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## Corporatist thought: the nature of the political system

In terms of political allegiances and backgrounds the corporatist theorists were widely divergent; the writers ranged from monarchists to republicans, from technocrats to Romantics, from fascists to Social-Catholics. There was in consequence to be no one political type of corporatist regime. Nonetheless, there was a degree of consensus concerning the basis of legal authority of the state authorities, although the agreement was most marked in respect of the negative view about what it definitely could not be based upon. Further, there was a level of agreement that, insofar as there were to be structures for societal representation, it should fall to corporatist institutions, especially the corporation. What did unite the corporatists was their indifference to the concept of democracy and democratic norms. The foregoing discussion in the previous two chapters has revealed time and again that the theorists argued that the state authorities were to take decisions according to particular universal principles. Popular and particularistic demands could not be allowed to breach the taking or enforcement of such decisions and thereby override what were regarded as universal truths. The issue was not, however, so straightforward, because the theorists almost unanimously proffered that there would be a consensus about such principles, that is they would be popularly supported.

Whatever the different political and moral allegiances of the theorists, they were all not reticent in attacking majoritarian democracy: majorities could not determine truth, only those with the consummate capacity could. In revealing terms Othmar Spann captured the corporatist outlook: 'Using the ballot box to decide questions of truth and justice is the most ridiculous suggestion I have heard [...] Nobody can live by the majoritarian principle, but only on the basis of value and truth'.<sup>1</sup> The Viennese professor went on to complain that under democracies people were not organised in forms of common activity,<sup>2</sup> thus pointing the finger in the direction of the corporation as a representational structure. In fact Spann went further to provide an elitist critique of democracy's praxis, by

claiming that pure democracy had never existed because leaders and cliques and political parties always exercised the powers the people should have employed themselves.<sup>3</sup> Franz Hitze, likewise, did not see a true democracy as being one where the social and economic interests of real abiding functional groups did not receive expression and where legislative enactments resulted from ‘accidental’ and transitory verdicts of parliamentary majorities.<sup>4</sup> Along much the same lines, Ketteler deplored the lack of functional representation and condemned the present system ‘in which one selected representative voices the opinions of an entire community’.<sup>5</sup> Not without significance, Ketteler was also concerned that the majority principle would lead inescapably to socialism.<sup>6</sup> Indeed, Ketteler was a severe critic of the majoritarian principle because he saw it, as it operated at the time in Germany on an indirect and three-class basis, as forming a basis for liberal majorities to attack the Church and prevent social progress,<sup>7</sup> while if the basis of elections became one of a direct and universal suffrage, the result would be disorder and a threat to private property.<sup>8</sup> The theorists, therefore, were concerned that democratic representation was not based upon permanent forces within society. There was, however, an additional side to their criticism. They also denigrated democracy because it assumed everybody was of equal capacity to decide the major political issues. La Tour gave vent to both lines of attack in outspoken fashion. To him where parliament did not represent permanent forces or interests, but represented nothing more than ‘the favour of the mob and emanates from a suffrage more or less universal and unorganised, all is ephemeral as the impressions of the masses’.<sup>9</sup> Walther Rathenau, correspondingly, attacked the mechanical parliamentary system’s omniscient character which made legislation ‘a matter of chance’, where those not competent to decide such matters, by virtue of their majority, were able to do so. Indeed, Rathenau went further and attacked the opportunism of politicians and the exertion of pressure by special interests which were also appended to the parliamentary system.<sup>10</sup> De La Rocque was more ambiguous in his criticisms of representative democracy but felt there was ‘much to be said’ for linking the suffrage with ‘some sort of objective discrimination’, which judges men according to ‘their capacities, their functions and their responsibilities’.<sup>11</sup> In a technocratic tone Manoilescu argued that democracy was outdated in respect of the demands of the industrialised economy and its organisational needs. The state needed to lead and discipline, not serve popular interests.<sup>12</sup>

