoll, "Karl von Vogelsang und der Ständegedanke," *Die soziale Frage,* pp. 67-69.

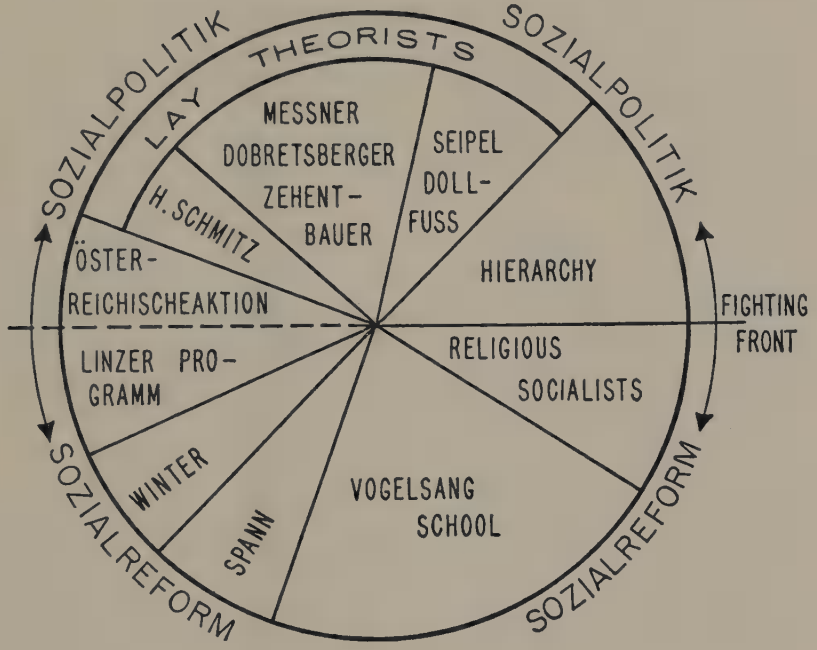

CHART NO. 1

This chart reflects the fundamental division of social theories between Sozialpolitik and Sozialreform. Individuals and groups are arranged in the approximate order of their commitment to existing socioeconomic institutions, beginning with the hierarchy (strong commitment) and moving counterclockwise to the Religious Socialists (strong opposition). The chart also reflects the notion that the sharpest clash of ideas ("Fighting Front") occurs between the groups most strongly committed to Sozialpolitik and Sozialreform, respectively, while there is little difference on the social question between the Österreichische Aktion and the Linzer Programm.

dustry and would have subjected all economic activity to detailed corporative and governmental controls. There were a great many Romantic "schools," but the doctrinal differences between them were not great.

Under the influences of the social encyclicals and German Solidarism on one hand, and the Romantic social tradition on the other, there developed in Austria two distinct tendencies of social theorizing, following closely the Sozialpolitik-Sozialreform pattern. Chart No. 1 attempts to represent graphically the distribution of Austrian Catholic views on the social question.

The Austrian Hierarchy and the Social Question Before 1931

Though the Leonine corpus of social doctrines continued to be the principal source of official Catholic social thought in Austria after 1918, the hierarchy's critique of capitalism and industrialism was profoundly influenced by the writings of the German Solidarists, especially Heinrich Pesch and his disciples who undoubtedly made the most original contribution to central European Catholic thought.[6]

The Solidarists devised a social theory which, they claimed, was a middle road between the extremes of economic individualism and collectivism. This theory was based on a conception of man as a rational and moral being whose personality was the true source and foundation of his social nature and life:

> Solidarism does not proceed from the idea of a completely self-sufficient and independent individual, as does liberalism. . . . Pesch . . . called his system "anthropocentric-teleological," but this in no way proves that he desired to see the individual *as such* become the center or considered a final end. . . . He is . . . concerned only with

6. Pesch's principal work was *Lehrbuch der Nationalökonomie* (3 vols.; Freiburg i.B.: Herdersche Verlagsbuchhlandlung, 1905-1915) which went through four editions before the author's death. Together with men like Victor Cathrein and Josef Biederlack, and followed by Gustav Gundlach, Otto Schilling, and Oswald von Nell-Breuning, all members of the Jesuit order, Pesch established the Solidarist school which was the principal Sozialpolitik proponent and the chief opponent of the Austrian Romantics. The fundamental idea of Solidarism can be traced to Ketteler and to *Rerum novarum;* see Franz H. Mueller, *Heinrich Pesch and his Theory of Christian Solidarism* (St. Paul: The College of St. Thomas, 1941), pp. 40-44; and Richard Mulcahy, *The Economics of Heinrich Pesch* (New York: Henry Holt & Co., 1952).

explaining clearly and definitely the inalienable nature of man as a "person," i.e., his relative autonomy and his central and dominant position in the cosmos. . . . Man's ential personality is the true source and foundation of his social nature and social life.[7]

Thus Pesch placed man at the foundation of society, and attempted to define society in such a way as to avoid the extremes of both individualism and collectivism:

For Solidarism does not regard society as a mere sum total of individuals, as a union of men bound together only by contract, or, on the other hand, as a substance independent of the personal cooperation of the members, but holds that it is a *moral* collective person, with its own kind of subsistence and its own specific manner of existence.[8]

Pesch, therefore, rejected the Romantic organic theories which reduced man to a "cell" and denied his character as a moral agent.[9]

From these definitions of man and society Pesch derived his concept of solidarity; that is to say, the concept of the ordered integration of efforts toward a moral common end: "Solidarism is the social system which has as the governing principle of human co-existence the solidary tie of the community with its members and the members with their community."[10] But he insisted that the mutual relations of men in society were more than an empirical fact; that is to say, the sociability of man was not simply an arrangement of convenience, it constituted a moral element of man's nature.[11]

Because man was the center of the social system, he also was at the center of economic activity. Therefore, Pesch accepted the principle of wage labor and of the separation of labor and capital.[12] He demanded, however, that the community, acting through the state, interfere to prevent capitalist excesses which might threaten the economic status of individuals, and especially their private property which they must have to be able to fulfill their function in society.[13]

7. Mueller, *op. cit.*, p. 14. By "ential personality" Mueller means the total, essential nature of man's personality.
8. Quoted *ibid.*, p. 17.
9. Pesch, *op. cit.*, I, 141.
10. Gustav Gundlach, "Solidarismus," *Staatslexikon*, IV, 1613.
11. Pesch, *op. cit.*, I, 31.
12. *Ibid.*, 17-18; see also Mueller, *op. cit.*, pp. 20, 23.
13. Private property, according to Pesch, was justified by the nature of man, but property rights are not necessarily the only rights to be considered in society, *op. cit.*, I, 188, 206-207.

Pesch's organization of economic activity, his "social system of industry," was strongly influenced by the *Kathedersozialisten.* Pesch had been a student of Adolf Wagner and Gustav Schmoller, and his concern for the individual in economic affairs was tempered by an inclination to accept a high degree of government ownership and intervention: "The totality of the economic activities of the citizens as citizens—this is the national economy."[14] Within this national economy there were to be occupational organizations of those engaged in a common economic activity. Originally voluntary, these organizations would eventually become the basis for all economic activity. They would promote the "solidarity" of those engaged in common pursuits and thereby remedy the evils of excessive economic individualism.[15]

The attempts of the Solidarists to fashion a "middle course" inevitably involved them in disputes with extremists on both sides. Classical liberal theorists called them pseudosocialists while the social Romantic school attacked them as thinly disguised individualists.[16] Actually some of these strictures were justified, for Solidarism in its eagerness to satisfy both the claims of the individual and of the society became self-contradictory and utopian. It relied for the adjustment of conflicting social claims on a natural harmony in society which simply did not exist in the twentieth-century industrial system.[17] But the very ambiguities of the Solidarist system made it an attractive social program at a time when Catholics desired to work within the existing social system; it enabled them to stress now laissez faire, now collectivism as changing conditions required.

After 1918 the disciples of Pesch, especially Gustav Gundlach and Oswald von Nell-Breuning, attempted to adapt Solidarism to the postwar *Zeitgeist* which was becoming increasingly hostile to capitalism. Though they modified their more pronounced procapitalist doctrines, they continued to attack Sozialreform doctrines as totali-

14. Mueller, *op. cit.*, p. 23. 15. Pesch, *op. cit.*, I, 385-386.

16. For the critique of Pesch by the classical liberal school see Ludwig von Mises, *Socialism: an Economic and Sociological Analysis,* J. Kahane, trans. (New York: The Macmillan Co., 1932), pp. 263-266; and Kurt Böhme, *Solidarismus und Liberalismus. Eine Kritik des Solidarismus von Heinrich Pesch S. J. vom liberalen Standpunkt* (Ph.D. dissertation, University of Frankfurt a.M., 1929), pp. 200, 226. For the Romantic critique see Ernst Karl Winter, "P. Heinrich Pesch im Rahmen der katholischen Soziologie," *Schönere Zukunft,* I (1925), 831-876.

17. See for example Pesch, *op. cit.*, I, 379.

tarian and incompatible with Catholic social theory. Solidarists defended the existence of classes in modern society against the Romantics who demanded a reorganization of society into *Stände;* they also denied that medieval social institutions had absolute religious value, as the Romantic theorists continued to assert.[18]

The first important statement of the Austrian hierarchy on the social question appeared in 1925, when the bishops published an Advent Pastoral Letter on that subject and followed it up in 1926 with *Instructio pro clero in re sociale.*[19]

By 1925 the Church had become concerned over the unpopularity of the probusiness policies of Christian Social governments and their antisocialist bourgeois allies. The hierarchy, therefore, tried to defend the Church and Catholic governments against the accusation that they sided with capitalists and employers against the workers: "It is an untrue and malicious accusation that the Catholic Church only preaches to the workers to be obedient and to suffer quietly the arrogance of the capitalists, and that the Church thereby protects and favors the entrepreneurs and the plutocracy."[20] It pointed to the opposition of the Church to all forms of usury and exploitation as proof that Catholics were sincerely concerned with the problem of the poor. However, the hierarchy did not condemn capitalism *in toto,* but only the excesses of capitalism—"mammonistic capitalism"[21]—which it considered the gravest evil of modern times. Those who controlled wealth, the bishops explained, had set up a "reign of force" which assured them of profits at all times, whether in war or peace: "These financial powers are able to rob the people of the earth, to impoverish them through charging excessive interest rates. They rob the diligent of their savings and manage to bring increasingly larger numbers into total dependence on them and into a virtual slavery."[22] These industrialists and financiers had destroyed not only the proletariat, but also peasants, artisans, and small entrepreneurs.

18. Gundlach, "Stand und Klasse," *Stimmen der Zeit,* CXVII (1929), 292; see also his "Christlich-Soziale Tragik," *ibid.,* CXVI (1929), 180.

19. "Rundschreiben der österreichischen Bischöfe Advent 1925" and "*Instructio pro clero in re sociale* April 1926," reprinted in *Kardinal Piffl und der österreichische Episkopat zu sozialen und kulturellen Fragen, 1913-1932,* ed. August M. Knoll (Vienna: Reinhold Verlag, 1932), pp. 77-127, 127-136. Cited hereafter as *Episkopat.* 20. *Episkopat,* p. 80.

21. This distinction between capitalism as a form of economic organization and the excesses of capitalism was foreshadowed in Pesch, *op. cit.,* I, 212; it was used by Pius XI in *Quadragesimo anno.* 22. *Episkopat,* p. 86.

The bishops did not reject big enterprise, the wage system, or the system of credit and interest as such. Rather, they condemned the evil consequences of these institutions, namely, disregard for the law of God, production of luxury goods beyond "right" levels of consumption, destruction of the family and of the dignity of the worker. The existence of these evils had led workers to combine for common action and to embrace socialism and communism, the bishops admitted.[23] But they cautioned the workers against using their organized strength for the purpose of damaging other social groups, and warned that socialism and communism by opposing the creation of a healthy social order based on *Stände* threatened to destroy private property and ultimately the state, the only protection against the "money powers."[24]

In spite of this bitter attack on capitalism and industrialism as well as socialism, the bishops were not really prepared to advocate radical changes in the existing social order. They placed great emphasis on an equitable wage policy as an aid to industrial workers and suggested three other specific reforms. Capitalists should use their wealth not for financial speculation, but for the common good, by creating useful employment and making credit available to artisans and peasants. Next, they should at all times be conscious of their social obligations imposed by the ownership of private property. Finally, they should treat their workers as "men and Christians."[25]

This appeal to the Christian virtues of the employers was part of a longstanding tradition of the Catholic Church. The Church often avoided difficult social problems by appealing to spiritual remedies, charity, love, and justice; the Austrian hierarchy followed a similar course in 1925-1926. It realized the grave consequences for the Church of social unrest among the workers, because it followed the Advent Letter with an *Instructio pro clero in re sociale* in which it admonished the clergy that in their dealing with the social question they must not appear to favor one social system over another, and must constantly maintain a balance in their criticism of socialism on the one hand, and of mammonistic capitalism on the other.[26]

The hierarchy reiterated its Solidarist position in 1930 in the course of a dispute with the Religious Socialists and some Romantic

23. *Episkopat,* p. 91.
24. *Episkopat,* p. 99.
25. *Episkopat,* pp. 89-90.
26. *Episkopat,* p. 135.

theorists who had adopted an uncompromising opposition to capitalism. The hierarchy again denied that it favored capitalism, and warned the anticapitalists of the Vogelsang school that their doctrines could only lead to socialism and collectivism. It rejected the proposition, advanced by some anticapitalist Romantics, that bishops speaking on questions of wages, strikes, property, and other economic issues, were not speaking as bishops, but merely as social theorists. The bishops asserted that man's right to private property was part of his moral and social equipment as defined in natural law. Therefore a bishop was concerned with private property *qua* bishop, and not simply *qua* sociologist.[27] This exchange was still another incident in the longstanding dispute between the Vogelsang school and the Austrian hierarchy over social policy. The opposition of the Romantic school to social doctrines based essentially on *Rerum novarum* indicated that the Austrian Sozialreform theorists had never become reconciled to the victory of Sozialpolitik after 1891. They continued to expound their social Romantic theories and to condemn the prevailing trend in Catholic social theory as constituting an accommodation to capitalism and the modern state.

Quadragesimo Anno, Sozialpolitik, and Sozialreform

The publication of the encyclical *Quadragesimo anno* by Pius XI in 1931 had special significance for the development of Austrian Catholic social thought.[28] The encyclical forced the hierarchy and a number of Austrian lay theorists to make certain adjustments in their social doctrines. Furthermore, the encyclical devoted considerable attention to the extreme Romantic social doctrines which had remained more prominent among Catholics in Austria than in many other countries. In this respect the encyclical provides an illuminating commentary on Austrian Sozialreform ideas during the interwar years. It is only to the extent that *Quadragesimo anno* sheds light on the Sozialpolitik-Sozialreform controversy that it will receive attention in the framework of the present study.

27. Letter of the Austrian Bishops, reprinted in *Episkopat,* pp. 155-165.

28. Pius XI, *Quadragesimo anno,* Encyclical Letter of His Holiness Pius XI on Reconstructing the Social Order and Perfecting it Conformably to the Precepts of the Gospel, in Commemoration of the Fortieth Anniversary of the Encyclical "Rerum novarum," reprinted in *Five Great Encyclicals* (New York: The Paulist Press, 1939), pp. 125-168. All references are to this edition. Citations will give both section and page numbers.

