
The Corporatist Idea Throughout History

The idea of a corporate, organic, integralist, and functionally organized society has been around for a very long time. In the Western tradition it goes back to ancient Greece, Rome, and the Bible—in short, to the very founding and main pillars of Western civilization. Corporatism was also present in the structure of the medieval estates and society (clerics, nobility, military orders, guilds, commons) and in the struggle between these groups seeking to maintain their independence and the emerging, centralizing, royal absolutism of the late-medieval period. However it was only in the late nineteenth and early twentieth centuries that a full-fledged corporatist ideology emerged, and only in the period between World Wars I and II that manifest corporatist regimes first came to power. Modern neo-corporatism is a product of the post-World War II period and of the emergence of the welfare state and of central economic planning. That is the history traced in this chapter.

It should be emphasized that in tracing this history, it is the Western conception of corporatism that we are analyzing. We do that because (1) it is the tradition most of us are familiar with and know best; and (2) it is out of the Western tradition that a complete corporatist ideology, manifest corporatist regimes, and modern neo-corporatism first emerged. But we should also be aware that in the African tradition of clan, ethnic group, and local community; in the Confucian/East Asian tradition of societal unity, community, and organic solidarity; in the Indian and broader South Asian conception of integral pluralism; and in the Islamic and Middle Eastern focus on tribe, clan group, and consultation between government and governed, there are parallel corporatist conceptions. In fact, it would make a wonderful scholarly term paper or thesis exercise to trace these non-Western corporatist concep-

tions and compare them with the Western ones. Indeed we return to the theme of non-Western conceptions of corporatism in chapter 4, where we talk about the many varieties of corporatism. For now, however, we look at the Western tradition of corporatism, keeping in mind that this is just one corporatist conception among several.

Origins

The origins of corporatist theory and sociopolitical organization in the Western tradition may be found in the very origins of Western civilization itself and in the very first expressions of political philosophy: the Bible, Greek philosophy, and Ancient Rome.¹ These influences helped give rise to what we have called natural, traditional, or historical corporatism. Recall, however, that other, traditional, non-Western forms of natural corporatism were also found in Confucianism, Buddhism, and Islam.

The biblical conception of corporatism comes mainly from Saint Paul in his letter to the Christians at Corinth (I Corinthians 12:12–31). In this epistle Saint Paul suggests an organic conception of society and politics, with all its functional units integrated, harmonized, and performing their proper function—just as in the human body all the parts are interrelated. This image of an integrated, organic, functionally organized body, whether in human form or in terms of the body politic, would prove to be one of the enduring metaphors throughout the history of Western civilization. Thus, just as in the human body the arms, legs, heart, and mind must all be interrelated and function like a well-oiled machine, so in society and politics all the actors must be similarly integrated: religion and governance, economics and politics, lords and peasants, capital and labor. If this conception of a unified, integrated, functionally harmonious political system is taken seriously—as it was for centuries and still is in many quarters—one could see that it would not always be conducive to U.S.-style conceptions of the separation of church and state, division of powers, unfettered individualism, checks and balances, or the clash of interest groups. And that is just our point: that many societies organized on a natural-corporatist basis are likely to have very different institutional features and behavior patterns than those considered to provide the best form of government in the United States.

The second, early, and profound contribution to corporatist thought comes from Ancient Greece, with the principal influence from Aris-

totle in his book *The Politics*. First, Aristotle believed that society and politics were natural, beneficial, existing through time, not evil or artificial. But if the practice of politics and governance is natural and good, then there is no reason to introduce limited government and checks and balances as in the U.S. Constitution; instead the state can be integral, unified, and even monolithic. Note how closely this Greek conception dovetails with Saint Paul's admonition and the biblical message of an integrated and organic society. Second, Aristotle advanced the notion that society should be organized along "natural" class and functional lines: warriors, the priesthood, slaves, and rulers. Today we no longer accept Aristotle's notion of a "natural" slave or ruling class; nevertheless, his notions that society should be organized along functional or occupational lines, on an ordered and bureaucratic basis, that each unit of society should perform its proper functions, and that all the parts need to be harmonized into an organic whole would prove very attractive to future corporatist writers as well as political leaders.

The third influence on corporatist theory stemming from ancient times comes from Rome. Roman political theorists built on the Greek conceptions (the organic theory of state and society, the functional organization of society, "natural" inequalities among people), but they also added new concepts of their own. First, while the Greeks preserved the concept of direct citizen participation in their small city-states, the far larger Roman empire had a system of indirect representation; significantly, however, representation was to be in part by functions in keeping with the corporatist conception: so many seats for the military authorities, so many for religious representatives, and so on. It was not a U.S.-style, individualistic conception of one person, one vote; rather, it was mainly groups or societal sectors who were represented. Second, Rome had a much more elaborate and organized system of corporate and societal associations, with a variety of military, professional, and religious institutions (often called *colegios*), each with its own charter; these groups were usually monopolistic in character, but the state exercised control over and governed the relations between them. Third, the Romans also introduced the system of republicanism, under which a strong state vied for power with its component corporate or group units; of course, there were also some periods during which they made famous the structure and method of authoritarianism ("Caesarism"). For a long time the conception of

competition and a just balance between the central state and its functionally organized bodies (religious orders, the military, towns and municipalities) would constitute the corporatist conception of “constitutionalism” or “democracy.” Note again that it is democracy based on group rights and representation, not on individual rights and representation.