In the light of their attacks upon liberal democracy – which were very largely centred upon the twin issues of capacity and majoritarianism – the theorists moved on to outline an organic basis of representation that drew on the permanent forces of society. The underlying principle of such a

basis of representation is echoed in Vogelsang's criticism of liberal democracy and his proposals for change. He stated that: 'The basic fault is that there is no inner relationship between the representative and those he represents, no tie except the casual and superficial act of voting [...] The representative must stand in a continuous and active relationship to his constituents; he must be thoroughly familiar with their affairs and their needs'.<sup>13</sup> Such familiarity, the theorists adjudged, would prevail in the corporations with their functional bases, and proposals for such a basis of representation were prevalent in the literature. There was nonetheless a degree of diversity in the schema set forth; differences existed over the extent of representation, the basis for selecting representatives and the form of representative bodies. Most favoured was the establishment of chambers of representatives from the corporations, though several preferred a council of corporations rather than a chamber.

The proposals of Manoiesco reflect generally the views of those who backed a chamber. In fact, he set out two different proposals, one with a single chamber and the other a bicameral system. The unicameral system, obviously enough, was to contain representatives from all the corporations. Under the two-chamber system, there would be a division between one for social and cultural corporations and one for the economic corporations which it was held had not only different functions but also a difference in conception and mentality, although the demarcation was essentially functional. The dual system, it was argued, would realise equilibrium and binding agreement (*l'accord obligatoire*) between these two groups by giving each an expression of its independence, and equally neither group would be able to take decisions contrary to the interests of the other.<sup>14</sup> Interesting though such ideas of functional divisions between different chambers are, the most important aspects of such chambers are their composition and method of operation. The representatives of a particular corporation were not to be selected by a form of 'universal suffrage' by all the members, but were to be drawn from the various territorial and category divisions of the corporation with parity between workers and employers, and with each corporation getting a number of representatives according to its 'national importance'. The representatives were to be appointed by the general assembly of the corporation, which was itself to be elected by the various categories within the function, with votes being distributed, not proportionally to membership, but on the basis of the categories' importance relative to each other. The method of operation Manoiesco set out for his corporative chamber was highly complicated. However, it is clear enough that he envisaged legislative decisions being taken not by plenary sessions but by the relevant sections, the full assembly simply ratifying the decisions of the sections. Majority voting was to be avoided at all costs.<sup>15</sup>



Several other writers set out plans for chambers of corporations. Franz Hitze saw a Chamber of Estates as the pinnacle of the corporatist edifice, representatives being chosen by national electoral colleges of the various estates who would in turn have been chosen by regional and local assemblies respectively. In such an assembly, considerations other than the will of the arithmetical majority would prevail, and a true democracy where there was a national bond between government and people would exist.<sup>16</sup> La Tour for his part, however, was never consistently in favour of a national chamber, and by 1905 he was largely hostile to the idea because a single chamber 'would degenerate immediately into a closed field where no common interest would appear and where particular interests would be in perpetual conflict'.<sup>17</sup> Even when he had been favourably disposed he was uncertain as to whether representation would be proportional or according to national importance.<sup>18</sup> Rathenau similarly doubted the merits of a conglomerate chamber. Instead, he wished to see the 'ideal states'<sup>19</sup> of the nation being represented in a series of parliaments for each estate, thereby eradicating the 'desperate expedient' of an omnicompetent parliament.<sup>20</sup> On the other hand, Konstantin Frantz felt a functional parliament would generate harmony among the vocations.<sup>21</sup>

The Spanish writer Azpiazu sought to have both a national chamber and to ensure that the national interest would override vocational interests. He argued that a corporative chamber would authentically represent the country, with the representatives being elected by the corporations who would choose the most able men to obtain a 'favourable solution' of their interests.<sup>22</sup> Uncertain seemingly as to whether the national interest would not be lost in the cacophony of specific vocational interests, he proposed a further basis of representation for the corporations, namely, a Supreme Corporation Council drawn from the councils of the various corporations. This body was to be a means of ensuring that corporative interests were united with the general interests of the nation, and to this end the council members were to be endowed with public executive authority.<sup>23</sup> Azpiazu, therefore, saw corporative representation in both the 'legislature' and 'executive', although quite on what basis the system would operate, and how extensive an authority these bodies would enjoy, was left more to the reader's imagination than anything else.