After reveiwing the impact on the modern world of Leo XIII's *Rerum novarum* and criticizing those Catholics who had belittled its importance, chiefly in the Romantic camp, Pius XI in the second section of *Quadragesimo anno* re-examined and restated the principal elements of the Leonine corpus of social doctrines, those dealing with property, capital, uplifting of the proletariat, the just wage, and the need for the reconstruction of the social order. He defended capitalism and private property against the attacks of the Romantic theorists and religious socialists,[29] but insisted that the state had the right to "adjust ownership to meet the needs of the public good," and that labor and capital must share the economic product. Pius XI thereby knocked out one of the principal social theories propounded by many of the Social Romantics: the labor theory of value. The Pope concluded the discussion of property by recognizing officially the principle of social justice as a basis for distributing the profits of economic production among the various claimants, and insisted that neither labor nor capital could claim all the profits.[30]

A special aspect of the principle of social justice was the "just wage," which is defined in one of the best known passages of the encyclical. However, the section of most direct importance for the present analysis is the one in which Pius XI rejects the concept of the *Gesellschaftsvertrag* between workers and employers, as championed by Romantic theorists who condemned the wage contract *(Arbeitsvertrag)* as unfairly limiting the share of the worker in the economic product. The Romantics believed that only a *Gesellschaftsvertrag* which fixed the whole range of labor-capital relationships could be the true basis of the economic system because it provided for the workers sharing in ownership and profits.

This analysis of *Quadragesimo anno* gives the impression that the

29. See Franz Arnold, "Wiener Richtungen," *Staatslexikon*, V, 1928-1304, and Johanna Gierse, "Sozialromantische Richtungen im Katholizismus der Gegenwart," *Soziale Revue*, XXXII (1932), 129-176, 192-233.

30. *Quadragesimo anno*, 55, p. 141. Behind this is a longstanding controversy over the principle of distribution appropriate for Christian social teachings. The Romantic theorists proclaiming both the ban of the Church on unearned income and the writings of Marxist and other socialist schools clung to some form of the labor theory of value, in spite of the official stand of the hierarchy in the social encyclicals and numerous pastoral letters. For the sources on which the Romantics drew see Anton Menger, *Das Recht auf den vollen Arbeitsertrag in geschichtlicher Darstellung* (Stuttgart: Verlag der J. G. Cottaschen Buchhandlung, 1886), pp. 129-138.

encyclical supported Sozialpolitik rather than Sozialreform doctrines, although the usual interpretation places it in the camp of those advocating sweeping changes in the existing social order. This view of the encyclical has gained acceptance chiefly because the part dealing with the corporative reconstruction of society has been the one most widely quoted. There Pius XI echoed the corporative proposals which the social Romantics had been propounding with such zeal ever since the nineteenth century. Unlike Leo XIII who relied on voluntary associations to carry out the social reconstruction, Pius XI assigned the state a principal role:

When we speak of the reform of the social order it is principally the State we have in mind. Not indeed that all salvation is to be hoped for from its intervention, but because on account of the evil of Individualism . . . things have come to such a pass that the highly developed social life which once flourished . . . has been damaged and all but ruined, leaving . . . only individuals and the State.[31]

Social harmony could best be restored by the re-establishment of vocational groups which would replace the social classes based on the opposing parties in the market economy and would enable employers and employees to collaborate in economic production and in the creation of social conditions conducive to the common good. In this way the vocational groups would take over the tasks of controlling arrogant monopoly capitalism and would free the state from many burdensome tasks. Pius XI proposed four remedies for the evils created by imperialist and monopoly capitalism: (1) the twin dangers of individualism and collectivism could be avoided only by recognizing the dual character of labor and property; (2) the mutual relations of labor and capital must be governed by the principles of commutative justice; (3) the civil authority must control competition and monopoly; and (4) public institutions must conform to the standards of social justice. Obviously such a reform program, on balance, favored Sozialreform rather than Sozialpolitik doctrines. But at the same time Pius XI warned religious socialists as well as Romantic theorists that ultimately socialism was a materialistic *Weltanschauung* incompatible with Christianity, in spite of the many similarities in the antcapitalist critique of both socialism and Catholic social doctrines.

31. *Quadragesimo anno,* 78, p. 147.

The Hierarchy and Quadragesimo Anno

The publication of *Quadragesimo anno* forced the Austrian hierarchy to reconsider the Solidarist, that is to say Sozialpolitik, elements of its social doctrines. Such a reconsideration was easier for Austrian Catholics who could fall back on a long Sozialreform tradition, than for the disciples of Pesch in Germany who were firm adherents of moderate social policies.[32]

The principal Solidarist theorists, Gustav Gundlach and Oswald von Nell-Breuning, repeatedly asserted that *Quadragesimo anno* could not be considered a victory for Sozialreform. Gundlach, writing in 1933, expressed the fear that the corporativism of the Catholic Romantics, based largely on medieval social institutions, would tend to falsify the reforms advocated in the encyclical and actually result in perpetuating capitalism and protecting employers. He denied that corporativism must necessarily be anti-Marxist, anticapitalist, and antiparliamentary, but saw no hope for anything but a corporative state which would swallow up society and lead to the establishment of totalitarianism. He considered such a state as fully as objectionable as the capitalist society which devoured the state.[33]

The most cogent and comprehensive Solidarist reply to the assertions of the Sozialreform theorists that *Quadragesimo anno* had vindicated their doctrines was Nell-Breuning's *Die soziale Enzyklika* which, in the guise of a commentary on the encyclical, made *Quadragesimo anno* a Sozialpolitik document.[34] It has been possible to select only a few points to illustrate this technique, chiefly those points which were most widely used in the Romantic-anti-Romantic doctrinal warfare in Austria.

One might begin by citing Nell-Breuning's contention that the encyclical simply continued the Sozialpolitik tendencies of Leo XIII and that Pius XI had consistently praised those who had propounded moderate social policies and condemned those pursuing "social

32. *Wiener Politische Blätter,* I (April 16, 1933), 51.

33. Gundlach, "Fragen um die berufsständische Ordnung," *Stimmen der Zeit,* CXXV (1933), 217-226, and Constantin Noppel, S. J., "Rerum Novarum und Quadragesimo Anno," *ibid.,* 156-169.

34. Oswald von Nell-Breuning, *Die soziale Enzyklika. Erläuterungen zum Weltrundschreiben Papst Pius XI. über die gesellschaftliche Ordnung* (Cologne: Katholische Tat-Verlag, 1932).

reactionary tendencies."[35] Nell-Breuning then devoted considerable effort to show that the papal concept of property, central to the argument of *Quadragesimo anno,* gave little comfort to the members of the Romantic schools who had condemned the capitalist concept of private property as "pagan" and therefore incompatible with Catholic social doctrine. Finally, Nell-Breuning denied that the encyclical could be used to support state intervention in economic and social affairs. Rather, Pius XI had recognized the validity of the central ideas of Solidarism, when he said that the "true aim of all social activity should be to help individual members of the social body, but never to destroy or absorb them."[36]

It has been observed that papal encyclicals often do not break new doctrinal ground, but attempt to settle longstanding disputes raging among the faithful. However, the very generality of the terms employed to give the papal pronouncement applicability to as many countries and situations as possible only leads to further disputes about the exact meaning of the words of the Holy Father. *Quadragesimo anno* suffered the same fate.

The Austrian hierarchy, in spite of its commitment to Solidarist ideas, found the emphasis of *Quadragesimo anno* on corporative organization congenial to the whole development of Austrian Catholic thought. The bishops called on the faithful to direct their efforts to replace the existing conflict between classes with a "harmonious cooperation between vocational groups *(Stände).*"[37] However, in a major pastoral letter on the encyclical, the hierarchy selected only certain topics from *Quadragesimo anno* for discussion and placed great stress on the conformity of official Austrian doctrines with the principles of the encyclical.[38] The bishops supported Pius XI's defense of trade unions and called attention to the Pontiff's concern with the need for Catholic organizations among the peasants and the urban middle class. Finally, the bishops reviewed the conditions of Catholic organizations among employers and found that existing organizations in Austria were predominantly anti-

35. Nell-Breuning predicted that political reactionaries would use the encyclical as an excuse for destroying the institutions they disliked: parties, parliamentary government, and democracy, *ibid.,* p. 39. 36. *Ibid.,* p. 79.

37. Address by Friedrich Gustav Cardinal Piffl before the Volksbund der Katholiken Österreichs, October 22, 1931, reprinted in *Episkopat,* p. 187.

38. "Pastoralrundschreiben der österreichischen Bischöfe und Erzbischöfe Februar 1932," reprinted in *Episkopat,* pp. 209-224.

clerical and imbued with a liberal-secular spirit. Thus, by devoting considerable attention to the details of organizations within the existing social framework, the Austrian hierarchy attempted, in a subtle manner, to play down the demands for radical social reforms contained in the encyclical.

In the same letter the bishops asserted that the encyclical supported them in their controversy with the social Romantics, especially on the question of private property, and they indignantly condemned those who used *Quadragesimo anno* to demand the abolition of private property. As a result the hierarchy minimized the need for economic reform, but stressed instead charity, love, and abstinence. For example, the bishops seemed to expect important results from their suggestion that the government withhold licenses from those planning lavish Mardi Gras *(Fasching)* festivals. The tendency of the Austrian hierarchy to fall back on moral and spiritual arguments in the face of difficult social problems, evident in the Advent Pastoral Letter of 1925, reappeared in the discussion of *Quadragesimo anno.*

Nevertheless the Austrian hierarchy, and Austrian Catholics in general, welcomed the publication of the encyclical because it provided them with a rallying cry against the Austrian Republic. Catholics could now demand the abolition of the neutral, un-Christian Republic and its replacement with a new system inspired by papal doctrines. However, Cardinal Piffl, the primate of Austria, who died before the establishment of the corporative state on May 1, 1934, cautioned against any rapid abandonment of existing economic and social institutions, especially those uncomfortable to employers. He defended trade unions against the vocal antilabor element among his flock and deplored the lack of Catholic-inspired employer associations. Finally, he warned against those who would use corporative doctrines to deny the just claims of the workers: ". . . there are a not inconsiderable group of people who proclaimed a corporative social order long before the Holy Father, usually with the secret hope that in this manner they could destroy the well-earned social achievements of the workers."[39] Unfortunately the warning of the Austrian primate went unheeded. The corporative state established in 1934

39. Piffl, " 'Quadragesimo Anno' in Österreich," *Die soziale Botschaft des Papstes. Vorträge über Quadragesimo Anno* (Vienna: Volksbundverlag, 1931), pp. 91-100. This collection of essays will be cited hereafter as *Die soziale Botschaft.*

had a shameful record of destroying workers' organizations and depriving workers of social and economic benefits provided originally by the Republic.

Despite its turn toward Sozialreform the hierarchy persisted in its condemnation of the extreme social Romantic theorists. It reasserted the authority of the bishops in matters of social and economic theory, first stated in 1929, for it considered the social question a moral as well as an economic problem. The bishops insisted that Pius XI had not rejected capitalism as such, but, like the Austrian bishops in 1925, had condemned the excesses of the capitalist system. Though the Pope had advocated the reconstruction of the social order, he had maintained the separation of labor and capital, by recognizing these two as separate entities within the proposed corporative organization.[40]

Sozialpolitik Theorists, 1918-1933

The writings of the lay theorists who accepted the leadership of the hierarchy in social questions reflected the changes in the social doctrines of the Church. Important statements on Catholic social theory came from leading Catholic statesmen, such as Ignaz Seipel and Englebert Dollfuss, as well as from a number of academic theorists, such as Johannes Messner, Josef Dobretsberger, Hans Schmitz, and the writers of the Österreichische Aktion. Seipel, a member of the clergy, has been included among the lay theorists because his writings on social and economic questions after 1918 always bore the stamp of the practicing statesman.

A. *Ignaz Seipel.* Seipel's social thought, though based on Catholic theology and the social theories of the Scholastics, was definitely in the Sozialpolitik tradition of his teacher F. M. Schindler whom he succeeded as professor of moral theology at the University of Vienna during World War I. Seipel then became a close personal adviser of Charles I, the last Hapsburg emperor, and in 1918 was chosen leader of the Catholic clerical party, the Christian Socials. He was Austrian chancellor 1922-1924 and again 1926-1929; he died in 1932. His political leadership as well as his writings and speeches

40. Statement by Bishop Sigismund Waitz of Innsbruck-Feldkirch, reprinted in *Episkopat,* p. 240; see also his article "Quadragesimo Anno und Solidarismus," *Das neue Reich,* XIV (1932), 650.

probably had a more profound influence on Austrian Catholics than any other man.[41]

Because he rejected Romantic doctrines, Seipel recognized that state and economy were separate spheres with well defined boundaries and autonomous principles of action. There were cultural interests, he asserted, which the state must pursue, but never in a manner detrimental to the economy. At the same time economic activity, recognizing the limits of its own principles (*Eigengesetzlichkeit*), must not violate the state's cultural interests:

> The economy is important, but not all the concerns of politics are economic concerns. There are social and cultural interests which, in a higher sense, ultimately redound to the interest of the nation's economy. . . . Therefore, the economy may not deny the claims of politics, because both influence each other reciprocally . . .[42]

During the debate on constitutional reform in 1929, Seipel was very skeptical about the possibilities of corporative reform, and especially about the feasibility of a corporative parliament. He pointed out that the *Stand* of preconstitutional days, based on ownership of land, had nothing in common with the projected vocational groups (*Berufsstände*). In contrasting the concepts of class and *Stand,* Seipel pointed out that the former was a "horizontal" group of those occupying a similar economic level in society, while the latter was a "vertical" organization in which individuals could rise to the top without leaving the shelter of the *Stand* organization. In fact, Seipel argued, when one examined the modern usage of the term *Stand* as in *geistlicher Stand* or *Soldatenstand,* one found people engaged in a variety of pursuits, though united by certain ties which transcended material interests. Seipel, therefore, refused to accept any reform proposals which simply replaced parties with economic pressure groups disguised as *Stände.*[43] Seipel, like Cardinal Piffl,

41. For the manner in which Austrian Catholics, Seipel among them, faced the problem of the modern state see the author's "Austrian Catholics and the First Republic, 1918-1934: A Study in Anti-Democratic Thought," *The Western Political Quarterly,* X (September, 1957), 603-633, and the literature there cited.

42. "Die politischen Grundlagen der Wirtschaft," address delivered at Graz, April 13, 1925, reprinted in *Seipels Reden in Österreich und anderwärts. Eine Auswahl zu seinem 50. Geburtstag,* ed. Josef Gessl (Vienna: Heros-Verlag, 1926), p. 204.

43. "Die Tübinger Kritik der Demokratie," *Der Kampf um die österreich-*

died before the creation of the corporative state in 1934, and like the Cardinal had predicted with considerable precision how the *Stände* in the corporative state would use their privileged position to pursue their narrow and selfish interests without regard for the national welfare. Just the same, one wonders whether Seipel, had he lived, would not have presided over the kind of corporative system he condemned during 1928-1929, and whether the Cardinal would have spoken up for the workers after 1934 in the same manner as he had in 1931.