In the biblical, Greek, and Roman conceptions, therefore, we can already find most of the ingredients of twentieth-century corporatism. These include the organic or unified view of society, the organization of that society into well-ordered and integrated functional or corporative units, the “licensing” and regulation of these units by the state for the common good, and an almost constant and dynamic tension between the top-down, authoritarian, and statist form of corporatism and a more democratic, pluralistic, representative, and societal form.

The Middle Ages

Following the disintegration of the Roman Empire in the fifth century A.D. and its conquest by what were called “barbarians,” the great tradition of Greek and Roman political theory that had been built up over the preceding centuries was all but lost and forgotten in the West for many centuries. The sophisticated social and political institutions, many of them corporatist, that had developed in the Greco-Roman tradition disappeared or were reduced to small-scale, less elaborate forms. Social and economic organization reverted to more primitive forms. Central political authority unraveled, giving rise to more localized units; the quite sophisticated political infrastructure of Greece and Rome gave way before the “barbarian” takeover. This was the period of the Dark Ages.

Historians often divide the Middle Ages into two subcategories: the “low” or “dark” Middle Ages, from the fall of Rome through the tenth century; and the “high” Middle Ages, from the eleventh century through the fifteenth. It is the high Middle Ages that we are primarily concerned with here, leading as they do into the modern era. Nevertheless, even during the earlier period we can see some ingredients that would go into the later corporatist philosophy: the idea that property has a social function and was to be used for the good of all; the nascent theory of a just price and a fair wage, which would be largely set by the state; the principle (again) of an uneven hierarchy of laws and persons; and once more the notion of society organized according to its

natural, corporate bodies. In Western Europe this corporatist conception now gained a Christian form from the dominant religious beliefs at the time; hence, for example, the relations of seller and buyer, employer and employee, were supposed to be governed not by conflict and the impersonal market but by Christian notions of brotherhood and "just price."² As we shall see, in the twentieth century these two dominant traditions of corporatism were often present—the ancient Roman statist form and the Christian idea of brotherly love, often complementing each other but sometimes competing for power.

During the high Middle Ages, larger-scale social and political organizations began to reappear. These included the mushrooming religious organizations associated with the Roman Catholic Church, especially the religious orders, monasteries, and brotherhoods; a variety of military orders, which had received a stimulus to growth from the Crusades; the towns and cities that began to grow as trade and populations also grew and that were largely self-governing; the universities (among the earliest, Bologna in Italy, the Sorbonne in Paris, London, Salamanca in Spain, Coimbra in Portugal) that similarly emerged as autonomous organizations; and above all the artisan and craft guilds with their hierarchical systems of apprentices, journeymen, and master craftsmen. The guilds licensed and policed their own members, helped regulate trade and prices, and were essentially self-governing professional associations that helped provide both for progress and social peace. It is to the guild system that later corporatist writers often looked for a model of efficient economic management and class collaboration.

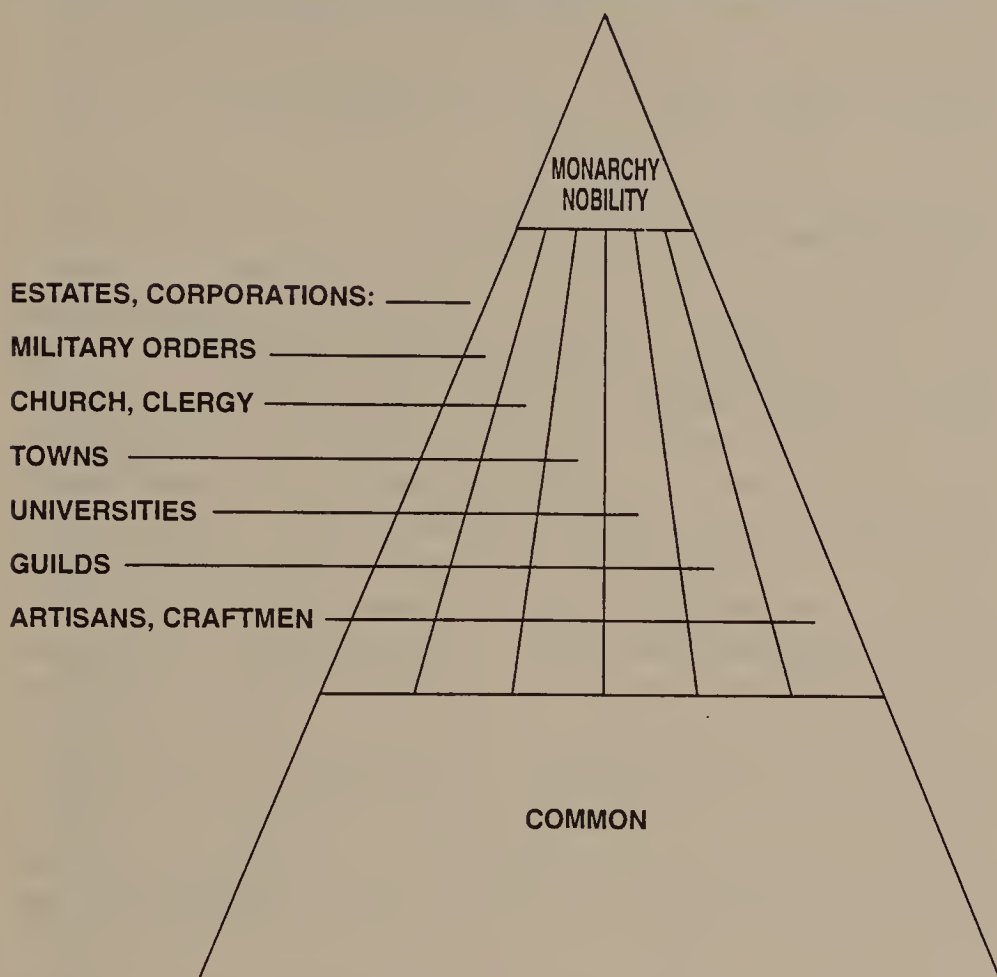
Indeed, a traveler in Europe today can still see many of the remnants of this guild and medieval corporatist system (in Brussels, London, Paris, Madrid, Lisbon, Rome, and other cities) in the location of all the silver craftsmen, goldsmiths, and other occupational or functional groups on a single street; each group with its own flag and uniforms, each licensing its own members, each with its own place in the social hierarchy. The entire system of corporative bodies formed during the late Middle Ages—religious and military orders, self-governing towns, autonomous universities, guilds, and so on, with most of these represented in a parliament, council of state, or *cortes*—provided an attractive model (often idealized and romanticized as more peaceful and harmonious than it really was) for those in later and more conflictual times to look back to for inspiration.