French interbellum corporatists likewise discussed at length the issue of functional representation. Their ideas were influenced by Duguit, who suggested a professional senate;<sup>24</sup> Durkheim, who considered it legitimate that the corporation should become the fundamental political unit;<sup>25</sup> and La Tour (despite some belated hesitancy). Of course, ideas of professional representation within the political state, as in Germany, had a certain degree of popular currency in any case.<sup>26</sup> However, not all were willing to

support the idea of a corporative chamber as a counterweight to the territorial Chamber of Deputies. Roger Bonnard, for example, saw the result of such an arrangement as being perpetual conflict 'due to their difference in origins'.<sup>27</sup> Those critical of the idea of a corporative chamber turned, instead, to the proposal of a national council of corporations. Such a body would be independent of the legislature and would be the apex of the corporative pyramid. It would be made up of the presidents or other delegates appointed from each corporation, often with a government minister as a presiding officer. Among the tasks suggested for the council were, most prominently, the general control and guidance over corporative activity, research and related tasks, assisting the minister of the national economy and, of course, representing corporative interests to the government.<sup>28</sup> Supporting the idea of a council of corporations, Georges Viance argued that this institution would be the only one adaptable enough to control the economy of France's organic and hierarchical society.<sup>29</sup> However, Firmin Bacconier of the *Action Française*, and a number of other theorists rejected both the idea of a chamber and of a council. Rather, Bacconier put forward the proposal of organising a series of economic chambers, one each for industry, agriculture and the professions. Somewhat akin to La Tour's suggestions, these corporatively recruited chambers would be geographically located at the regional level which would, when required, appoint delegates for a national chamber.<sup>30</sup>

The suggestions for corporative representation, diverse though they were, all sought to give representation to what the corporatists regarded to be the enduring forces within society – the vocation or function. It was in this sense that they saw representation; not of individual members but of a function with its traditions and place within society. This emphasis on the place of the function within society was most explicitly recognised in the proposals which sought to allocate representation in proportion to national importance. The structure of representation can, therefore, be regarded as consensually-orientated, designed to allay conflict, particularly class conflict, through adopting a corporate<sup>31</sup> basis of representation that upheld the common good. Indeed, several writers quite openly admitted that corporate representation would stem the consequences of class conflict. For example, Albert Schäffle, the German Monarchical Socialist, wrote of the 'insane idolatry' that a mere numerical majority of individuals 'should reign supreme over the members and civilising agencies of the nation' and for the need to prevent 'class government'.<sup>32</sup> It might be surmised that doubts about the outright rejection of bodies encompassing collectivities of corporations is indicative of certain theorists' dubiousness about the practicality of generating a consensus. However, such vacillation probably is more to do with the writers'

perspective of status, capacity and hierarchy: the corporations' leaders had the capacity and insight for that task, but simply bringing them together did not cut them out for national leadership – national leaders were the next rung up with their greater capacity and insight.

This point is fundamental to the discussion that follows. The corporatist case for functional representation was not the antecedent for functional democracy. The theorists did not regard it as desirable that representatives of the corporations should in some form hold the position of ultimate authority within the state, nor that those who held office would be responsible to their constituents. Of course, such a position is wholly consistent with what has been said so far about corporatist theory, but it still requires further development and analysis.

The best starting point for our analysis is to return to the statement already quoted from Othmar Spann's *Der Wahre Staat*. As was noted, Spann pointed out that 'truth' and 'justice' could not be determined through the ballot box. Spann was doing no more than reiterating the position of all corporatists, namely, that the ends of corporatism were not democracy and that democracy was not a particularly important or suitable means to achieving their ends. For Catholic corporatists, the end to which the whole corporatist system was directed was a 'just society'. Social justice was not something that could be decided through electoral choice of whatever form, but could be achieved only by invoking reason. Justice could not be the result of a competition over a number of choices, an essential element of democracy, but was given by those who were most fully acquainted with Christian teachings. In this context, it is hardly surprising that Ketteler argued that the various associations should be under the guidance of priests. The result would not be a government completely detached from the values of the people; but one in complete accord with these values because the assumption was held that all individuals and groups were fundamentally homogeneous and subscribed to a single belief system. Society was conceived as organic with a single purpose which requires only direction from the most enlightened and which can accept decentralisation of decision-making without fear of conflict. The same view is broadly true of nationalist corporatists. Their overriding goal was the national interest, somewhat variously defined, although justice remained an important element drawn from medieval concepts.<sup>33</sup> As with social justice, such an end was not something that could be determined by competition among conflicting interests but by someone or some persons who could reflect the national, organic will.