Seipel welcomed *Quadragesimo anno* because it enabled him to plead for the abolition of parties, parliament, and trade unions—in short, for the destruction of the Austrian Republic whose institutions he had been attacking with increasing vigor since 1927.[44] Like the members of the hierarchy, Seipel stressed the procapitalist elements in the encyclical and noted that the social reforms advocated by Pius XI did not touch the capitalist mode of production and did not require any reconstruction of social organization. At the same time, he stressed the fact that the encyclical called for the elimination of existing economic classes in favor of occupational groups, but never bothered to resolve the conflict between those two statements.

One point emerges clearly from Seipel's discussion of *Quadragesimo anno*: classes, parties, and trade unions would find scarcely any place in the new corporative order. Seipel assigned trade unions a subordinate place, even though Pius XI had specifically approved them in the encyclical, and he interpreted the lack of any reference to political parties in the encyclical as an indication that they were but artificial structures appropriate for the atomistic, parliamentary society, but out of place in the new social order.

One might ask why such distortions and misinterpretations of the encyclical went unchallenged in Austria. The answer has been provided by Rudolf Hausleithner, a priest, who wrote in 1937 that six years after the publication of the encyclical only a few fragments had been made public, those dealing with the establishment of corporative organs.[45] Even those few fragments had been muti-

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ische Verfassung (Vienna: Wilhelm Braumüller, 1930), p. 183; see also "Was sind 'Stände,'" *Reichspost*, October 20, 1929, reprinted *ibid.*, p. 203.

44. "Die neue Gesellschaft nach der Enzyklika 'Quadragesimo Anno,'" *Die soziale Botschaft*, pp. 81-90.

45. *Der Geist der neuen Ordnung. Einblicke in das päpstliche Gesell-*

lated, distorted into slogans, and torn out of context. Quite obviously the rulers of the corporative authoritarian state were willing to tell the faithful only about those parts of the encyclical which they found useful for their own purpose, and had no intention of carrying out the far-reaching reforms or of interfering with the capitalist mode of production as prescribed by the Holy Father. Seipel's eagerness to eliminate parties and trade unions, and his reluctance to consider economic and social reforms, were shared by a large number of Austrian Catholics, both before and after 1933.

B. *Engelbert Dollfuss.* Dollfuss, who as Seipel's political *protégé* and hand-picked successor was chancellor from 1931 until his assassination by Nazi insurgents in 1934, drew on the three principal sources of Austrian Catholic social thought: Romantic social theory, the Austrian tradition of vocational organization, especially in agriculture, and the social encyclicals. From these he fashioned his criticism of the existing social order as well as his proposals for corporative organization. But in spite of his sponsorship of the Corporative Constitution of 1934, Dollfuss remained close to the procapitalist position of the hierarchy. This is not surprising, because Dollfuss, not an original thinker at all, drew on Catholic social doctrines for practical political purposes. In this manner his use of these doctrines serves to highlight the role Catholic and Romantic social theories played in the destruction of the Austrian Republic. Catholic clerical politicians simply picked out whatever seemed the most effective antidemocratic arguments and were little concerned whether the ideas they used so indiscriminately fitted into a coherent social theory of action.

Dollfuss' early pronouncements, while he was an official of the Lower Austrian Peasant Chamber, reflected his personal experience with occupational organization. He saw the *Bauernstand* as a moral and ethical as well as an economic organization which served as an instrument of social service and social charity.[46] There is no doubt that this is, at least in part, an idealized picture of the Austrian peasantry which was less homogeneous and harmonious than Doll-

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schaftsschreiben "Quadragesimo Anno" (Vienna: Typographische Anstalt, 1937), p. 99.

46. Address before the Niederösterreichische Landwirtschaftskammer, November, 1927, reprinted in Edmund Weber (ed.), *Dollfuss an Österreich. Eines Mannes Wort und Ziel* (Vienna: Reinhold Verlag, 1935), p. 180.

fuss suggested, and was often wracked by considerable friction between large and small landholders, as well as between landholders and their landless tenants and day laborers.

The most comprehensive critique of the existing social and economic system was contained in Dollfuss' *Trabrennplatz* address of September, 1933, when he sounded the keynote for the establishment of the corporative state.[47] He first drew an idealized picture of the organic order which supposedly had existed before the French Revolution, an order based on the association of all those pursuing the same vocation (*Beruf*). This order was destroyed because the old guilds and estates had become ossified and had claimed excessive privileges. Money became the dominant economic instrument, and the weak were suppressed by the strong. Nationalism and empiricism strengthened the drift toward materialism, and faith and religion decayed. But the liberal order which resulted from these influences was, in turn, replaced by an even more brutal form of materialism: Marxism.

Having reviewed these evil developments, Dollfuss called for the reconstruction of the political and social order: "The time of the capitalist-liberal economic order is past. . . . We want in its stead the social, Christian, German state of Austria, on a corporative basis, and under strong authoritarian direction."[48] No other statement epitomizes so well the hodgepodge of contradictory Romantic and Catholic social doctrines which had become the stock in trade of Catholic antidemocrats in Austria. Dollfuss seemed to demand sweeping reforms of both attitudes and institutions, especially capitalism, but obviously was not really prepared to tackle the problem at all. He also failed to distinguish, as did most of his Austrian coreligionists, between *Stände* as autonomous social organs and *Stände* as organs of public law, executing state functions under strict state supervision. Like Ignaz Seipel, he insisted that the task of representing the workers was to be taken out of politics because he did not want to replace parties with political *Stände*. At the same time he proposed that the people organized into *Stände* should participate in, and influence, legislation. Austria's workers soon discovered what was meant by taking the task of representing their interest "out of politics"; it meant destruction of the entire trade union organization and the appointment of an extreme reactionary

47. Reprinted *ibid.*, pp. 19-45. 48. *Ibid.*, pp. 30-31.

Heimwehr leader of the important post of minister of social welfare.[49]

Though Dollfuss as late as December, 1933, ridiculed those who were devising theoretical constitutions based on outmoded forms, within a few months he appeared as the architect and chief sponsor of a corporative constitution based on these very outdated models.[50]

C. *The "Realistic" Theorists: Messner, Dobretsberger, and Zehentbauer.* These three represented a group of academic theorists who best understood the weaknesses of the Catholic social reform program. They tried to eliminate the utopian elements of that program and to develop an economically and sociologically "realistic" set of proposals.[51]

Johannes Messner attempted to develop a Catholic social theory free from the extreme Romanticism of the Vogelsang school which had selected some past situation, made it objectively valid for all times, and used it as a yardstick for all subsequent situations.[52] His own procedure for social inquiry, *Sozialkritik,* called for freedom from such a bias and for ability to feel oneself into a situation, while at the same time keeping a distance so that one could discern significant interrelationships.

Messner rejected not only Romantic methodology, but also the

49. See Fritz Klenner, *Die österreichischen Gewerkschaften. Vergangenheit und Gegenwartsprobleme* (Vienna: Verlag des Österreichischen Gewerkschaftsbundes, 1953), II, 1101-1183.

50. *Reichspost,* December 24, 1933, reprinted in Weber (ed.), *op. cit.,* pp. 51-52.

51. Though these men had shown a willingness to abandon the utopian formulas of the Romantics, they loyally served the corporative state after 1934. Dobretsberger, who was Minister of Social Welfare for a short period after 1934, accused the entire Catholic camp of proclaiming an uncompromising opposition to liberalism and, in a lesser degree, capitalism, while continuing to practice laissez faire capitalism. In discussing in 1947 the failure of the corporative experiment, Dobretsberger remarked caustically that Austrians between 1934 and 1938 always quoted the encyclicals, but did exactly what benefited them most. This was what the barbers did when they agitated for a law which would forbid all men to shave themselves. *Katholische Sozialpolitik am Scheideweg* (Graz: U. Moser, 1947), pp. 24,79.

52. This general statement of Messner's ideas is taken from "Katholizismus und Sozialwissenschaft," *Das neue Reich,* X (1928), 634-636; "Sozialkritik," *Staatslexikon,* IV, 1696-1699; "Sozialordnung," *Staatslexikon,* IV, 1673-1680; and *Sozialökonomie und Sozialethik. Studien zur Grundlegung einer systematischen Wirtschaftsethik* (Paderborn: Ferdinand Schöningh, 1931).

Romantic reform proposals because they lacked what he called Christian realism. Such a realistic reform program must conform to two rules. First, neither natural law nor revealed truth can provide concrete directives for social organization. Second, any economic ethic *(Wirtschaftsethik),* therefore, must take into account actual economic conditions and economic theory as well as general moral norms. Messner concluded that social ethics and economic theory will not contradict each other if the social reformer clearly understands their respective scope. For example, a "just wage" could never be established by an act of faith, but only by translating this ethical principle into economic terms, taking into account the operation of the market. In the same manner Messner denied that a reduction of the interest rate by fiat would prove workable—this was a favorite demand of the debt-ridden peasantry—unless steps were taken simultaneously to foster savings.

In two other studies Messner further contributed significantly to the development of a realistic Catholic social theory. Shortly before the publication of *Quadragesimo anno* Messner attempted to define "social justice."[53] He stressed the social and economic aspects of the concept and tried to make it operative not only within the sphere of the state, enforced by the state's legal power, but in society as a whole. In his desire to avoid the pitfalls of Romantic *étatisme,* Messner tended to play down the role of the state and the need for state action in social reform. He probably recognized that Austrian Catholics could be brought to deal realistically with social problems only if they were freed once and for all from Romantic influences.

Messner criticized his coreligionists for their failure to distinguish between state and society and for relying too much on state action for social and economic reform. He admitted that the state possessed legal controls over economic activity, but denied that it had either the duty or the capacity to organize the national economy. The modern economic system, Messner argued, differed radically from the one familiar to the Scholastic theorists. The complexity and interdependence which characterized this modern system made it extremely difficult to determine the just share of the various participants in the economic progress. Therefore, in establishing stand-

53. "Zum Begriff der sozialen Gerechtigkeit," *Die soziale Frage,* pp. 416-435.

ards of social justice, the entire society and its economic system would have to be taken into consideration. This made the setting of the just wage immeasurably more difficult than in the simple economic system of the Middle Ages. Finally, Messner insisted that the claims of social justice were societal claims, not claims against the state; they were claims of various social and economic groups against each other, and did not necessarily depend on the power of the state to be recognized and satisfied.

A comparison of Messner's treatment of social justice, written shortly before 1931, with the manner in which Pius XI handled that concept in *Quadragesimo anno* shows that the Pope was inclined to assign the state a much greater share of responsibility for social justice than Messner was prepared to concede. Nevertheless, Messner's attempt to define social justice was an important effort to construct a realistic Catholic social theory.

Messner's other significant contribution was a paper on property delivered to a study conference on *Quadragesimo anno* held in 1931.[54] In this paper Messner defended the moderate theorists and the encyclicals against the accusation of the social Romantics that Catholics had succumbed to the capitalist spirit. At the same time he tried to prevent the Romantics from claiming *Quadragesimo anno* as supporting their anticapitalist doctrines. He insisted that both Leo XIII and Pius XI had desired to increase private property because they believed that the condition of the workers could be improved only by enabling them to acquire property.

Laissez faire, socialism, and Romantic doctrine all were incorrect approaches to the definition of property. The first denied the existence of any restriction on the owner's use of his property, while the later two denied any but the narrowest individual rights over property. The Romantics insisted that the individual could exercise only "user's" rights over property and that the state could confiscate and redistribute whatever was not needed for an appropriate living standard (*standesgemässer Unterhalt*).[55] *Quadragesimo anno,* according to Messner, had established a correct definition of property, modified to meet changing conditions. The Church considered the right of the individual to private property anchored in natural law. The individual was entitled to property not simply to satisfy his own

54. "Das Eigentumsrecht nach 'Quadragesimo Anno,'" *Die soziale Botschaft,* pp. 18-34.

55. *Ibid.,* pp. 19-20.

selfish demands, but only for the sake of his position in the social order, that is to say, property always fulfilled a social function (*Ordnungsfunktion*).[56] This dual character of property, social and individual, would have to be recognized at all times, even though details of property relationships could change with changing conditions. One could grant the state the right to regulate property without having to argue that such a grant destroyed all individual titles to property. Messner believed that the state could control monopoly through laws on banking, cartels, bankruptcy, etc., without having to resort to outright state ownership. The encyclical, he concluded, had visualized only limited state intervention, not collectivist experiments and total planning as the Romantic theorists claimed.

Josef Dobretsberger's social and economic "realism" strongly resembled that of Messner.[57] He rejected the theory, accepted by many Catholics, that social and economic institutions developed in a straight line toward an ideal system. He therefore denied that either a free or a controlled economy was valid for all times: "The tasks of social organization, of social politics, of economic ethics, are always shaped by the immediate present and not by an a priori, transcendent will."[58] As a result Dobretsberger rejected the entire set of Romantic social doctrines which centered around an ideal economic order based on medieval social institutions.

According to Dobretsberger, as economic conditions caused the pendulum to swing from the free to the controlled economy, there was a shift of emphasis from the private to the public economy, from insecurity of income to security of income, and from free competition to monopoly. Because in times of expansion a free economy would be appropriate, and in times of depression and contraction a controlled system, Dobretsberger rejected both the utopian *Ständestaat* of the Romantics and the limited state of procapitalist Catholics, even though both groups claimed the support of Christian ethics and theology for their favorite economic scheme.

In a study on interest Franz Zehentbauer defended the official stand of the Church, as expressed in chapter 1543 of the revised

56. *Ibid.*, p. 22.
57. *Freie oder gebundene Wirtschaft. Zusammenhänge zwischen Konjunkturverlauf und Wirtschaftsform* (Munich: Duncker & Humblot, 1932).
58. *Ibid.*, p. 165.

Codex Iuris Canonici, against the radical theories of the Romantics.[59] He considered the principal error of the Romantics to be their unwillingness to admit that money played an entirely different role in the modern industrial economy than it had in the Middle Ages. In the modern economy, Zehentbauer asserted, money was being used generally to express value, of capital as well as of consumption goods. Money, in short, could be invested productively, something that was hardly possible in the medieval economy.[60] He therefore defended the position of the *Codex,* which permitted the taking of interest at the legally established rate, by arguing that the position of the Church on the question of interest was not defined by dogma and could be modified in the light of changing conditions. Just as the Church was not committed to the medieval political organization, so it was not bound to accept the specific economic organization of that period.

D. *Hans Schmitz.* Hans Schmitz showed less social "realism" than Messner and Dobretsberger, but his interpretation of *Quadragesimo anno* followed that of the hierarchy.[61] He realized that the restrictions on production considered by many Catholics an integral part of the Catholic social program would not solve the social question. He urged, therefore, increased productivity so that workers could increase their share of the social product. At the same time he condemned large-scale enterprises because they encouraged production merely for profit and weakened a proper regard for the moral aspects of human development. He urged the creation of a small-scale artisan-type economy, strictly in the Vogelsang tradition of the closed state.[62]

In spite of these pro-Romantic tendencies Schmitz defended the concept of the just wage as defined in *Quadragesimo anno.* He denied that the encyclical had omitted productivity (*Leistung*) as a factor in the determination of the just wage, and, like Messner, argued that the complexity of the modern industrial economy made it very difficult to determine exactly the worker's share in a given product. In the encyclical the Pontiff had concentrated on the principle of need as an element of social justice, but had retained "con-

59. "Das Zinsproblem," *Die soziale Frage,* pp. 189-200.
60. See also on this point Messner, *Sozialökonomie und Sozialethik,* p. 71.
61. "Lohnfrage und Entproletarisierung," *Die soziale Botschaft,* pp. 35-44.
62. Anton Orel, *Wahre Ständeordnung. Ihr Geist, Wesen, Wirken: Grundsätzlich-praktische Klarstellungen* (Graz: U. Moser, 1934), p. 52-53.

tinued existence of the enterprise" as a factor in determining the just wage. Schmitz, like the Solidarists, felt it necessary to prove that the demands of social ethics were not in conflict with economic reality. He urged the continuation of collective bargaining as the basis for determining wages, but thought that it might be economically feasible to grant the workers a share of the profits or a voice in management.