This corporate group system ran parallel to, overlapped with, and often encompassed the system of medieval estates with which we are more familiar. The estate system consisted of the primary estate (nobles), the second estate (clergy), and the third estate (common people). This, too, was a system based on hierarchy, rank, and special privileges. But in many countries the structure of society was more complicated: it had the three estates, organized in terms of hierarchical class layers, plus such corporate groups (organized along vertical lines) as the military orders, towns, and so on. The clergy were both an estate and a functional organization. Medieval society was thus often cross-cut by both class (horizontal) and functional or corporatist (vertical) divisions, as can be seen in Figure 2.1. But it was not just these corporative groups that were growing during the late Middle Ages; centralized monarchies in France, England, Spain, and Portugal were emerging as well and increasing their powers. For a considerable period these two developments, the growth of both corporate society and the central state, went hand-in-hand and in parallel fashion.

But eventually these two would conflict, since the autonomy and more localized self-government that the corporate entities sought to preserve clashed with the absolutism and centralizing tendencies of the several emerging monarchies. A great deal of political theory at the time analyzed these complementary yet ultimately conflicting trends in late medieval society. Where an equilibrium could be found between the autonomy of the several corporate groups and the power of the central state, society was said to be in "just balance," even "democratic." Indeed, in Europe the earliest notions of limited government and checks and balances revolved around these notions of corporate group rights serving as a countervailing power to limit royal absolutism. Note that in Europe, even in early modern times, democracy, representative government, and checks and balances mainly involved group rights set against the power of the central state, not so much individual rights as enshrined by the United States in its Declaration of Independence and Constitution.

But eventually, in sixteenth-, seventeenth-, and continuing through most of eighteenth-century Europe, absolute monarchy won out. During this period, in France, Spain, Portugal, and even England (where the parliamentary tradition was stronger), the prevailing monarchies succeeded in centralizing power and developing systems of strong authoritarian rule. In the process, the concept of corporate group rights

Figure 2.1 The Class and Corporate Organization of Medieval Society



was gradually subordinated to the principles of absolute government. In all the major countries the main corporate groups—military orders, guilds, religious brotherhoods, autonomous towns, independent universities, separate regional authorities, elite families, and the nobility—gradually gave way to the power of the centralizing monarchies. The representative parliaments (*cortes* in Spain), where these groups had often served as a check on encroaching royal absolutism, were all but completely wiped out. The medieval/corporate ideal of representative government and the public good as represented by a corporately organized parliament and well-established group rights serving as a check on royal arbitrariness and tyranny was another victim of the dominant centralizing and absolutist tendencies. The Renaissance, the Enlightenment, the English Revolutions of 1640 and 1688, the rising focus on

the individual as opposed to the group in the eighteenth century—were all important influences in the making of the modern age, but for a long time none of them were able to halt this long-range trend, particularly on the continent of Europe, toward absolutism.

The Three Great “Isms”: Liberalism, Socialism, and Corporatism

The French Revolution of 1789 was one of the great turning points in history. Not only did it overthrow the French monarchy and instill the values of liberty, equality, and fraternity (brotherhood) but also, by decree of March 2, 1791, it swept away the guilds and corporate privilege (the special position of the Church and other corporate bodies). The entire structure of a closed, hierarchical, top-down society came tumbling down. Moreover, the abolition of corporate privilege and position in France was followed in subsequent years by their similar abolition in Belgium, Germany, the Netherlands, Portugal, Spain, and other countries. Henceforth it would be individual rights that would receive priority, not so much the corporate or group rights of the past.