The organic premiss of both the Catholics and the nationalists, therefore, made responsible government unnecessary, in that society was at one in reality, and at the same time created a 'true democracy' because the



government reflected the true will or beliefs of society and not sectional interests or some 'artificial majority'. This position is well reflected by the statement of Franz Baader who asserted that: 'The state, the constitution, and society, in whatever form and shape, necessarily become onerous and unsupportable if they lack the community spirit of religion; for government without religion, which is despotism, can appear in the form of monarchy, aristocracy or democracy.'<sup>34</sup>

Upon this line of argument authority was to rest with those who had the necessary insight and capacity, not those who were representative. The role of representation became one of setting some relative limit to the authority of the state – in line with the notion of a hierarchy of authority – and to facilitate advice to the state authority – a consequence of differences in competence. La Tour's ideas capture the essence of this. For the *marquis*, the state was 'the ensemble of the powers and forces of a nation organised for the common good, which is called the national interest'.<sup>35</sup> His ideal form of government would be a monarchy. The monarch was to be assisted by councillors chosen by the monarch himself.<sup>36</sup> To him the exercise of public power remained distinct from that of representation in their respective roles;<sup>37</sup> the role of professional representation is 'essentially consultative' because 'it is not the expression of a sovereign will, but an appeal to the proper quarter'. If its role was not confined to one of consultation, then organised conflict would, he felt, prevail.<sup>38</sup> In short, the corporations' leadership had no national perspective; they were simply an agglomeration of different viewpoints. La Tour, therefore, saw the role of functional chambers, at whatever level, as one of deliberating and advising upon laws prepared by the executive which at the national level was the Council of State. Quite what this would add up to is not clear, because it was never made explicit what weight any recommendations would carry.<sup>39</sup> La Tour did not wish to see an absolutist monarchy established, but one that would govern according to custom, respecting the rights of corporative bodies.<sup>40</sup> Corporatist representation would act as a means of protecting associational rights rather than as a means of allowing interests to effectively influence, far less legislate, authoritative decisions.

Subsequent French theorists, writing after the First World War, maintained the position of functional representation at the consultative level; for example, Bacconnier's structure of economic chambers was to be such.<sup>41</sup> Those who favoured the notion of a corporative council, likewise, did not see fit to give these bodies any formal control over the governmental decision-making process. They too emphasised that such representation would guarantee the corporations some measure of protection against encroachment by the 'state' on their activities which was unjust, but they also indicated that the council would be able to represent its

interests and desires to the relevant decision-making bodies.<sup>42</sup> Importantly, a number of theorists suggested keeping in existence the territorially based Chamber of Deputies, or at least they assumed its continued existence. Nevertheless, it is fully evident that its powers *vis-à-vis* the government were to be shorn. Those of more 'rightist' leanings were more virulent in curtailing its powers, some going as far as to suggest the complete abolition of any semblance of democratic, parliamentary government; however, explicit advocates of a one party state were a rarity.

The universal theme of the corporatists was, within the varying degrees of curtailment of the legislature's powers, to place the executive in a stronger position so it would be able to perform its tasks as coordinator of national activity and arbitrator of conflicts, and for it to remain above factional interests and party competition, to the extent that they would continue to prevail. De La Rocque, for example, suggested a family vote with the head of a family having as many votes as there are members.<sup>43</sup> More significantly, he put forward proposals for strengthening the power of the executive with the 'head of the Nation' being elected on a mandate of two successive parliaments and only removeable by a vote of two-thirds of the National Assembly. The 'head of the Nation' would have powers of dissolution of the National Assembly and ministerial choice.<sup>44</sup> Both the chambers of the Economic Council were to be given only restricted (although how restricted was far from clear) powers with regard to the executive.<sup>45</sup> Louis Baudin, who cared little for individual liberty, proposed a model of corporatism where the designated ministries of the government would not positively guard the public interest but would exercise hierarchical authority.<sup>46</sup>