E. *Österreichische Aktion: Bridge to Sozialreform.* The group of writers and the movement called "Österreichische Aktion" had a well-developed political program—the restoration of the Hapsburg dynasty as the only legitimate rulers of Austria—but not a clearly thought-out set of ideas about economic institutions. Though these writers were strongly influenced by Romantic social theory, they followed the hierarchy and remained essentially procapitalist in their social program. The Aktion tried to appeal to the workers by condemning capitalism and industrialism, but its preoccupation with legitimism (its name and program were inspired by the Action Française) prevented it from developing a social reform program which went clearly beyond the established capitalist system.[63]

The Aktion held economic and political liberalism responsible for the present deplorable conditions of the working class. Before the liberal bourgeoisie and bureaucracy had undermined the authority of the Emperor, the Austrian state, especially under Metternich, had pursued public policies which protected the small entrepreneur and his workers by preventing industrialization and large-scale enterprises. Liberalism by destroying the organic corporative order had freed economic activity from the responsibilities this organic order had imposed on all sectors of life. Labor and capital had been separated and the organic relations between the two had been destroyed. This had fostered the growth of huge production units which had wiped out the mass of individual producers. Within these huge production units the present wretched condition of the workers was the result of their having lost independence, a true *Heim und*

63. For the background of the Österreichische Aktion see Diamant, "Austrian Catholics and the First Republic," pp. 620-622. The two essays dealing with the social question were written by August M. Knoll, "Kaisertum und Proletariat oder die soziale Monarchie," pp. 186-215, and "Entproletarisierung," pp. 216-243, August M. Knoll (ed.), *Die österreichische Aktion. Programmatische Studien* (Vienna: Im Selbstverlag der Verfasser, 1927).

Haus, and a true *Stand und Beruf.*[64] The anonymity of the modern corporation and of the democratic representative process had cost the workers their independence; it had given rise to irresponsibility and ultimately to ill-treatment and exploitation of the worker which would have been impossible under an absolute monarch or a single entrepreneur. The Aktion predicted that in his revolt against the irresponsibility of the salaried manager and the democratic politician the worker would turn to a dictator who would assume the responsibility which these others tried to shirk. The Aktion condemned as trickery the manner in which *political* liberalism had given the worker the vote, while *economic* liberalism had made him a slave of the capitalist. It particularly condemned the actions of the so-called benevolent capitalists who provided workers with houses and even automobiles and thereby reduced them to a condition worse than that of a medieval serf tied to the soil.

The liberal economy had deprived the worker of a true *Heim und Haus* by separating the place of labor and residence and by depressing wages to such a level that all members of a family had to work for wages. Such conditions destroyed the last vestiges of family life in urban areas and drove the worker still further into activities outside his home.

Finally, the methods of industrial production had deprived the worker of a *Beruf* (vocation) and of his standing in society as the member of a *Stand* (vocational group). The worker no longer had a chance to learn a skill and with it a set of attitudes and values. As a result he considered his occupation a means for earning an income, not as a vocation. Furthermore, the destruction of the organic social order by economic individualism had made the worker a member of a class based on money and income. Consequently he had ceased to be a member of a *Stand* which had been a grouping of those pursuing a common *Beruf.*

Having lost independence, *Heim und Haus,* and *Stand und Beruf,* the worker had lost the sources of all his traditions and had become completely rootless in modern society. The Aktion considered three possible solutions for remedying this rootlessness and for uplifting the proletariat (*Entproletarisierung*): socialism—the "cold" solution; Sozialpolitik—the "lukewarm" solution; and conservatism—the "hot" solution.[65] It conceded that socialism by attempting to destroy the

64. *Ibid.,* p. 198.

65. *Ibid.,* pp. 207-209.

existing liberal system constituted at least a "moral act," but it rejected the socialist solution, nevertheless, because socialism really perpetuated the existence of the proletariat instead of working for its disappearance as a class. It also rejected Sozialpolitik because it was limited to alleviating the worst of the hardships facing the proletariat, but was unwilling to undertake a radical social reform program.

Only conservatism offered two genuine measures of *Entproletarisierung*: social monarchy (*Kaisertum*) and a controlled decentralized economy. The surviving remnants of the old trader and artisan groups would have to be rescued, and a new middle class created into which the industrial proletariat would be absorbed. A compulsory industrial service would provide workers for those large-scale enterprises considered indispensable. Like most other Catholic social programs, that of the Aktion devoted considerable effort to a critique of liberalism and industrialism, but had little to offer in the way of a comprehensive reform program. The reform proposals of the Österreichische Aktion, in spite of its alleged concern for the workers, remained essentially middle class and procapitalist. For this reason the writers of the Aktion have been considered part of the lay theorists who followed the leadership of the hierarchy in social questions. Nevertheless, the members of this group drew heavily on Romantic doctrines and were close to the Sozialreform writers who will be discussed in the next chapter. In this sense Österreichische Aktion provides a bridge between Sozialpolitik and Sozialreform.

3. RELIGIOUS SOCIALISM AND THE ROMANTIC TRADITION

The neo-Romantics who continued the tradition of Müller and Vogelsang, and a small group of Religious Socialists, were the severest critics of capitalism and industrialism during the period 1918-1933. Often they directed their most violent outbursts against their coreligionists who defended a gradualist Sozialpolitik program and even attacked priests and bishops for supporting a godless republic and an exploiting economy.

The Unity of the Sozialreform Critique

There was a multiplicity of schools and tendencies in the Romantic camp, and often there were as many schools as there were theorists. But in spite of this seeming diversity there was general agreement on a fundamental hostility to capitalism and industrialism, and a desire to ameliorate the conditions of the social group most severely affected by the evils of the modern economy—the industrial proletariat. As a result, there were many proposals for uplifting the proletariat (*Entproletarisierung*), for reabsorbing the worker into the social body (the metaphor of the "proletariat as a social precipitate" which the neo-Romantics had borrowed from Vogelsang), and for assuring the worker his proper share in the product of his labor.[1] However, much of this Romantic literature was pedestrian, petty, and uninspiring, and added very little to the Romantic ideas developed by Müller and Vogelsang in the preceding century. The reform proposals were couched in very vague and general terms, and whatever detailed suggestions the Romantics made were essentially preindustrialist and petty bourgeois. In short, they proposed to solve the problems of the modern economy by turning every worker into a petty bourgeois *Handwerker* and by creating a static economy in which people would prefer high-quality hand-produced goods over mass-produced goods at low prices.

The essential unity of this anticapitalist critique also extended to the Religious Socialists who embraced socialist ideas while trying to

1. Vogelsang, *Lehren*, p. 318.

maintain their position as members of the Catholic faith. On the other hand, the Romantics who drew principally on Catholic social doctrines were also influenced by some of the same socialist ideas that inspired the Religious Socialists. While the Romantics stressed the socialist elements of their program, hoping to draw the workers away from Marxian Socialism, the Religious Socialists played down those parts of their doctrine which tended to create a conflict between socialism and Catholic social teachings. In this manner the social theories of these two groups began to appear quite similar. Both criticized the same features of capitalism and tended to devote more of their effort to attacking existing institutions than to suggesting reforms. For example, Romantics as well as Religious Socialists accused capitalism of freeing private property from all social obligations and charged that the growth of monopoly capitalism had caused the misery of the workers and the lower classes. Both also failed to account for the changes in the capitalist economy since the days of Müller, Marx, and Vogelsang. As a result their anti-capitalist critiques were equally outdated, and their reform proposals, though dissimilar, were based on identical, outdated assumptions.

The Religious Socialists

Because the existing Catholic social program had been unable to stem the mass desertion of the industrial workers from the Church, the Religious Socialists attempted to develop a program which would win the workers back from the organized socialist movement. They hoped to accomplish this by meeting the economic and social demands of the workers and by dissociating the Church from the capitalist system or any authoritarian political regime.

Modern Catholic religious socialism dates from the period following the publication of *Rerum novarum*. The enthusiasm for social reform among some groups of Catholics had been so great that only ten years after *Rerum novarum* Leo XIII was forced to deal with these Catholic radicals. In the encyclical *Graves de communi* (1901)[2] the Pontiff warned against two dangers threatening the new Catholic social movement. Catholic radicals by taking sides with

2. The encyclical is reprinted in *The Church Speaks to the Modern World: The Social Teachings of Leo XIII*, ed. Étienne Gilson (New York: Doubleday & Co., 1954), pp. 315-328.

the workers against the established economic order were resisting constituted authority. They also tended to view the social question purely as an economic question and to forget that it was above all an ethical question to be settled by the principles of religion and morality. But in spite of this warning, Catholic radicals continued their reform activities; they were attracted to Marxian socialist parties and identified themselves with the historic socialist movement.[3]

In Austria Religious Socialists became active soon after the end of the First World War. The most prominent group among them was the one led by Otto Bauer, a metal worker. More than any other of the Religious Socialist groups they believed that their efforts to win over the industrial worker would succeed only if they became firmly attached to the organized socialist movement and accepted the socialist program. They realized that the Austrian workers were so deeply rooted in the socialist camp that no individual or group identified with the Catholic clerical establishment would ever be able to gain the support and confidence of the worker.

In their Berndorf program of 1930 the Religious Socialists defined socialism as a new method of organizing economy and society according to democratic-cooperative principles.[4] Cooperative organization of economic activity would eliminate the separation of labor and capital, keep outright state ownership and operation of the means of production at a minimum, and permit artisans and peasants to retain their individual enterprises. With this program the Religious Socialists hoped to satisfy social doctrine which called for the maintenance of private property and of a variety of forms of ownership.[5]

At the same time the Religious Socialists tried to reach an understanding with socialism as a *Weltanschauung* by arguing that socialism was an economic program to which practicing Catholics as well as atheists could subscribe. This clearly conflicted with *Quadragesimo anno* which declared that "Catholic" and "socialist" were contradictory terms and that socialism as a materialist ideology contra-

3. See Richard Schmitz, "Sozialismus und Kirche," *Die soziale Botschaft*, pp. 52-73; Benedikt Beham, "Katholischer Sozialismus," *Die soziale Frage*, pp. 468-477; and Gustav Gundlach, "Religiöser Sozialismus," *Staatslexikon*, IV, 834-845.

4. *Ziele und Wege der religiösen Sozialisten Österreichs* (Vienna: Im Selbstverlag, 1930). The Otto Bauer who led the Religious Socialists must not be confused with the Otto Bauer who was one of the most influential figures in the Social Democratic party.

5. *Ibid.*, p. 3.

dicted the fundamental tenets of the Catholic faith.[6] But in spite of such warnings, the group led by Otto Bauer maintained its loyalty to the Social Democratic party and the trade union movement.[7]

Other scattered groups of Religious Socialists also supported the Marxian social critique, but did not favor close alliance with the Social Democratic movement. A small group led by Richard Redler insisted that Catholicism was compatible with socialism as a socioeconomic system, but not as an ideology.[8] At the same time Michael Pfliegler, a member of this group, praised the reform program of *Quadragesimo anno* despite its strictures against groups like his own.[9]

Aurel Kolnai, another Religious Socialist, attempted to disprove the view, held by many Catholics, that socialism was the logical consequence and extension of liberal individualism.[10] He argued that socialism was based on the consciousness of individuals perceiving and pursuing common ends. Such a conception of individualism was contrary to any system based on the pursuit of "unlimited profits," but was clearly in accord with the Christian view of personality. Kolnai urged Catholics to recognize that the industrial worker had found means for expressing his "personality" outside the Catholic *Ideenkreis,* in the trade union movement and the socialist party organization, because Marxism had called for the full emancipation of the worker and for the satisfaction of his cultural and spiritual as well as his economic needs.[11] In this way Catholicism and socialism were one in their search for such a personalism. Finally, Kolnai's religious socialism was fundamentally democratic. A democratic state which secured freedom of opinion and expression was to him more nearly an integral (*ganzheitlich*) system than any authoritarian state.

6. *Quadragesimo anno,* 120, p. 158.

7. Richard Schmitz in "Sozialismus und Kirche," pp. 68-69, reported that Otto Bauer, after the publication of *Quadragesimo anno,* expressed grave concern about breaking with the Church, but decided finally that capitalism could be fought successfully only within the organized socialist movement.

8. *Wiener Politische Blätter,* I (April 16, 1933), 52.

9. Michael Pfliegler, *Die Kirche und der Sozialismus im Lichte der "Quadragesimo Anno"* (Vienna: Gsur & Co. 1933), p. 16; see also Oskar Katann, *Aufbau: Bausteine zur sozialen Verständigung* (Vienna: Reinhold Verlag, 1932).

10. "Sozialismus und Ganzheit," *Wiener Politische Blätter,* I (May 20, 1934), 37-48; see also his "Gegenrevolution," *Kölner Vierteljahrshefte für Soziologie,* X (1931-1932), 170-199, 295-319, and "Die Machtideen der Klassen," *Archiv für Sozialwissenschaft und Sozialpolitik,* LXII (1929), 67-110.

11. "Sozialismus und Ganzheit," p. 45.

Kolnai's writings thus illustrate the similarity of the anticapitalist criticism of Religious Socialists and Romantics as well as some of the differences between their reform programs. Kolnai was convinced that the individual would be able to lead a better life in a state based on a moderate socialist-democratic program than in any Romantic authoritarian state committed to the imposition of the Catholic social program.

The Linzer Programm

The social and economic criticism of the Catholic trade unions' Linzer Programm was strongly influenced by Romantic social doctrines.[12] But concern for the immediate welfare of the industrial worker prevented the trade union leaders from leaving their Romanticism in a Cloud-Cuckoo-Land of vague aspirations and compelled them to include concrete reform proposals in their program. It was this more earthy empiricism which clearly distinguished the Linzer Programm from the productions of the other Romantics. Unfortunately the Catholic trade union movement was weak, with little influence in the Catholic-conservative camp, and its leaders and proposals were under continuous attack from the right wing of that camp as dangerously radical.

In the anticapitalist criticism of the Linzer Programm we encounter again the principal elements of the Romantic program, complete condemnation of the existing order and demand for a "new" one based on Christian principles: "Society is hurtling towards dissolution. The lust for power and profit plunges the people into ever deeper misery. We need a new order whose principles and salvation must come from Christian teachings."[13] The anarchy which had resulted from the failure of the old order to control property in the common interest had weakened the position of the workers and had destroyed their standing as full members of society. Workers

12. Karl Lugmayer (ed.), *Das Linzer Programm der christlichen Arbeiter Österreichs* (Vienna: Typographische Anstalt, 1924). This contains both the text of the program and Lugmayer's commentary. Roman numerals refer to the sections of the Programm itself. See also Franz Arnold, "Wiener Richtungen," *Staatslexikon,* V, 1295-1305; and Johanna Gierse, "Sozialromantische Richtungen im Katholizismus der Gegenwart," *Soziale Revue,* XXXII (1932), 143-152.