By this point we need to start distinguishing between countries, in order to be able to begin to do genuinely comparative analysis. For example, in Great Britain the influence of the older kind of natural or historical corporatism had less of an impact than it did in many of the continental countries. Perhaps that had to do with the more limited impact of the Roman Empire on Great Britain, perhaps with the Magna Carta and the early rise in England of an independent parliament, perhaps with the early democraticizing and liberalizing revolutions of 1640 and 1688. Whatever the reasons, the fact is that corporatism and corporate privilege in England were never as strong historically as they were on the Continent.

Much the same applies to the United States. Because of the absence of a medieval and feudal past, in contrast to the European countries, which experienced feudalism, the estate system, and a tradition of corporate privilege for nearly a thousand years, the United States never had a strong, historical, corporate tradition. Founded in the seventeenth and eighteenth centuries, the United States was “born free,” on an individualistic basis, without the legacy of medieval feudalism and corporatism that continental Europe had. We have more to say on more recent, growing corporatism in the United States in chapter 6; here we only need to emphasize that the

United States never had the deeply ingrained natural or historical corporatism that many European countries had.

After France and many other European countries abolished the guilds and corporate privilege in the late eighteenth and early nineteenth centuries, many lamented their passing. The English and French revolutions, and parallel liberalizing developments in other countries, were not necessarily greeted with universal acclamation as ushering in a new era of freedom and democracy. Critics saw society falling apart as a result of this new individualism and its attendant liberties. Some of these critics were political reactionaries who wanted to go back to the stability, discipline, order, and authoritarianism of the ancient (pre-1789) regime. These ranks included many clerics, the nobility, members of the recently deposed royal families, and some military officers. Thus was born in the early nineteenth century the tradition of European conservatism and reaction that persists to this day.

But not all those who lamented the passing of the guilds and corporate society were dyed-in-the-wool reactionaries. Many moderates and thoughtful scholars of society, such as the great French political scientist Alexis de Tocqueville and German legal and sociological scholars Friedrich Hegel, Otto von Gierke, and Max Weber, worried that casting off corporatist organization and the bands that tie society together would result in national disintegration. They feared that, without the social organization of the old regime, and before any new institutions had been created to replace it, society and politics could disintegrate into chaos, upheaval, and civil war. In fact that is what happened in many European countries from the time of the French Revolution of 1789 until society and politics began to settle down and stabilize again around the 1850s.

Until the mid-nineteenth century, the defenders of corporatism were largely in the reactionary camp, but beginning in the 1850s a more realistic and even progressive form and ideology of corporatism began to come to the fore. The major figures in this school included Bishop Wilhelm Ketteler in Germany, Albert DeMun and La Tour du Pin in France, Cardinal Henry Manning in Britain, Karl von Vogelsang in Austria, Giuseppe Bosca in Italy, Kaspar Decurtins in Switzerland, and Monsignor Antoine Pottier in Belgium. Although less well known, this current of corporatist thought began to serve as a popular alternative to the other great currents of contemporary political thought then emerging: liberalism on the one hand and Marxism on the other.³

The corporatist writers drew upon some familiar ideas: the utopian communalism of the early nineteenth century, the order-and-national-progress ideas of French philosopher Auguste Comte, the analyses of corporatist social and occupational groups of Hegel and French sociologist Emile Durkheim. They also borrowed from the reformist ideas of French philosophers C.H. Saint-Simon and François LaFarrell, who elaborated guild schemes adapted to the modern age and not just as a throwback to medievalism. Rather than make a sharp break with the past as in the French Revolution, the corporatist writers emphasized a gradual adaptation to change, one that blended the benefits of the traditional order with the newer requirements of modernization. New corporative agencies would thus be created for the new middle and working classes as well as for the more traditional groups. In this way corporatism could be flexible, accommodative, and progressive instead of reactionary. Groups rights would continue to be emphasized over individual rights as under liberalism; at the same time, under corporatism class harmony would prevail, as opposed to the class conflict of Marxism.

By the 1870s and 1880s corporatism was emerging as a full-fledged political program and ideology.⁴ Although almost entirely unknown in the United States, in Europe the adherents of corporatism were growing in numbers. During the 1870s and 1880s not only was the philosophy of corporatism finding more admirers, but also in France, Germany, and other countries, what were called "Working Men's Circles," which incorporated the corporatist principles of class harmony and employer-employee solidarity, were rapidly being organized as well. Unlike unions, the circles' members included both workers and owners; their goal was to contribute to the good of society as a whole and not just one segment of it.

During this same period, the corporatist ideology, which had largely started in Central and Southern Europe and among Catholic political leaders, developed a Protestant version and adherents and thus spread to the north of Europe as well. Both Catholic and Protestant groups wanted to find a formula that gave social and economic justice to the rising working class (which was rapidly growing in all countries under the impact of industrialization), but without class conflict, revolution, or societal breakdown. Corporatism provided a formula for doing that. Hence, in the last third of the nineteenth century, corporatism steadily gained in popularity and took its place alongside liberalism and Marx-

ism as one of three major ideologies of the nineteenth century (hence the subtitle of this book, *The Other Great "Ism"*).