The notion proffered by the French theorists that the state's executive authority should be severely restricted in its responsibility to institutions and individuals below it, and not draw its authority from them, was shared by other theorists. Hierarchical norms received much emphasis. The works of the Germans, Karl Marlo and Konstantin Frantz, gave expression to such proposals in terms of need to have a hierarchical system. The people could not be allowed to participate in legislation which required a greater degree of insight than they could give, although taxes, as La Tour likewise proposed, should be subject to some representative constraint from taxpayers. To them it was important that the principle of rank or status prevailed, with the more important affairs of state being the prerogative of the monarchy or those specifically chosen for their 'fitness'. Such a system would be counterbalanced by a 'federalistic' development, where lower groups would be granted greater freedom in their own affairs, if still ultimately under the control of the central authority. Under such a



hierarchical system, elections would play only a very restricted role in selecting those suitable for higher levels of decision-making.<sup>47</sup> Manoilescu, for his part, returned to the need to have an ultimate source of authority to be able to arbitrate over conflicts that arose. He argued that it was necessary to have a strong head of government who had both the necessary authority and stability of office, with ministers aiding him, instead of holding the position of *primus inter pares* of cabinet government. The head of the government would be far from fully responsible to parliament. A simple majority would not oblige the head of government to resign; he would only be obliged to do so if parliament assembled an 'almost unanimous' opinion to that effect. And even given this strength of opinion, which Manoilescu saw as resulting only in times of crisis, the head of state would be able to continue the mandate of the head of government, whom he appointed, dissolve parliament and seek the opinions of a new parliament. Furthermore, despite the fact that his ideas owed less than most corporatists to medieval times, Manoilescu came out in favour of a monarchy as the form of head of state.<sup>48</sup> Again, like so many other theorists, it was emphasised that the government was not the sole source of public power, but was only the highest,<sup>49</sup> with the corporations enjoying their own 'autonomous' powers.

Albert Schäffle, apart from continuing some form of territorial representation, put forward similar proposals to those of Manoilescu with a monarchy and a Bismarkian form of government.<sup>50</sup> Othmar Spann was in favour of a high degree of 'decentralisation', but all levels would have to be strictly under the ultimate control of the one above. At the apex of the corporative system would be the corporative chamber where the *Stände* and the state were united, but it is clear that the political leaders in the *politische Stände* were the only ones who could speak for the entire nation and thus his system would be based on a completely irresponsible government.<sup>51</sup> *Völkisch* corporatists like Carl Schmitt argued along such lines as Spann, but the special occupational interests were not to be united by a political elite in the *politische Stände*, but by a national leader (*Führer*) who would be a (non-elected) representative member of the race of the *Volk*.<sup>52</sup> Hendrik de Man in his later corporatist years, similarly suggested that the 'new economic state' would have to be differently organised from the 'political state' to avoid internal bureaucratisation. In the new economic state 'representative institutions', that is, those based on the exercise of the right of individual suffrage, would have only the right of inspection and supervision; the exercise of the right to administer would be based on the *delegation* of power by the executive and through the representation of corporative interests.<sup>53</sup>

Whichever theorist is examined, whether his proposals for the political

system were actually detailed, as Manoilescu's were, or whether a few basic principles were outlined as in Pirou's case,<sup>54</sup> the common theme in this area of the theory was that the hierarchical principle of the corporatist system could not be breached by territorial and/or functional representation. Thus the state's executive authority had to be both above and independent of those representing particular interests in whatever guise, insofar as these interests, even majority interests, might override the collective interests of society. The corporatists were in effect arguing for two political principles to be applied: (1) those who hold the office of the state's executive authority have to represent the collective interest, and none other in respect of economic and social affairs. The collective interest was, of course, the collective interest according to corporatist principles. And (2) those who held such office would hold ultimate authority and be responsible to no institution or collectivity of individuals that itself did not represent the collective interest.