13. *Linzer Programm,* I, p. 7; see also commentary, pp. 15-21.

could no longer claim their rightful share of the results of their labor, could not control their own vocational affairs, and were forced to live under conditions which destroyed the family, the pillar of a healthy society.

The solution for these problems, according to the Linzer Programm, must be found in the Christian social doctrines which regulate directly basic social institutions:

> Christ . . . has taught us the moral laws which regulate our relations to God and to one another. The Church protects the teachings of Christ and must have its sovereign power in this task. Christian teachings protect labor and regulate the use of property. They assign to labor the full proceed, put property into service of the community, and condemn the present-day exploiting economy.[14]

This tendency to elevate Catholic social teaching to the level of dogma and revelation was shared by most Romantics, but was condemned not only by anti-Romantic groups like the Solidarists, but also by the papacy itself which declared repeatedly that the social teachings of the Church were based on reason and natural law and should not be taken to endorse for all times a specific set of institutions.[15]

The Linzer Programm considered *Familie, Beruf,* and *Siedlung* to be the foundations of the proposed new social order.[16] Of these three the family was the principal social institution whose sanctity was protected by Christian marriage laws, while labor and property provided it with material goods. This central position of the family in the reform of society was one of the hallmarks of Romantic doctrine, which always deplored the destruction of the family caused by the rise of capitalism and industrialism.

Labor and property, as the material bases of family reconstruction,

14. *Ibid.,* II-III, p. 7; see also commentary, pp. 22-47.

15. The Church always seemed quite confident that reason would lead all men to reach substantial agreement on the principal aspects of the social question. Ernst Tröltsch put it this way: "In this respect the Church herself . . . was full of the most unpractical idealism. She seemed to think that if the spiritual government of the world were functioning properly, and if faith and love were strong and healthy, then all difficulties would solve themselves."—*The Social Teachings of the Christian Churches,* trans. Olive Wyon (London: George Allen & Unwin, Ltd., 1950), I, 246.

16. *Linzer Programm,* IV, p. 7; see also commentary, pp. 48-69.

were fundamental concepts in the Linzer Programm: "Labor and nature are the original sources of economic value. The well-being of human society rests entirely on labor. Property is the foundation of the family and finds its strongest justification in that function."[17] Labor remained the only creator of economic value even in industrial production with its heavy reliance on machinery and intricate production processes. Capital was not a separate factor of production at all, but simply the result of mixing labor and nature. Therefore, the final result of all labor belongs to labor and nature; nature provided the raw materials and labor produced the surplus value (*Mehrwert*).[18] The owner of capital, under such a system of distribution, is entitled to a payment for use of the means of production, but no more. Any wealth or value created in the economic process which could not be assigned to an identifiable producer belonged to society as a whole, and was to be used for communal purposes.

The Linzer Programm contradicted the social encyclicals on several important points. The Programm rejected the separation of labor and capital, while the encyclicals taught that this separation was not bad in itself, but had certain evil consequences which should be remedied.[19] Pius XI expressly rejected the labor theory of value because he opposed the limitations imposed by that theory on the right of capital to share in the economic product. There is no evidence that the Linzer Programm, which had embraced the labor theory of value in 1923, was significantly modified after the publication of *Quadragesimo anno*. Furthermore the authors of the Programm had assigned private property only one function: protection of the family. Such a subordination contrasted sharply with the importance assigned private property in the social encyclicals.

The Programm's concept of private property not only clashed with that of the encyclicals, it also was internally inconsistent. On the one hand, private property would be permitted only to the extent that it contributed to the strengthening of the family. On the other

17. *Ibid.*, II, p. 7.

18. *Linzer Programm*, p. 55, admitted that the surplus value (*Mehrwert*) belonged not to labor alone, but to labor and nature; see also Arnold, *op. cit.*, p. 1300, and Chap. 2, note 30, above.

19. In spite of Lugmayer's assertion that the Programm was based on the social encyclicals, especially *Rerum novarum*, the Programm does not admit the equal share of labor and capital in the creation of economic value.

hand, the Programm seemed to envisage the continuation of much private property, for it demanded an end to the class struggle, and peace between workers and employers on the basis of justice and mutual help. But if private property were abolished, or at least severely restricted—an inference one can legitimately draw from the Programm's deprecation of private property—would there still be employers and employees? The authors of the Programm never answered that question or resolved that conflict.

The organization of society in units larger than the family was to be governed by the principles of *Beruf* and *Siedlung*. Those engaged in the same vocation (*Beruf*) would form vocational groups (*Standesgruppen*) and these in turn would unite into vocational associations (*Berufsstände*). As in Romantic doctrines in general, those engaged in the same vocation, irrespective of economic and social standing, would be members of the same *Beruf* organization which would be made up of employee groups (trade unions) and employer groups. Together these two would have a wide field of autonomous action, including arbitration, social security, welfare, housing administration, etc. They would also influence state action in economic legislation, including taxation. Finally, the *Berufsstände* were to be charged with the task of reconstructing the economy on the principle of *Bedarf*. This notion of production limited to the "right" needs of the consumer was common to much of the Romantic literature which condemned capitalism for increasing profits by stimulating consumer demands for whatever goods and services capitalists might find profitable. By limiting production only to those goods considered morally and ethically "right" for the consumer, the Romantic reformers hoped to direct the lives of the people in accordance with correct social principles. The Romantic theorists whose conception of the industrial economy had been shaped by conditions during the late nineteenth and early twentieth centuries continued to equate mass production with shoddiness and handicraft with high quality. They never stopped to inquire whether changes in industrial techniques had not led to mass production of inexpensive but well-made consumption goods. In this way they built an elaborate social theory on empirical data whose validity they never bothered to recheck. In practice these strictures against mass production made little impression on the industrial worker, but were received favorably by artisans and shopkeepers who suffered from

the competition of department stores selling mass-produced goods at low prices.

Through *Siedlung,* families and occupational groups were to be organized on a territorial basis. Apparently the Programm did not demand the elimination of all territorial political organizations in favor of corporative ones, as some Romantics suggested,[20] but there are few details about *Siedlung* in the Programm.

The social theory expounded in the Programm showed strong Romantic influences and pointed toward a drastic reconstruction of the social order. But the specific reforms advocated in the Programm seemed to envisage the continuation of a capitalist economy and adjustments in the existing order of the Sozialpolitik type. The most radical of the specific reform proposals was the one establishing the family wage (*standesgemässe Lebensführung*), but at the same time the Programm demanded that the wage stand in a just relation to the result of the labor. The authors of the Programm did not seem to see the contradiction between these two demands, for they did not consider either that the product to which labor was entitled on the basis of its contribution would be less than the family wage, or that the family wage would call for more than labor was entitled to on the basis of productivity. Furthermore, the authors of the Programm never explained how they could embrace the labor theory of value, which assigned to the worker the entire proceed of his labor, while making family needs and productivity the basis for fixing workers' wages.

Despite a preference for corporative organization which the Programm shared with other social Romantic programs, it did not exhibit their leanings toward political authoritarianism, for without a stand in favor of political democracy the Programm would have lost all attraction to the industrial workers. Actually the Programm was influenced too strongly by Romantic, petty bourgeois, artisan elements to attract the industrial workers who were rooted firmly in the socialist camp.[21]

20. *Linzer Programm,* pp. 68-69.

21. See Diamant, "The Group Basis of Austrian Politics," *Journal of Central European Affairs,* XVIII (July, 1958), 134-155.

Vogelsang, Kant, and Marx: The Synthesis of Ernst Karl Winter

The most original contribution to the Sozialreform program came from the pen of Ernst Karl Winter, who attacked both the Solidarists and the Romantic doctrines of the Vogelsang school. Winter shared a genuine concern for the industrial workers with the Religious Socialists and the Linzer Programm group, but he quarreled with all these groups over questions of social theory and institutional reforms.

Winter had participated in the work of the Österreichische Aktion in 1927. Subsequently, under the influence of Kantian and Marxian ideas, he moved away from the organized monarchist movement and became profoundly interested in the conditions of the industrial working class. He was the one person in the Catholic-clerical camp most sympathetic to labor's cause. After the Socialist uprising in February, 1934, he was given a government position and charged with establishing liaison with the workers and winning them to the corporative regime. After Dollfuss' assassination in July, 1934, Winter lost the support of most of the leading figures in the authoritarian regime, and following long quarrels between him and reactionary elements, especially the Heimwehr, he was ordered in 1936 to suspend all organizational and literary activities.[22] This brought to an end one of the most significant episodes in the generally authoritarian and antilabor record of the Sozialreform groups.

A. *The Three Sources of Winter's Social Criticism.* Winter's social criticism contained elements of neo-Kantianism, Romantic doctrines, and Marxian socialism.[23]

Under the influence of the Marburg neo-Kantians (Cohen,

22. His principal polemic outlet was the magazine *Wiener Politische Blätter* which began publication in 1933 and was suspended in 1936.

23. The principal sources for the analysis of Winter's thought were *Die Sozialmetaphysik der Scholastik* (Leipzig: Franz Deuticke, 1929); *Platon. Das Soziologische in der Ideenlehre* (Vienna: Gsur & Co., 1930), as well as the *Wiener Politische Blätter.* He also contributed to *Hochland, Schönere Zukunft,* and other Catholic journals. Of special interest are three articles in *Zeitschrift für öffentliches Recht:* "Kirche und Staat—Kritische Bemerkungen zu Jacques Maritains Lehre von der *Potestas indirecta,*" IX (1929), 44-65; "Der paternale Staat," X (1930), 213-257; and "Der wahre Staat in der Soziologie des Rechtes. Ein Beitrag zur kritischen Abgrenzung der Transzendentalsoziologie von reiner Rechtslehre, scholastischer Metaphysik und Gesamtheitssoziologie," XI (1931), 161-205.

Natorp, Kelsen), Winter tried to develop a precise distinction between theology and sociology.[24] He claimed that the Scholastics had failed to make this distinction and had, thereby, subverted empirical studies to theological interests. Winter traced this failure to Aristotle, who under the guise of empirical investigations had subordinated all empirical research to the rules and methodology of metaphysics.[25] Ultimately, by establishing a purely spurious distinction between "is" and "ought," Aristotelianism had made possible the control of the "is" by the "ought." Using these Aristotelian methods, the Scholastics had conquered empirical studies, had subjected them to the rule of dogma, and had thereby subordinated them to the pastoral requirements of the Church.[26]

In modern times the papal encyclicals had continued the traditions of this spurious separation of faith and science, and thus enabled the neo-Scholastics to give their sanction to whatever happened to exist. Dictatorship, Winter insisted, could be called the child of the Scholastics as well as of Hegel, for the aim of the Scholastics, arguing the case of the Church, was to establish the rule of the Church. A dictatorship, a unitary political system, was probably better adapted to that end than a democracy.[27]

Winter contrasted this Aristotelian-Thomist tradition which culminated in Hegel with the Platonic-Augustinian tradition which found expression in a true duality of science and theology, based on Kant's duality of *Sein* and *Sollen*, of *Begriff* and *Idee*.[28] Winter acknowledged his indebtedness to Kelsen's pure theory of law which recognized a social order transcending the legal order, but which simultaneously insured the freedom of legal norms from interference by criteria from another order. A division like Kelsen's between law and sociology, between fact and norm, would be more conducive to a respect for the claims of society, Winter argued, than the natural

24. See Arnold, *op. cit.*, 1304.

25. Winter's writings must be seen as part of the age-old controversy between the Jesuit and the Dominican orders, between Aristotelian-Thomistic and the Platonic-Augustinian traditions of Catholic thought. See his *Sozialmetaphysik der Scholastik*, p. 3; and *Platon*, pp. 13-18.

26. *Sozialmetaphysik der Scholastik*, p. 49.

27. *Ibid.*, pp. 30, 139-141; see also "Der paternale Staat," p. 249.

28. *Sozialmetaphysik der Scholastik*, pp. 43-44. It seems that Winter's preference for Kant and Kelsen can be attributed chiefly to the fact that they were convenient tools for injecting his particular Romantic notions into the social sciences.

law metaphysics of Thomas Aquinas which failed to give law positive social roots, but merely adorned it with religious trappings.

Winter further argued, with Kant, that synthesis preceded analysis, that facts never spoke for themselves.[29] Therefore, he rejected the neo-Thomist methods in the social sciences because they naïvely advocated empirical investigations whose results, they claimed, would then speak for themselves. Such a neo-Thomist study of facts only gave rise to a judgment of the facts on the basis of criteria introduced clandestinely from another sphere, usually theology. Winter concluded that the only correct method for a Catholic social science was his own *Methodendualismus* which recognized that theology and sociology were each governed by autonomous principles. Following Kelsen, he conceived the *Grundnorm* of the social order as having been fashioned according to the principles of the theological order, but that from then on the social order was governed by its autonomous principles.[30]

Though Romantic doctrines influenced Winter's social criticism, he disagreed with the social Romantics of the Vogelsang school over their tendency to assign permanent and transcendent values to the social institutions of the Middle Ages. He also condemned them for tying their defense of the monarchical principle to outmoded institutions, namely, hereditary nobility and absolute monarchy. Instead, Winter advanced his own version of Romantic social thought which stressed the familial basis of organization.[31] This emphasis on the family was identical with that of the Österreichische Aktion to which Winter had contributed several essays. Winter also sided with the Romantics in their quarrel with the German Jesuits over the nature of sovereignty and the modern economy.[32] Finally, he

29. *Ibid.*, pp. 43-44.

30. Winter considered Kelsen's *Grundnorm* an effective device for introducing his Romantic values into the sociological and legal order—the very "pastoral sociology" for which he condemned the Thomists so stridently. See Kelsen's *General Theory of Law and State*, trans. Andres Wedberg (Cambridge: Harvard University Press, 1945), p. 111, which is a reformulation of the ideas which served Winter as a basis for his work; *Allgemeine Staatslehre* (Berlin: Julius Springer, 1925), p. 14; see also "Sittengesetz und Rechtsnorm," *Hauptprobleme der Staatsrechtslehre. Entwickelt aus der Lehre vom Rechtssatz* (Tübingen: J. C. B. Mohr [Paul Siebeck], 1923), pp. 33-57.

31. "Der paternale Staat," 233-234.

32. "Die beiden Schulen des mitteleuropäischen Katholizismus (Karl von Vogelsang und P. Heinrich Pesch S. J.)," *Neue Ordnung*, III (1927), 121-126.

supported the Romantics in their contention that the *mariage de convenance* between Romanticism and Sozialpolitik which had been consummated in the social encyclicals had robbed the Romantic tradition of its truly social element.