Corporatism, like liberalism and Marxism, was both a manifest political ideology and a political movement—no longer a system of purely historical interest. In 1881 Pope Leo XIII charged a commission of theologians and social thinkers to study this new ideology and movement in relation to Catholic teachings. They met at the German university city of Freiburg in 1884, and gave corporatism its first official definition as a “system of social organization that has at its base the grouping of men according to the community of their natural interests and social functions, and as true and proper organs of the state they direct and coordinate labor and capital in matters of common interest.” Note in this definition that corporatism is now a “system of social organization,” that it emphasizes community and groups people according to their “natural interests and social functions,” that the corporate bodies that oversee these processes are agencies of the state, and that their role is to “coordinate labor and capital in the common interest.”

The Freiburg meeting brought together for the first time corporatist thinkers from different nations, gave their movement international legitimacy and coherence (parallel to and at the same time as the development of the socialist *internationale*), and stimulated the growth of new activities. Another international gathering of what was now called the “corporatist internationale” was held in Berlin in 1890, which gave added impetus to the movement. Then, in 1891, Pope Leo XIII, using these corporatism writings and building on them, issued his famous encyclical (which means it is the official, immutable word of the Roman Catholic Church) called *Rerum Novarum*, otherwise known as the “working man’s encyclical.” *Rerum Novarum* afforded dignity to labor, gave the blessing of the church for the first time to the organization of trade unions, and indicated that organized labor now had to be recognized as a legitimate social movement and incorporated into the political process. But corporatism, not liberalism or socialism, was the preferred papal means for achieving those goals.

By today’s standards, corporatism was not a very radical movement and was often viewed as a conservative alternative to Marxism; but in the context of the nineteenth century and the regimes in power at the time (Bismarck’s Germany, Victorian England, Spain under a restored monarchy), it signaled some new departures. Positive conceptions of trade unions and the working class had replaced the earlier negative

ones. Workers were now to be incorporated in the political process rather than suppressed, as had often occurred in the past. New concepts of social justice through corporatism came to the fore. Furthermore, the older paternalistic attitudes toward workers and unions—that it was okay to have them but that they should be guided and run by the “better people”—gave way to one in which workers organized their own unions, independent of owners and management, and had the right to employ collective action, including the right to strike. The ideology of corporatism had clearly come a long way from the reactionary years of the early nineteenth century.

All these changes were within prescribed limits, however. Many of the new corporatist groups and unions remained under the guidance of the Catholic Church and were often led by clerics and/or ministers. The activities of these groups were often social and educational rather than militantly trade unionist. And although corporatism had a strong social justice component, it was also seen by its members and clerical backers as providing a counter to the rising Marxist, anarchist, and radical unions. In Europe, corporatism was viewed as opening the door to trade unionism but, as compared to its competitors for the workers’ loyalties, it constituted the most conservative of the emerging labor groups.

An added impetus to the rise of corporatism in the decades immediately preceding World War I came from the widespread disillusionment with ineffective parliamentary regimes. In France, Portugal, and even England, parliamentary governments seemed unable to cope with rising social pressures; with the international arms race and competition for colonies that helped lead to World War I; and with political tendencies that pointed toward fragmentation and chaos. This was the period of what historian Barbara Tuchman called the “proud tower” of pre-World War I civilization—the last, dying gasps of an older and more traditional hierarchical order, about to be swept aside by the war and the threat of Bolshevik revolution.⁵ This order proved incapable of responding adequately to the rising social demands, including those of organized labor, for which corporatism attempted to provide an answer. Then too, corporatism’s rise was aided by the writings of a whole school of antiliberal, antidemocratic, antiparliament writers—Ludwig Gumplowicz, Gaetano Mosca, Vilfredo Pareto, Roberto Michels, Georges Sorel, and others—who offered pointed barbs at the idea that government, as under democracy, should be based on the

lowest common denominator of one man, one vote. These and other arguments bolstered the corporatist idea that a strong, well-led state—not the uneducated common man—should be at the forefront of engineering change.

By the turn of the century a great variety of (mainly) Catholic corporatist workers' and social movements had sprung up. In 1895 the first national Catholic trade union movement had been organized in Germany to compete with the socialist unions, and in the first decade of the twentieth century similar corporatist federations were established in a number of other European countries. In addition to Catholic unions, there were now Catholic youth groups, Catholic business associations, Catholic women's organizations, as well as Christian-Democratic (Catholic) political parties beginning to compete for members and power throughout Europe. All this was part of the Catholic revival of the early twentieth century, a movement that gave additional support to corporatist ideas and organizations. And, of course, if the Catholics were reviving and renewing themselves, Protestant denominations had to do the same, which helps explain the parallel rise during this period of Protestant unionism and corporatism in the Netherlands, Germany, and Scandinavia.