The above two principles which guided the theorists amount to no more than the argument that a corporatist regime must have a corporatist government and nothing else. By definition a corporatist government could not be a democratic government in terms of the generally accepted conceptualisations of democracy, because it was higher principles – social justice or the national interest – not popular demands however articulated that would guide government. Popular government is only possible to the extent that it is held that such principles can be popularly determined, which in the case of Catholic theorists, who advocated following 'God's' will, is inconceivable. In respect of nationalist writers the general, but not exclusive view was taken that defining the national interest, reflecting the national will, was an activity which was not able to be served through popular participation but had to be conducted by the few (if not one) who had the commensurate insight. Therefore, both camps of corporatists held to the 'descending theory' of political authority which had predominated in medieval Europe under the influence of the Christian Church.<sup>55</sup> Authority descended either from 'God' or *via* some, often rather obscure, identification with the nation's past. Certainly, the predisposition towards a monarchy of numerous theorists is explainable in such terms.

However, the earlier discussion of the writers' prescriptions for the political and governmental system revealed a notable diversity. Further examination of other corporatists' views would have done nothing to de-emphasise this diversity. So the theorists provided a wide spectrum of ideas on political organisation, ranging from Othmar Spann's *politische Stände* or Carl Schmitt's *Führer*, seemingly representative of and responsible to nobody to Jules Romians' *Groupe du 9-ème Julliet* whose corporatist proposals included a stronger, but nevertheless elected executive.<sup>56</sup>

The question inevitably arises as to whether those who advocated a degree of popular government were in effect in breach of the two political principles mentioned above. The two principles presented were the logical position the corporatists had to adopt, that is corporatist principles over democratic principles. But what we are concerned with here is what prescriptions the writers actually put forward, not what views it would have been logically advisable for them to hold.

In practice, none of the writers adopted an illogical position on this fundamental point. There was never any suggestion that democracy should prevail over social justice or the national interest. What those writers who proposed some restricted form of popular government were arguing was that corporatism would induce a change within society whereby there would be acceptance of the hierarchical nature of society; those who chose office-holders would do so for their leadership, not representative, qualities; for their collective insight, not for holding particularistic interests; for their adherence to true corporatist principles rather than any other. In this sense, these writers were attempting to perform a marriage between the descending and ascending theses of representation. Executive office-holders had to have certain imperative qualities, but there could be some popular choice in respect of who most adequately displayed such qualities. It is worth remembering that it was very common for theorists to suggest some discrimination in favour of those held to be most competent to choose. Once chosen the authorities were not to be held in check, but be allowed to get on with exercising their powers.<sup>57</sup> In so far as procedures were laid down for the removal of office-holders from their position, the sole count of indictment mentioned by the theorists was that of exceeding the bounds of authority and 'interfering' with the authority of the corporations. Indeed, when the theorists discussed 'representation' they often as not were referring to such a check upon exceeding authority. Thus, for example, Vogelsang emphasised corporative representation to ensure local and occupational autonomy.<sup>58</sup>

The corporatists' ideas on the nature of the political system were clearly diverse. Cutting through the diversity, however, were two persistent themes – emphasis on social community and the centrality of higher moral principles transcending, and indeed above, the members of society. Society was collectivist, but collectively organised and governed in a form that was not collectively decided – or for that matter decided by a majority. In such a system of ideas democratic norms could only be granted honorary membership, and then in effect on terms of continued good conduct. Many theorists did not even consider it advisable to offer membership at all. Yet it would be wrong to regard corporatist ideology as purely



authoritarian. Proximate to all their ideas was the notion of a moral transformation of society under corporatism. Such a transformation would create a society where there was an acceptance of a largely immutable hierarchy of authority. The acceptance of hierarchical authority not only conferred certain rights on those below, it also conferred upon them the duty to obey those above. In obeying those above, the subordinate was not just recognising the *legal authority* of the office, they were concomitantly acknowledging the *sociological authority* of the office-holder, his capacity and insight.

What the corporatists never considered, with a few exceptions, was the danger of falling head first into strident authoritarianism if moral transformation failed to materialise, particularly if those at the top remained morally suspect. This is not to suggest that economic and social theories should take on a contractual format with disclaimer clauses. But reading the theorists' deliberations a point that one continuously confronts is how close to the authoritarian winds they sailed, though they never breached them while holding to the promise of a harmonious society.