Winter had become a socialist because of strong humanitarian feelings for the industrial proletariat and because he accepted the validity of the Marxist critique of capitalist social and economic institutions.[33] However, Winter considered socialism to be not simply a system of total economic planning and controls, but a synthesis of a planned economy and of the ethical concepts of individual freedom and universal participation in decision making. It had been the historic achievement of Marxism, he said, to have made the industrial workers conscious of their class character and to have aided them in their struggle for liberation. The decision for Catholics, Winter insisted, was not Christianity *or* socialism; the only viable solution for the social question was Christianity *and* socialism. The ideas of Marx and Vogelsang complemented each other. Both the "expropriation of the expropriators" and the "deproletarization of the proletariat" were needed for effective social reform because both were only partial answers.[34] Marx had failed to see that socializing the means of production alone would not solve economic problems. On the other hand, Vogelsang's deproletarization was doomed to failure because of the preindustrial methods Vogelsang proposed to employ.

B. *Winter's Corporative System.* Although Winter demanded a complete corporative reorganization of society, and especially of economic activity, he disagreed with the Romantics over the political organization of the corporative state and over the form of labor organization. Like the Solidarists he denied that a corporative system must necessarily be governed dictatorially. He also did not share the naïve belief of the Romantics that the state would wither away once the corporative system had been established. He urged the continuation of strong trade unions in the new order and suspected

33. The Marxian element in Winter's thought first appeared in *Wiener Politische Blätter.* See especially "Was Wir Wollen," I (April 16, 1933), 1-10; "Österreich und Nationalsozialismus," I (December 3, 1933), 193-234; as well as two articles which did not appear until after 1934: "Platonismus, Thomismus und Marxismus," III (June 23, 1935), 101-106, and "Christentum oder Sozialismus," IV (January 19, 1936), 1-11.

34. *Wiener Politische Blätter,* IV, 11.

that many who advocated corporativism did so merely to destroy organized labor.[35]

Winter's reform proposals are best summarized by the slogan first developed for the essays of the Österreichische Aktion, namely, "To stand with the Right and to think with the Left." By this he meant the combination of a radical social reform program with political conservatism. In Winter's proposed economic organization the workers would maintain strong trade unions, but would be organized into *Stände* which would administer their own affairs. This corporative organization would be supplemented by a multitude of cooperatives, in agriculture as well as industry. Ultimately all the corporative associations, cooperatives, etc., would be fitted into an overall economic plan.[36] This type of reform proposal placed Winter midway between the Religious Socialists and the Vogelsang school. Like the former he was very skeptical about the essentially petty bourgeois, preindustrialist schemes of the Romantics and, without hesitation, assigned the state a large role in his reform program. This honesty contrasted sharply with the hypocrisy of the Vogelsang reformers and Othmar Spann who envisaged the ultimate disappearance of the state, but who really had no intention of doing without strong state controls in their proposed corporative order.

There were two fundamental weaknesses in Winter's ideas. The first was that neither his elaborate philosophical framework nor his slogan (To stand with the Right and to think with the Left) produced a reform program significantly different from those of the Romantics. The second was his failure to demonstrate how the Platonic-Kantian *Methodendualismus* produced unique results in social theory or a sociology significantly "purer" than that of the neo-Thomists. In Winter's social order, as in Kelsen's legal order, the *Grundnorm* was fashioned from principles drawn from another sphere, and therefore Winter's social order was subject to the dictates of Christian theology and ethics in the same way as that of the neo-Thomists whom he ridiculed and condemned.

35. *Arbeiterschaft und Staat* (Vienna: Reinhold Verlag, 1934), pp. 68-69.

36. *Wiener Politische Blätter,* I, 1-10; and *Dokumente der Aktion Winter,* II (December 23, 1934), 136-137.

Othmar Spann: The Apogee of the Neo-Romantic Tradition

The criticism of capitalism and the corporative reform proposals of Othmar Spann were based on his universalist philosophy. Many Catholics had serious doubts about the compatibility of this universalism, with its heavy emphasis on Hegelian totalitarianism and Catholic pluralistic social thought, but they nevertheless welcomed his attacks on political and economic individualism and his prescription for the corporative reorganization of society, state, and economy.[37] Spann's corporative schemes became "the very epitome of corporative science and therefore had a greater influence on all corporative schools than any other system."[38]

A. *The Nature of Universalism.* According to Spann, universalism, essentially a Romantic concept, assigned original reality (*ursprüngliche Realität*) to the totality (*Ganzheit*) and not to the individual. It rejected individualism and materialism in favor of an organic, spiritual ideology.[39] Before considering universalism in some detail it might be well to show how Spann summarized the Romantic *Ideenkreis* of which universalism was a part:

> Objective instead of subjective;
> Aprioristic instead of relativistic (the totality is governed by its own inner laws);
> Intuitive instead of empirical (inner instead of outer experience), inward being instead of enlightenment;
> Knowledge which defines organizations and purposes instead of causal knowledge;
> Interlaced with irrationality instead of the rule of pure rationality;
> Metaphysical rather than nonmetaphysical, spirit is concerned

37. For an anti-Spann statement see Paul Jostock, *Der deutsche Katholizismus und die Überwindung des Kapitalismus. Eine ideengeschichtliche Skizze* (Regensburg: Friedrich Pustet, 1932), p. 204; for a pro-Spann one see Josef Lehrl, "Der Katholizismus als Bildungsmacht in Österreich," *Bildungskräfte im Katholizismus der Welt,* ed. Friedrich Schneider (Freiburg i.B.: Herder & Co., 1936), p. 68.

38. Justus Beyer, *Die Ständeideologie der Systemzeit und ihre Überwindung* (Darmstadt: L. C. Wittich, 1941), p. 174. Beyer, writing during the Nazi period, suspected Spann and other corporativist theorists of being philosophically opposed to the *Führerprinzip* because it tended to do away with the pluralist social order, the basis of corporativist doctrine.

39. *Kategorienlehre* (Jena: Gustav Fischer, 1924), pp. 99 ff.

only with itself, the economy is to be reduced in importance and controlled;

Pure instead of utilitarian morality;

Corporative-organic instead of capitalistic.[40]

After rejecting various interpretations of the proper relationships between the whole and its parts, Spann finally settled on what he called "kinetic universalism," based on the dynamic principle of *Gezweiung* (dualism), which placed primary reality on the whole without destroying the individuality of the parts. This was possible, he claimed, because the relationships between the component parts of a *Gezweiung* was a moral relationship.[41] It might be surprising that a Romantic theorist like Spann should be concerned with the problems of dynamism. Actually Spann, who disagreed with other Romantic theorists over their preference for a closed, static system, was convinced that only the presence of dynamic elements could prevent the decline and collapse of any organic, corporative system.

Spann's principle of *Gezweiung* was based on the contention that an intellect could flourish only when it interacted with another intellect in the manner of the teacher-pupil, mother-child, artist-audience relationship. Individuality developed only through the intellectual and moral interaction between two partners. Spann then took this relationship as his model for the relationship between a *Ganzheit* and its parts; that is to say, the spiritual and material development of an individual, of a part (*Glied*), was possible only within a totality, within society. But this dependence on the whole did not destroy the part, for the former, by definition, consisted of a *variety* of different component numbers. Therefore, the organism was interested in fostering the growth of such a variety and not in destroying it.[42]

The morality of this relationship between the whole and its part rested on the primacy of what Spann called total spirituality (*Gesamtgeistiges*) which was also the source of individual spirituality. Because the interests of the individual and of the totality had the

40. *Der wahre Staat. Vorlesungen über Abbruch und Neubau der Gesellschaft* (2nd ed.; Leipzig: Quelle und Meyer, 1923), pp. 97-98. This work went through numerous editions and printings, but remained essentially what it had been from the begining, a Romantic corporativist tract disguised as a scientific analysis in sociology, politics, and economics.

41. *Ibid.*, p. 35.

42. *Ibid.*, p. 51; *Gesellschaftslehre* (2nd ed.; Leipzig: Quelle und Meyer, 1923), pp. 123-131.

same source, i.e., the *Gesamtgeistiges,* the totality could never damage the individual and claim that this was done in the interest of the totality, for such an action would damage the totality as well. It is difficult to see how Spann or some of his Catholic defenders could claim that in this universalistic system reality can be in the totality without destroying the uniqueness of the individual. Obviously with the aid of the entire arsenal of organic theory and institutions, as we shall see later, the individual was strictly subordinated to the collectivity.

It was this hodgepodge of Romantic doctrines and Hegel which served as the basis for Spann's critique of existing institutions and for his reform proposals.

B. *Spann's Critique of Capitalism.* Spann condemned capitalism because it was part of modern individualism, and he considered the economic crisis of his day part of the crisis of individualism.

Capitalism had given rise to three evils; materialism, economic freedom, and economic equality. Materialism resulted when individuals were permitted to follow their desires and place principal emphasis on outward material achievements. Ultimately this drive for material successes caused all phases of life to become subject to judgment by material standards. Next, economic freedom meant that private property had been freed from ethical controls imposed by earlier social systems, such as feudalism or mercantilism. Finally, economic equality and equality of economic opportunity, unlike economic freedom, had never become an effective element of capitalism; they had remained largely "formal." Actually unlimited competition had intensified the inequalities of economic means and opportunities which had existed from the very beginning of capitalism. The result was a system in which the strong (capitalists) completely subdued the weak (the workers), an "economic Machiavellianism," as Spann called it.[43] This failure of capitalism to establish genuine equality led to continuous attacks on the system by those who had suffered from its operation.

Having analyzed the evils of capitalism, Spann then attempted to answer the question: "What are the causes of the crisis of capitalism?" He found that the ultimate failure of capitalism could be traced to its spiritual and social, and not its economic, shortcomings.

43. *Der wahre Staat,* p. 125.

The immediate cause of the capitalist crisis was the destruction of the healthy organic order which had once existed and which had imposed limits and standards on economic activity. Fortunately complete capitalism had never been realized, for various restrictions on economic freedom, such as monopolies, cartels, tariffs, trade unions, etc., had either been retained from precapitalist days, or had been re-established after the rise of modern capitalism. Some of the movements of reform which attempted to cope with the atomization and insecurity created by capitalism were Sozialpolitik, the cooperative movement, and socialism. All three, in varying degrees, had tried to re-establish corporative restrictions (*ständische Bindungen*) on the economy.[44]

Spann traced the ultimate failure of capitalism to its spiritual and social weaknesses. Capitalism's material achievements had never been seriously questioned. It had created great material wealth which had been distributed fairly well, in spite of some glaring instances of maldistribution during the early capitalist phase. The real crisis of capitalism was the atomization and "externalization" of life: "Mankind can take poverty in its stride, because poverty will be with us always. But insecurity of existence, rootlessness, insignificance are conditions nobody is willing to suffer quietly."[45] Capitalism, Spann concluded, had made the worker rootless, had declassed him and deprived him of his proper place in society. This social insecurity was intensified by economic insecurity, and affected even the wealthy who suffered the same spiritual ills as the poor.

C. *The Corporative System.* Spann proposed corporative (*ständische*) reorganization as a remedy for the evils of individualism in state and society. This reconstruction program was based on three fundamental laws which governed the universalist society:[46] (1) The component parts of society are organically unequal because their contributions to society, though equally indispensable, are of many kinds; (2) some component units of society are more valuable than others; (3) the basic components of the new society will be associations (*Gemeinschaften*) which will be hierarchically arranged, but not centrally controlled. They will form an organic order, not a mass of mechanically arranged atoms.

44. *Ibid.*, p. 128-129. 45. *Ibid.*, p. 127.
46. *Ibid.*, "Dritter Aufbauender Teil," pp. 195-315; see also *Gesellschaftslehre*, p. 123.

These associations, composed of a small number of individuals (who, though not entirely identical, would have many things in common), would be organized on four principles: (1) *Vor-Stand*: a latent community, a division of spiritual and intellectual activity into certain major categories; (2) *Voll-Stand*: a grouping of people according to their material or intellectual activities, but not formally organized: (3) *zünftiger Stand*: a formal organization based on common activity; (4) *politischer Stand:* the organization of rulers in their ruling capacity.

The organization of human society on a corporative basis would require, first, the identification of the spiritual basis of human activity—the several *Vor-Stände*—and then the division of this activity into the several *Voll-Stände.* Spann proposed, therefore, the establishment of three spiritual communities: (1) those engaged in material activity; (2) those engaged in spiritual activity but who do not make original contributions, such as teachers and performing artists; and (3) those who participate in spiritual activity and who also make original contributions. Spann then proposed the establishment of five *Voll-Stände*: manual workers, higher workers, creators of economic organization, creators of public organization (leaders of state, administration, armies, etc.), and the creative group (the wise men of the community).

Spann devoted most of his attention to the fully organized association, the *zünftiger Stand,* and proposed that it have the following characteristics. It should be composed of individuals engaged in common, though not necessarily identical, tasks. Internal organization of the association should not be rigid in order to accommodate a variety of occupations. The looseness of the *Stand* organization would make rigid, comprehensive economic planning impossible. Next, each *Stand* would have a well-defined place in the hierarchical, corporative order. Third, the individual within the *Stand* would deal mostly with *Stand* members and officials and only rarely with the central state organ. This would end the depersonalization of public affairs and avoid concentrating power in a central organ of government, both characteristics of the liberal state. Finally, though Spann suggested that a degree of competition would continue within the *Stand* and between the several *Stände,* the essential characteristic of the new social order would be security (*Aufgehobenheit*) for the individual within his *Stand.* The all-pervasive spirit of competition

of the liberal order would disappear, to be replaced by the basic attitudes of security, introspection, and spirituality. The individual would be permitted to develop his talents within the corporative order, but never in violation of its fundamental spirit.

Spann then characterized the relations between the various *Stände* in his proposed system as highly decentralized. Nevertheless, the superior *Stand* would always give orders to the inferior one. In addition, within each *Stand* the orders of the corporative leader would command obedience and respect, for this new type of corporative leader would be quite unlike the democratic politician or capitalist entrepreneur and more like the medieval lord or squire: he would be an all-around leader, a *Lebensführer,* something our "specialized and bureaucratized era cannot even fathom."[47]

Perhaps better than any other Sozialreform theorist Spann captured the flavor of the ideal order all Romantics were searching for. This idyll of a decentralized, yet strictly controlled, hierarchy in which everybody lived in peace and security, led by a group of wise men, was the epitome of all the Romantic utopias. Ernst Karl Winter was correct when he said:

> The idea of the corporative state is a metaphysical goal performing the same heuristic function as the eschatology of the classless society. Playing the role of transcendent goals, both are legitimate bases for a concrete set of social policies. . . . It is quite clear that every political ideology needs a set of goals of a more or less similar configuration for a spiritual basis of its action program.[48]

The corporative state was indeed the eschatology of the Romantic movement, even though many who used this ideological tool had no more intention of translating this ideal state into practice than did many of those who fervently proclaimed the coming of the classless society.

The two most important problems of corporative reorganization, according to Spann, were the proper definition of the nature of property and the economic organization of the *Stände.* Spann demanded that existing forms of property be modified and subjected to increasingly stricter controls. He proposed three forms of prop-

47. *Der wahre Staat,* p. 236.

48. "Die Stunde des Konservativismus," *Wiener Politische Blätter,* I (June 18, 1933), p. 71.

erty: private property, *Lehen* (enfeoffed property), and public ownership.[49] What private property would be permitted to exist in Spann's system would be strictly controlled by the state and corporative organs. Most property, however, would be held as *Lehen;* that is to say, individuals would have the use of property, but never full title to it, and would be expected to render services to the community in exchange for the benefits they might derive from its use. Like all other Romantics, Spann glibly prescribed medieval formulas without suggesting how they could be made to work in the twentieth century. Finally, there would also be outright ownership and operation of many types of property by municipalities, corporative organs, and the state.