Corporatism in Power

The twenty-year period between World Wars I and II was the high point of corporatism in Europe. The flowering of corporatism during this period was due to at least four factors. First, World War I itself had revealed the fragility of parliamentary institutions and parliamentary regimes and thus strengthened the appeal of corporatism in countries where parliaments had been ineffective or threatened. Second, the 1917 Bolshevik revolution in Russia, particularly with its anticapitalist and antireligious ideology and action, severely frightened people throughout Europe and made corporatism look like a viable alternative. Third, the world market crash of 1929–30 and the global depression that persisted throughout the 1930s made it appear that liberalism and capitalism were on their last legs as well and might collapse at any time. The failures of liberalism and capitalism and the unacceptability of socialism and Bolshevism made it seem in the 1930s that corporatism was the only viable option.

A fourth factor stimulating corporatism during the 1930s was the

rise of central state planning, increased government regulation of the economy, and new programs such as Social Security. These developments toward greater statism in the economy, stimulated by the fears growing out of the depression, required a further rationalization of society, a stable and disciplined work force weaned away from strikes, and stable employer–employee relations. That was precisely what corporatism seemed able to offer, with its emphasis on close cooperation between capital and labor and with the state managing and directing both the economy and social relations in the common interest. Hence our earlier dictum: whenever there is heavy statism in the economy, corporatism in the social and political spheres is very likely to be there too.

Early, brief, and partial experiments with corporatism were carried out in Portugal in 1917, in Greece from 1917 to 1920, and in Spain in the early 1920s. But the first full-fledged, long-term corporatist regime to come to power in Europe was that of Benito Mussolini in Italy. Mussolini used corporatism as a way to centralize his authority and achieve greater discipline and control over the economy. His famous *Carta del Lavoro*, or labor statute, was used to keep the Italian labor movement under state control and to prevent labor strikes; meanwhile the vigorous (and often radical) independent labor activity of the past was wiped out. Mussolini created a corporative structure to manage the economy, but this turned out to be largely a showpiece meant for people to admire. The real power was in the hands of Mussolini and his totalitarian state, not in the corporatist organization. Hence in the first country where corporatism was implemented seriously, it served as a smokescreen for state power and as a way that a fascist and totalitarian government gained control over all areas of national life. Some started calling Italian corporatism a “fake,” a “confidence trick.” The Italian corporatist experiment from 1922 to 1939 was a form of state (really dictatorial) corporatism, only vaguely resembling the participatory, societal, and pluralist form that many earlier corporatist philosophers had written about.

Many of the other corporatist regimes in Europe that came to power in the 1920s and 1930s copied features from the Italian “model.” In Portugal, under Antonio Salazar and then Marcello Caetano (1928–74), and in Spain under Francisco Franco (1939–75), the labor statutes promulgated bore a striking resemblance (almost a word-for-word translation) of the Italian labor code. Both these regimes in the Iberian Peninsula created corporations, supposedly the capstone of any corpo-

rative system, to help manage labor relations and all sectors of the national economy; but these turned out to be agencies without much purpose, since it was the central state that largely directed the economy, not the corporations.⁶

In both regimes the corporative system was used to suppress worker rights and as an instrument of top-down, dictatorial control. Portugal was perhaps the most elaborately corporatist regime in Europe, with a functionally organized Chamber of Corporations alongside the parliamentary Chamber of Deputies; a similarly functionally representative (with military, church, government, and economic elite representatives) and high-level advisory body called the Council of State; and a Corporative Council to oversee the entire process of restructuring society along corporative lines. But none of these agencies, in either Portugal or Spain, ever functioned as the original corporative theory and laws said; they too, as in Italy, served mainly as agencies of centralization and dictatorial state power; and eventually they were largely shunted aside by the regimes in power and ignored.

Similar corporatist regimes came to power in Bulgaria and Lithuania (1926–29); Poland under Jozef K. Pilsudski (1926–35); Albania (1928–39); Yugoslavia (1929); Turkey, Estonia, and Latvia (1934); Austria (1934–38); Greece under Joannes Metaxas (1936–41); Romania; and Ireland (1937). In addition, Vichy France during the years of World War II was organized in part on corporatist principles. And Nazi Germany under Hitler from 1933 to 1945 also instituted corporatism in the running of the economy; but in the German case, even more so than in the Italian, corporatism was completely subordinated to the requirements of Hitler's personal dictatorship and the regime's totalitarianism.

It is striking that during the interwar period, corporatist regimes were concentrated in Southern, Central, and Eastern Europe, and preponderantly in the Catholic countries, but not so much in the Protestant and Northern countries. In fact, during this period the Netherlands, the Scandinavian countries, and Great Britain all had corporatist movements of various sorts and sizes; but none of them came to power or had an opportunity to implement very many corporatist institutional changes (with the possible exception of wartime economic planning, which required greater centralization, greater coordination of social and political forces, and stronger government control). The conclusion is that although corporatism was not exclusive to the Southern European and Eastern European Catholic and more peripheral countries, it

was concentrated there. And while this earlier form of statist and authoritarian corporatism had its advocates in the Northern and Protestant countries (and Switzerland), it never came to power in these. The patterns are striking.

Outside of Europe, primarily in Latin America—because of the Spanish and Portuguese examples and again, the Catholic tradition—corporatism also flourished. The regimes of Getulio Vargas in Brazil, Juan Perón in Argentina, Rafael Trujillo in the Dominican Republic, Jorge Ubico in Guatemala, Velasco Ibarra in Ecuador, Arnulfo Arias in Panama, Oscar Benavides in Peru, Carlos Ibañez in Chile, Alfredo Stroessner in Paraguay, Maximiliano Hernández in El Salvador, the Mexican Party of Revolutionary Institutions (PRI), the Bolivian National Revolutionary Movement (MNR), and Peru's American Popular Revolutionary Alliance (APRA) all had corporatist features and influences, although in varied forms. Interesting for comparative purposes is the fact that while most of these were right-wing and conservative movements or regimes, others (APRA, the MNR, the PRI under Lázaro Cárdenas) were more left-wing and progressive. That is, they incorporated labor, peasant and progressive sectors alongside the traditional corporate wielders of power (army, Church, oligarchy) or discarded these latter groups altogether. Another interesting feature of Latin American corporatism, which reflects the area's lower level of economic and institutional development as compared to Europe, is the fact that it combined, or tried to combine, the older quasi-medieval corporatism that still existed in Latin America with the newer social justice orientation of *Rerum Novarum* and *Quadregessimo Anno*. We have more to say about these regional differences in chapter 4.

Post-World War II Corporatism

Rather than the open, democratic, participatory, pluralist, and society-based corporatism of many corporatist theorists, corporatism as it was actually practiced in the 1920s and 1930s was usually authoritarian, often repressive, and statist if not dictatorial. As such, and given corporatism's presence in the regimes of Mussolini and Hitler, corporatism came to be identified in the popular mind with authoritarianism and fascism. In some quarters it is still so identified. And since fascism was both discredited and defeated in World War II, corporatism was discredited along with it. Following the war, most of the corporatist

regimes left over from the 1930s, led by Italy and Germany, were removed or replaced, either by their own citizens or by the wartime occupation armies. For a time corporatism as an ideology and popular movement with considerable mass appeal all but disappeared.

Corporatism, albeit in greatly changed forms, managed to hang on in Spain and Portugal (the regimes of Salazar and Franco) for thirty years after World War II. And in Latin America, which for a long time remained isolated from and peripheral to the mainstreams of Western political change, corporatism persisted in a variety of forms—although the term “corporatism” now was seldom used and almost never in a positive way. The Perón, Vargas, Trujillo, and other Latin American regimes mentioned earlier continued many of the practices if not the ideology of corporatism, despite its being discredited. But these were thought of as backward-looking regimes, retrogressive, certain soon to disappear or be overthrown. Hence in the later 1940s and through the 1950s, corporatism seemed to be in permanent if not yet quite total eclipse.

But then three things happened to bring back corporatism and corporatist modes of interpretation. The first of these was the rediscovery of corporatism in Western Europe. Although Europe had formally repudiated corporatism in World War II and thereafter, by the 1960s much of Western Europe had come to practice a disguised form of corporatism—but without calling it that. In a variety of public policy areas such as social welfare, incomes policy, economic planning, and industrial policy, a tripartite group of actors—usually organized labor, management, and the state—often got together to negotiate the shape and direction of the policy. Sometimes this took the form of U.S.-style interest-group politics; but often it went beyond that to include the state organizing, licensing, and policing the interest groups involved, or incorporating the interest groups directly into the regulatory, consultative, administrative, and implementation agencies of the state. These institutional arrangements and functions, we have seen, are at the heart of corporatism theory and practice. It may not have been called that, but corporatism is in fact what it was. It is like that old saying about ducks: if it looks, acts, and quacks like a duck, it probably is a duck. So with corporatism. Eventually a handful of scholars in the 1960s began to call these European practices what they were: corporatism. Actually the term that came to be widely used was neo-corporatism, or new corporatism.⁷

The second development was the resurgence of corporatism in Latin America.⁸ Recall that we said earlier that in Latin America several corporatist regimes had been left over from the pre- and World War II period and that they were expected to expire. While many corporatist regimes did leave the scene in the late 1950s and early 1960s, and for a time Latin America enjoyed a brief democratic interlude, by the mid-to-late-1960s a whole wave of military authoritarian-corporatist regimes had come back into power, sweeping away the earlier trends toward democracy and pluralism. In such important countries as Argentina, Brazil, Chile, Uruguay, and others, corporatism and authoritarianism came back with a vengeance, not only eliminating democratic and liberal regimes but also often ruling repressively and with widespread violations of human rights. Note that this is quite different from the post-World War II, social-democratic, neo-corporatism of Western Europe; it was closer to the pre-World War II authoritarian and statist corporatism of Mussolini, Franco, and Salazar.

These differences between the neo-corporatism of Western Europe and the authoritarian corporatism of Latin America help explain why it is so hard to arrive at a clear definition of corporatism and why the literature on corporatism goes in so many different directions: because there are two quite different forms and historical stages of corporatism that we are talking about. The one (neo-corporatism) is, for the most part, democratic, pluralistic, societal, oriented toward social welfare, and a product of the modern planned economy and the welfare state; while the other is authoritarian, monolithic, statist, oriented toward social control, and often a product of underdevelopment and weak institutions. However, both have in common the functional organization of society, the licensing of interest groups, and their incorporation into the machinery of the state.