Internal economic relations within the corporative system would be based on a *Gesamtarbeitsvertrag* (universal labor contract).[50] This contract would cover wages, hours, working conditions, worker representation, social services, etc., over a wide segment of the economy; that is to say, it would apply at least to one *Stand,* probably to several. Spann asserted that such a *Vertrag* would strengthen guild-type organization and would encourage many forms of cooperation among employers and employees, such as cooperative buying, apprentice training, etc. Finally, its comprehensive terms would help soften the impact of economic crises.

Spann suggested several measures to produce a minimum degree of dynamism in his corporative system. He suggested that the *Stand* be denied full legal powers to control access to its activity, so that "latent" competition could continue. Small and family-sized enterprises should be left outside the *Stand* organization altogether, as should be trade, finance, and banking. However, it is difficult to see how economic corporative organs could carry out their various objectives, based on their peculiar spiritual characteristics, if the country's fiscal and trade policies were left in the hands of capitalist-minded merchants and bankers. Spann, unfortunately, provided no answer to this or other contradictory features of his corporative system.

Spann handled the relations between the state and the corporative system in conventional Romantic fashion; he even went further than

49. *Der wahre Staat,* p. 267.

50. *Ibid.,* pp. 269-273; see also August M. Knoll, "Die Frage nach der 'besten' Wirtschaftsform bei Othmar Spann," *Soziale Revue,* XXVIII (1926), 152-164.

some Romantics in his theoretical efforts to eliminate the state and the territorially organized assembly. By absorbing all economic functions the corporative organs would free the state from the evil influences of materialism. In addition, the *Stände* would also take over many legal and administrative tasks formerly carried out by the state. At the apex of the nation there would be a corporative chamber and not a political legislature based on political parties and territorial constituencies. The true nature of this corporative system now stands clearly revealed. The only group in such a system which could speak for the entire nation were the leaders of the state, the *politischer Stand*. As a group they were the leading corporative organ. It followed that in spite of the elaborate provisions for decentralization and dynamism there would be an autocratic regime with absolute powers. Thus, the *Wahre Staat* of Othmar Spann turned out to be simply another Romantic autocracy.

The Vogelsang School

The writers of the Vogelsang School during the period 1918-1933 elaborated the social criticism of the nineteenth-century Romantics. However, their criticism of capitalism and industrialism showed little of the originality and fervor of their teacher Vogelsang. Compared with him their writings seem carping and petty; they also seem outdated because they merely repeated Vogelsang's phrases without taking into account the vast social and economic changes which had occurred since Vogelsang first attacked the crudities of rising industrialism in the 1870's.

A. *Josef Eberle and the Critique of Solidarism.* Josef Eberle represented a moderate tendency within the Romantic group. His periodical, *Schönere Zukunft,* was open to Catholic writers of many different schools. Though Eberle was not identified with any one of them, he consistently opposed Solidarism and the Solidarist defense of capitalism.[51]

The essay on Solidarism, by Eberle's coeditor Eugen Kogon, illustrates best the social doctrines of the circle around Eberle and *Schönere Zukunft.*[52] Kogon stated his fundamental disagreement with the Solidarists when he rejected their proposition that all eco-

51. Arnold, *op. cit.,* 1301-1302; Gierse, *op. cit.,* 152-167.
52. "Der Ständestaat des Solidarismus," *Hochland,* XV, Part 2 (1928), 1-21, 178-200, 291-300.

nomic systems were "equally sociologically correct." He found that capitalism, a system based on the market economy and usury, was contrary to the true nature of society because it stimulated consumption beyond the correct social needs, led to atomization of society, the separation of labor and capital, unrestricted competition, the anonymity of capital, and so on. In short, we meet here all the familiar shibboleths of Romantic economic doctrine. Kogon condemned in especially caustic terms what he called the Solidarists' admiration for the dynamic qualities of capitalism, and added that one might as well praise the devil for being a dynamic fellow.

Kogon, like the writers of the Österreichische Aktion, suggested three possible solutions for the social question: socialism, Sozialpolitik, and Sozialreform. He rejected the first as being incompatible with the Catholic faith. He also opposed the second proposed solution because it rested on the procapitalist assumptions of Solidarist social theory. Kogon bitterly attacked the Solidarists for exposing Catholics to the capitalist poison and embracing capitalism, and thereby losing for the Church the adherence of the urban masses. The Solidarists had minimized the dangers of capitalism by dismissing its fundamental evils as "excesses" and by preaching "love and charity" to those who demanded radical social action against the capitalist system. Finally, he criticized Pesch in particular for wanting to heal the excesses of capitalism without having a clear notion of what constituted "health" in a social organism. As a result, Pesch had failed to understand the need for corporative reconstruction, and was satisfied with maintaining the capitalist status quo.

Sozialreform was the only workable solution for the social question, Kogon concluded. He tried to defend the Romantics against the charge that they were dreaming about the Middle Ages and that their reform proposals were impractical, but had to admit that the tendency of the Romantics to tie their reform proposals to outdated institutions had been responsible for the weakness of the Sozialreform tradition. Kogon's detailed reform proposals need not be discussed here because they followed closely Spann's corporative doctrines analyzed in the preceding pages. One might add that like many other Catholics Kogon seemed to notice no contradiction between the Hegelian *Ganzheit* which dominated Spann's system and the personalist and pluralist basis of Catholic social teachings.[53]

53. They failed to see the gulf that *should* divide them from the Hegelian

B. *Richard Schmitz.* In *Der Weg der berufsständischen Ordnung in Österreich* Richard Schmitz traced the growth and victory in 1934 of Romantic corporative ideas.[54] By simply suppressing all references to the strength of the liberal-democratic tradition in Austria during the nineteenth and twentieth centuries, Schmitz managed to convey the impression that Austrian political and social development was an irresistible and triumphal procession of Romantic ideas.

Schmitz's writings also served to illustrate an ambivalence concerning the proper scope and method of social reconstruction common to many Catholic theorists. On the one hand, he considered corporative reform "social" in nature and insisted that state and society be recognized as distinct entities in the task of social reconstruction. On the other hand, he urged the state to enforce social reconstruction measures by pointing out that Pius XI had looked to the state and its principal citizens to take the lead in the reconstruction of social institutions. However, he warned that the leaders of state and government must guard against the temptation to influence social reforms in a "one-sided political manner" and to make corporative organs the "instruments of power politics." It would be pleasant to report that Schmitz when he became an official of the corporative regime in 1934 heeded his own warnings; unfortunately his record is indistinguishable from that of the other conservative politicians who used the whole arsenal of Romantic doctrines to destroy Austrian democracy and the Austrian Republic.

Like all other Romantic theorists Richard Schmitz professed great concern for the conditions of the industrial workers, but his reform proposals, which centered around producer cooperatives, would have benefited peasants and artisans, but not the workers.

C. *Romantics and Quadragesimo anno: Das katholisch-soziale Manifest.* The *Manifest,* published in 1932, resulted from a series of conferences of Romantic theorists who attempted to harmonize Romantic social doctrine with the social encyclicals.[55]

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closed state of Spann. It is not surprising, therefore, that in Kogon's corporative system there would be no distinction between public law and private law, and that the public law of the corporative unit would also be the public law of the individuals within it; *ibid.,* p. 189.

54. (Vienna: Manzsche Verlags- und Universitätsbuchhandlung, 1934).

55. Studienrunde katholischer Soziologen, *Katholisch-soziales Manifest* (Mainz: Mathias Grünewald, 1932); see also Arnold, *op. cit.,* 1303, and Beyer, *op. cit.,* pp. 158-166.

The *Manifest* opened with the traditional Romantic condemnation of capitalism: that it divided people into antagonistic classes based on wealth, that it led to the production of goods which lacked cultural value because the producers were interested only in profit, and that the workers who produced all the wealth did not receive proper compensation for their efforts.

The reform of society according to the *Manifest* would have to be based on corporative principles. The corporative order which would result from this reform would be not only a socioeconomic system, but a moral-religious one as well. The material basis of that corporative order would be the principle of *Lehen;* that is to say, all property is created by God, man can have it for use only and must render services to God and the community for this privilege.[56] In this way property would serve its proper dual purpose: sociocultural as well as individual ends. Nevertheless, the authors of the *Manifest* conceded that individuals could have title to property, provided proper safeguards were established.

Based on property and organized on the principle of *Lehen,* economic activity would be governed by the principles of *Stand* and *Beruf. Stand,* in brief, was to be the community of those pursuing a common *Beruf* (vocation). By pursuing a *Beruf* under the control of a *Stand,* the individual would be assured a *standesgemässer Unterhalt* (in effect, a "family wage").[57] It would enable him to care for himself and those entrusted to his care, as well as pursue his cultural goals, namely, family maintenance, education, security for old age, and others.

This complex, self-contradictory definition of the just wage is evidence of the difficulties involved in finding a formula which satisfied both the just wage principle of *Quadragesimo anno* and the labor theory of value will-of-the-wisp pursued by the extreme Romantics. Apparently the moderates carried the day, and as a result the *Manifest* contained two important modifications of Romantic theory. It recognized the claims of private property to a greater degree than traditional Romantic theory, e.g. the individual may actually retain title to property, and it rejected the labor theory of value in favor of what is essentially a family wage (*standesgemässer Unterhalt*). As often happens with compromise formulations, the *Manifest*

56. *Katholisch-soziales Manifest,* sec. II, par. 11, p. 21.
57. *Ibid.,* sec. I, par. 12, pp. 16-17.

pleased no one. It was too radical for the moderates and the hierarchy, and not radical enough for the Vogelsang disciples.[58]

D. *Die neue Gesellschaft.* In a book bearing this title a group of Carinthian Catholics developed a social theory in the Romantic tradition of Vogelsang and Spann.[59] According to this group, corporative organization would be a reflection of the deity; that is to say, human society would be in the image of the supernatural *Gemeinschaft.* The corporative order would be arranged in a strictly hierarchical order, and corporative society would be structured, indirect, federal, the very antithesis of the atomistic, direct, centralized liberal society. The general principles of corporative organization this group took almost unchanged from Spann.

For the broad outline of corporative organization the writers of *Die neue Gesellschaft* adopted the three traditional German estates: *Lehrstand, Wehrstand, Nährstand* (the teaching, warrior, and providing estates). They defined the state in the Romantic tradition of Müller as the "totality of all human affairs." Like other Romantics, they had no clear conception either of the distinction between state and society which supposedly was the foundation of their corporative arguments, or the totalitarian implications of Müller's definition of the state.

Die neue Gesellschaft included all economic activity in the *Nährstand,* which was to be divided into three chambers: agriculture and forestry, industry, and trade and commerce, but gave few details concerning the methods by which corporative reorganization was to be brought about.

E. *Anton Orel.* Orel was the most extreme anticapitalist of the Romantic critics. His violent attacks on capitalism and on those Catholics who accepted the social teachings of the encyclicals were definitely in the tradition of Karl von Vogelsang.

Orel condemned capitalism, which he defined as a system of absolute property rights and of interest slavery, as a heresy equally as repugnant to faithful Catholics as communism: "Capitalism and communism are the individualistic and pseudosocialistic manifestations of the materialistic-mammonistic cultural spirit as it manifests itself in society and economy, and are therefore incompatible

58. Arnold, *op. cit.,* 1303.

59. (Klagenfurt: Klagenfurter Soziologenrunde, 1932); see also Beyer, *op. cit.,* pp. 153-157.

with Christianity."[60] The foundation of this capitalist system, according to Orel, was the individualistic property concept of the Roman Law. It had made possible the victory of a money economy over a system based on barter and exchange. It had also insured the triumph of the capitalist interest system over a Christian economy based on labor. This triumph had been the cause of the "social question," for it was the individualistic property concept which had made possible the creation of "capital"—the source of all forms of unearned income.

The first step in Orel's social reform program was the creation of a natural-law-Christian-Germanic system of property and labor:

There is, therefore, a causal identity of the nature of labor and of property: all economic exchange value has its source only in labor, never in ownership. Neither land, nor tools and machinery are productive capital. They are no more than instruments of capitalist exploitation. Capital is only an apparent value and possesses no inherent productive capacity. Because labor alone creates value, it has the only claim to any share of property and exchange value: to it alone belongs the entire result of production (*der volle Ertrag*).[61]

Only labor, never mere possession, could create exchange value. Neither land, nor money, nor capital goods were capable of producing income, only labor. If labor were given the *voller Ertrag,* all unearned income would disappear and with it capitalism as an economic system.

Orel urged the Church to assume the leadership of the workers by championing their claims to the full share of their industry:

. . . the Marxist system is not false in all its aspects. The most important, the central Marxist theory, the labor theory of value, is an old Catholic inheritance, though not in its Marxist formulation. Though it has not been used until now, the labor theory of value can easily become the principal bridge between the Catholic Church and the labor movement.[62]

60. *Das Verfassungsmachwerk der "Republik Österreich" von der Warte der immerwährenden Philosophie aus und im Lichte von der Idee, Natur und Geschichte Österreichs geprüft und verworfen* (2nd ed.; Vienna: Vogelsang Verlag G.m.b.H., 1921), p. 5.

61. Quoted in Arnold, *op cit.,* 1928; see also *Wahre Ständeordnung. Ihr Geist, Wesen, Wirken: Grundsätzlich-praktische Klarstellungen* (Graz: Moser, 1934), pp. 32-33.

62. *Kirche-Kapitalismus-Proletariat* (Vienna: Vogelsang-Verlag G.m.b.H., 1928), pp. 52-53.

But Orel's hopes of winning the industrial proletariat with the help of the labor theory of value were never realized. By 1931 the chasm between the socialist and the Catholic-conservative camps had become so deep that the workers questioned the *bona fides* of anyone purporting to defend their interest who was not clearly identified with the socialist camp. Furthermore, by 1931 Austria's industrial workers, under the influence of a revisionist leadership, had become more interested in collective bargaining than in abstract Marxian principles.

There are at least three discrepancies between the doctrines of the social encyclicals and the Romantic doctrines of Orel which testify to the fundamental disagreement between the Sozialpolitik and Sozialreform schools. First, Pius XI strongly insisted that the Leonine theory of property was not the private opinion of a man who happened to have been the head of the Church, as Orel had suggested, but was the accepted theory of the Church. Next, the Pontiff in 1931 defended the productive capacity of land and capital and reiterated the stand of the Church on the permissibility of income from rent and interest. Finally, Pius XI, by establishing three definite criteria for the just wage, had clearly rejected the labor theory of value, a central concept in Orel's thought.[63]

Orel's plans for corporative reconstruction follow the lines of the *Katholisch-soziales Manifest,* but do not contain the compromises with the social encyclicals made in that document. Where the *Manifest* conceded to the individual title to property, Orel refused to grant title to property at all; property was for use only. Where it was prepared to establish the family wage, Orel clung to the labor theory of value. Social reconstruction, according to Orel, should provide every man or family considered technically competent and morally fit some land and a home, as well as economic security. The first was part of a project of "inner colonization" dear to the hearts of the Romantics who had visions of resettling everybody on the land with his plot of ground for a garden. The second would require the elimination of factory production in favor of small independent producers. In this way every worker would be secure, independent, and master of his fate. In this manner corporative organization would prove to be true socialism.

63. See *Quadragesimo anno,* 39, 40, p. 135; and 57, 58, pp. 141-142.

The False Hopes of the Corporative Constitution

Though the Austrian Catholic-conservative camp had reluctantly accepted the establishment of a republic in 1918, it had criticized the social institutions of the new state almost from the beginning and had demanded reforms which would give greater voice to those forces which stood for Catholic social doctrines and defended the place of the Church in the social order. Under the influence of Romantic doctrines and, in 1931, of the encyclical *Quadragesimo anno,* Austrian Catholics seemed to be united in their determination to destroy the First Republic and to establish in its stead a corporative regime. They agreed on abandoning democracy and also seemed to have settled their dispute over the social question by accepting the teachings of the new social encyclical. As a result Catholics considered the creation of the Corporative Constitution of May 1, 1934, the culmination of their criticism of democracy and capitalism. However, many Sozialreform theorists soon became disillusioned with the realities of the corporative state. The majority in the Catholic-conservative camp had been quite willing to use Romantic theories for attacking and destroying democracy, but they were not prepared to carry out the social and economic reforms contained in these Romantic reform proposals. In this they proved to be the true successors of Karl Lueger, the founder and leader of Austria's Christian Social party, the first Austrian clerical petty bourgeois mass movement, who in 1889 had protested against the resolution of a Catholic social congress which had condemned the taking of interest in any form:

> Gentlemen! We Catholics are generally poor people, even though many of us hold a few mortgage papers, debentures, and shares of stock. It is my humble opinion that this resolution would seriously disturb our people and create anxieties in their hearts about the few coupons they hold.[64]

This defense of the "small man" holding a few shares of stock reads like a contemporary American defense of all the widows and orphans who reputedly control the bulk of the stock of American corporations and who would suffer untold hardships if taxes were increased or industry subjected to government regulation.

64. Josef Schwalber, *Vogelsang und die moderne christlich-soziale Politik* (Munich: Leohaus Hauptstelle Katholisch-sozialer Verein, 1927), p. 51.

The corporative institutions of 1934 became a mask for the continuation of existing capitalist practices and were used to protect the various interests from any outside interference. As a result, the radical social and economic reforms envisaged by the Romantics were never carried out, and the 1934 Constitution proved to be a Pyrrhic victory for the proponents of Sozialreform. Christian Social politicians erected a Romantic facade behind which they perpetuated the capitalist system. The victory of Austria's reactionary forces in 1934 put an end to all Catholic social reform programs. Sozialreform, and Sozialpolitik as well, were silenced in Austria.

4. THE CRITIQUE OF CAPITALISM AND INDUSTRIALISM: AN EVALUATION

Catholic criticisms of modern capitalism and industrialism fall into two broad categories: those that deal primarily with economic institutions and those that address themselves to the social effects of the modern economy. Whereas there was fundamental disagreement about the nature of economic institutions between the proponents of Sozialpolitik and Sozialreform, the two schools were in accord concerning the results of capitalism and industrialism.

The advocates of Sozialpolitik were committed to the maintenance of existing social institutions and of the capitalist economy. Though they were forced to modify this position somewhat by the encyclical *Quadragesimo anno* they never abandoned their procapitalist stand. They claimed that forms of economic organization were theologically indifferent, much as Leo XIII in his encyclicals on the modern state had declared that Catholics could live under any form of government which met certain specified conditions. Therefore, they accepted capitalism in principle, as Leo XIII had done in *Rerum novarum,* but criticized certain excesses, in the manner of the Austrian hierarchy which condemned "mammonistic" capitalism. The theorists of Sozialreform, on the other hand, continued the nineteenth-century Romantic tradition of uncompromising opposition to capitalism. They condemned the institution of private property as based on a pagan system of law; the division of labor and capital because it had deprived the worker of the just share of the product of his industry and created great discrepancies of wealth; the modern financial system because it had violated the ban on interest and usury; and large-scale production because it had destroyed the established pattern of handicraft methods. Catholics should overthrow capitalism, the Romantics urged, because it violated principles of Catholic theology and natural law, and they should put in its place the correct social order based on the institutions of the Christian Middle Ages.

Though Sozialpolitik and Sozialreform analysts differed over forms and principles of economic organization (it often seemed that

Catholic theorists reserved their sharpest barbs for their coreligionists), they found common ground in condemning the social consequences of economic individualism. They blamed capitalism, which they considered the manifestation of individualism in the economic sphere, for the disintegration of the organic society and the destruction of social groups in which men had lived in harmony. Instead, men were now divided into antagonistic economic classes which were engaged in a ruthless struggle for survival. In this struggle private property was freed from all social obligations, and men used it to exploit those who were economically defenseless. Removal of all restrictions on the use of property had also led to unlimited economic competition, which again placed the weak, the workers, at the mercy of the strong, the capitalists. Inevitably, because every one was drawn into this ruthless fight, materialism had become the dominant attitude in society, and standards of material achievement the only valid standards. In short, the treatment of the social question during 1918-1933 followed the broad outlines of Catholic social criticism developed during the nineteenth century. It also continued to be influenced by Marxian anticapitalist doctrines. In the social thought of Religious Socialists and of some Romantics the Marxian elements were often more conspicuous than the Catholic ones. These thinkers acknowledged the influence of Marx as well as of some of the other socialist schools, such as Lassalle and the *Kathedersozialisten;* and they considered the labor theory of value their principal weapon for attacking unearned income. Though the Sozialpolitik theorists rejected the extreme anticapitalist strictures of the Romantics, there was agreement among members of both groups on the evil consequences of expanding capitalism and industrialism.

The writers of the Sozialpolitik tradition, following the lead of the hierarchy, attacked the excesses of "mammonistic" capitalism and deplored the effectiveness of cultural socialism in undermining the loyalty of many Austrians to the Church and the Catholic faith. But they were prevented from carrying their anticapitalist strictures as far as they might have wanted because they had become the victims of a tension which had arisen in the Catholic-conservative camp between the pro-big-business policies of Christian Social governments and Austrian Catholic social doctrines which favored the peasants and the urban petty bourgeoisie. Nevertheless, these champions of Sozialpolitik persisted in their anticapitalist critique, not

only because they wanted to satisfy the mass of faithful Catholics, but also because they thought that with it they could woo the workers from the Social Democrats. In short, these anticapitalist slogans became political weapons in the perpetual battle between political camps. The man who used them most skillfully for this purpose was Ignaz Seipel. He freely admitted his skepticism about the feasibility of corporative institutions, and at the same time he hailed the corporative proposals of *Quadragesimo anno* as heralding the coming of a new state and a new society in which there would be no room for democracy, political parties, and trade unions. This ambivalence, as well as Seipel's support of what Ernst Karl Winter has called the new "authoritarian-militaristic" element, leads one to wonder whether Seipel's ideal society amounted to more than a military dictatorship in which the Church and the capitalists would enjoy unlimited power.

The only serious Sozialpolitik effort to remove utopian and theological blinders from Catholic thinking on the social question was made by "realistic" theorists like Messner and Dobretsberger. However, they failed in this effort, and when civil war came they loyally supported the Catholic camp and served the corporative state. They had no taste either for military dictatorship or big-business leadership and would probably have felt more at home in the welfare state of the American New Deal or of the British Fabians. Unfortunately they had no choice, for there was no room for a *tertium quid* in the civil war.

The sources of Sozialreform can be easily identified: the Romantic tradition of Müller and Vogelsang. But for a full understanding of the Romantic ideology it is necessary to recall some of the conclusions about the nature of Austrian Catholic thought stated at the end of Chapter 1. It was proposed there that Austrian Catholic thinkers failed signally to grasp the distinction between the state as the area of compulsory action and society as the area of voluntary action. Therefore, they claimed to subscribe to a pluralistic theory, when they actually supported what J. B. Mabbott, in his classification of relations between the state and other associations, has called "concrete monism"—a system which admits the value of functional units, but regards them simply as parts of the state.[1] Though such a view

1. *The State and the Citizen: An Introduction to Political Philosophy* (London: Hutchinson's University Library, 1947), pp. 112-113, 119-123.

of society was diametrically opposed to official Church doctrine which the Romantic thinkers, as faithful Catholics, professed to accept, it was, in fact, the only one it is possible to deduce from their social theories and specific reform proposals. There is still another factor which contributes to the understanding of Sozialreform ideas. It is what one might call the nature of the clientele for which the Romantics constructed their ideologies: a lower middle class whose position was threatened by economic collapse and by the rise of competing social groups.

The principal weaknesses of Sozialreform were its divorce from empirical research and its pro-petty-bourgeois bias. The Romantic attacks on capitalism and industrialism were based on the works of Müller, Marx, and Vogelsang, as well as on the *theories* of laissez-faire capitalism (as understood by the Romantics), and were tailored exactly to meet the needs of the Romantic clientele. When the Romantics cried out against the disintegration of the medieval organic society, they simply transposed into a different key the complaints of master tailors who were threatened by the new clothing stores selling ready-to-wear clothes. When they deplored the evils of the class struggle, did they not want to destroy trade unions which, they claimed, had made the workers arrogant? Even if one grants the sincere anticapitalism of men like Anton Orel, it is difficult to find an answer to the question: what sort of state and society did these Romantics propose to put in the place of existing institutions? Winter once observed that "corporative state" or "corporative reconstruction of society" became the utopias, the eschatologies, first of the Romantic tradition, and after *Quadragesimo anno,* of all Austrian Catholics. This was the device which, Catholics hoped, would solve all the problems thrown up by the Austrian Republic. The atomistic society would disappear, and in its stead would develop the rich group life described in the encyclicals. But when it came time to translate these proposals into action, Catholics only created an authoritarian regime which became the very antithesis of all their social reform proposals. This was not really surprising because Austrian Catholics had consistently failed to understand the need for a division of spheres between state and society, especially in economic matters; they therefore created the kind of monistic system alluded to earlier. They also failed to see that the destruction of democratic institutions

placed the corporative system at the mercy of the authoritarian leadership. Finally, they were extremely naïve about the chances of social harmony in the complex industrial society of the twentieth century. They believed that the establishment of the occupational groups called for in the encyclicals would quickly produce social harmony. They overlooked the fact that if they failed to bring about such harmony, the only alternative to corporative anarchy would be domination by authoritarian leaders.

EPILOGUE

The failure to distinguish between the state as the area of compulsory action and society as the area of voluntary action has emerged as the outstanding feature of Austrian Catholic social thought. This tendency to conceive of human life in unitary or monistic terms can be traced to a view of society as an organic whole, actuated by a single belief system. In the manner of St. Thomas, Austrian Catholics thought of society as an "apt arrangement of a plurality of objects" in which the various groups and organs fitted harmoniously into a higher order. But modern society with its bewildering multitude of groups pursuing different and often conflicting aims does not always achieve the harmony which St. Thomas expected so confidently would result from the interplay of social groups. Nevertheless, Austrian Catholics accepted the Thomist view of society as motivated by a single purpose and saw no reason why the realization of that social purpose should not be entrusted to a single agent, the state. The 1934 Constitution which was an attempt at monism, disguised with pluralistic trappings, aptly illustrated the dangers of such a monistic scheme. Those who succeed in getting control of the state can then subvert both state and society for their selfish purposes, without fear of meeting organized resistance.

Another characteristic of Austrian Catholic thought suggested earlier was confirmed by the trend of events after 1918, and especially by the 1934 document. Though the encyclicals had clearly envisaged a limited state, one which would recognize the legitimate spheres of economic, social, and cultural groups, their Romantic tendencies inclined Austrian Catholics toward a total state. The manner in which the Federal Executive, under the 1934 instrument, exercised authoritarian control over all aspects of life made the corporative experiment the very antithesis of the social pluralism ostensibly advocated by the encyclicals. Finally, the failure to distinguish between state and society led Austrian Catholics to deprecate democracy and the political institutions of the democratic state, free elections, and political parties. This contempt for democracy, which had been a dominant theme of Catholic political thought all

along, reached its apogee in the authoritarianism of the corporative regime. Catholics in 1934 reasserted their contention that an authoritarian state was the one form of political organization which corresponded most nearly with the Catholic constitutional ideal.

One is forced to conclude, therefore, that the social doctrines of a group of people, even if they profess to adhere strictly to the Church and its teaching on social questions, are the result of a variety of influences, of which Catholic social ideals need not be the most powerful. On the other hand, it has been suggested that the monistic and authoritarian ideas and institutions favored by Austrian Catholics do not really violate Church doctrine, but can be traced to causes deeply embedded in Catholicism itself. Is not the pluralism which is the avowed foundation of Catholic social thought based on the implied assumption that the various groups which make up this pluralistic system are fundamentally homogeneous and subscribe to a single belief system? If this is so, it helps explain the confidence with which so many Catholic theorists approach the task of solving society's conflicts. They conceive of society as an organic whole motivated by a single purpose, and they feel certain that the process of adjustment will be concerned only with secondary details. As a result Catholic theorists tend to go to one of two extremes: either they see little need for autonomy in a society agreed on fundamentals, or they are prepared to grant wide powers of self-government to a variety of occupational and cultural groups, convinced that no irreconcilable conflicts can arise between groups motivated by a single aim. Fundamentally, then, the inadequacy of Catholic social thought in general, as well as Austrian Catholic thought in particular, lies in its inability to devise a set of concepts applicable to the modern, complex, multigroup society.

With minor exceptions, like the "realistic" theorists Messner, Dobretsberger, and others, Austrian Catholic social theorizing during the early part of the twentieth century was based on assumptions which had become invalid; that is to say, on empirical data about capitalism and society of the previous century and on the assumption that the principal problem facing the modern society was an economics of scarcity. Therefore, the proper remedies were to be the closed state, the hierarchical society, and an economic system which would ensure that what little there was of the social product would

be parceled out carefully. Catholic social theorists were convinced that this type of reform program was the only one appropriate for the period 1918-1933, and especially for the years following the crash of 1929 and the depression. However, they never bothered to check whether the assumptions on which their social theorizing was built were still valid. Just as the proponents of Sozialreform insisted that medieval social institutions which had developed in response to a specific set of conditions were correct for all times, so the Sozialpolitik thinkers assigned permanent value to the forms of capitalism of the late nineteenth and early twentieth centuries.

One might well ask whether the utopia of the Catholic theorists has come to life anywhere at all. The answer would be that this never-never land is the United States at mid-century. Where have the workers been effectively "deproletarized" and made full-fledged members of a middle-class society? Where have workers been given status and security by having a chance to own homes and property? Where have workers been able to earn, if not a family wage, then certainly one that makes it possible for them to provide for the future? Where are workers given labor contracts that provide for sharing of profit, provisions for their old age, and many other benefits? Is it not in the United States that the industrial workers are no longer a "precipitate" at the bottom of society, but have been reabsorbed in the body social, as Karl von Vogelsang demanded in ringing tones almost one hundred years ago? It seems that an economy of plenty in a country relatively safe from international turmoil has produced, without any preconceived plan, without the benefit of the organismic, corporative, and authoritarian phantasmagoria, the very social conditions which the fiat of Sozialpolitik as well as Sozialreform programs failed to bring about.

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