The third development was the widespread discovery of distinct forms of corporatism in many non-Western and Third World countries. Recall that corporatism, as its history has been traced in this chapter, has largely been a Western phenomenon found mainly in Europe and (since these countries were colonies of Spain and Portugal) Latin America. But now, scholars began finding elements of corporatism in the tribal or ethnic societies of Africa; in the strong connection between business and the state in Japan; in the organic, communalist, and Confucian-based societies of East and Southeast Asia; in the interconnections between the caste associations, political parties, and the bu-

reaucracy in South Asia; and in the often paternalistic relations of leaders and their peoples in Islamic society. This development made corporatism a global phenomenon rather than one limited to just one or two areas. It significantly expanded, as we see in chapter 4, the number, types, and varieties of corporatism—no longer just Western but non-Western as well, in developed countries and in a great variety of developing ones. Corporatism became ubiquitous, seemingly present in a plurality of forms in quite distinct cultural and social settings. But with corporatism so omnipresent, it also proved harder to get a clear handle on it, to define it precisely, and to distinguish it from other types of political regimes.

The discovery and rediscovery (in Europe) of corporatism in so many variations gave rise to a virtual cottage industry of corporatism studies. In the later 1970s and throughout much of the 1980s, it seemed like everyone in the comparative politics field was studying corporatism. And that gave rise, as we earlier saw, to the fifth and final definition of corporatism. Corporatism was no longer just a set of institutional arrangements and practices in certain countries; it had become a paradigm, a social science approach, a whole way of thinking about and studying distinct political systems, that was different from either the liberal-democratic or the Marxian approaches. Few scholars of corporatism went so far as to claim that their approach had replaced the pluralist or the Marxist approaches, or that it provided a complete model of society and politics to the exclusion of other approaches. Rather, most scholars saw the corporatist approach as complementing the other main approaches in the field and found it particularly useful in studying labor and industrial relations, social welfare programs, wage policy, industrial policy, and other public policy programs. For it is precisely in these areas that labor, management, and the state tend to be brought together in a collaborative relationship for integral national development—which is close to our definition of corporatism.

Since this earlier fascination with corporatism, many countries in the Third World have moved away from authoritarianism toward democracy; the interests of many comparative politics scholars have also shifted to studying these transitions to democracy. But even with this shift the study of corporatism remains fascinating, and not just for historical reasons. First, many countries are still practicing one or another form of corporatism. Second, corporatism is growing in many

countries, including the United States, that seldom or only weakly practiced corporatism before. And third, even with this movement from authoritarianism to democracy, that does not necessarily mean the abandonment of corporatism. In fact—and it is a fascinating new topic for study—as the transition to democracy occurs, many countries are simply moving from an older-fashioned, historical, medieval, or statist form of corporatism to a newer form of social or neo-corporatism. So even in the transition to democracy, corporatism remains present—in newer forms, perhaps, but still present.

Hence not only is corporatism still with us and probably growing (“creeping corporatism,” it is often called) but in many countries it is also evolving, developing, transitioning, changing its spots. Corporatism therefore will likely be with us for a long time to come, and its newer as well as older permutations continue to provide a great variety of fascinating subject matter for students of comparative politics.

Notes

1. The early history may be traced in Carl Landauer, *Corporate State Ideologies: Historical Roots and Philosophical Origins* (Berkeley: University of California, Institute of International Studies, 1983).

2. Corporatism in the Middle Ages is analyzed in Angus McKay, *Spain in the Middle Ages: From Frontier to Empire, 1000–1500* (London: Macmillan, 1977); Archibald R. Lewis, *The Development of Southern French and Catalan Society, 718–1050* (Austin: University of Texas Press, 1965); and Antony Black, *Guilds and Civil Society in European Political Thought from the Twelfth Century to the Present* (Ithaca, NY: Cornell University Press, 1984).

3. More recent, national histories of corporatism may be traced in Ralph H. Bowen, *German Theories of the Corporate State* (New York: McGraw-Hill, 1947); and Matthew H. Elbow, *French Corporative Theory, 1789–1948* (New York: Columbia University Press, 1953).

4. The intellectual and social history is traced and analyzed in Howard J. Wiarda, *Corporatism and National Development in Latin America* (Boulder, CO: Westview Press, 1981).

5. Barbara Tuchman, *The Proud Tower* (New York: Macmillan, 1962).

6. For a detailed case study as well as the broader context, see Howard J. Wiarda, *Corporatism and Development: The Portuguese Experience* (Amherst: University of Massachusetts Press, 1977).

7. A useful survey is in Philippe C. Schmitter and Gerhard Lehmbruch (eds.), *Trends Toward Corporatist Intermediation* (Beverly Hills: Sage, 1979).

8. James Malloy (ed.), *Authoritarianism and Corporatism in Latin American* (Pittsburgh: University of Pittsburgh Press, 1977).