

Fascism and Marxian Terminology

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NOTHING is cheaper, of course, than to call at the top of your voice for new things. Whether it is new worlds or merely new words one is clamouring for, it is usually because one has failed to master the old.

Yet we must insist on our demand for a new Sociology, or for new Words, at least, which would deliver us from the pressing evil of being utterly unable to describe the most trivial events of our time without implying precisely the opposite of what we intend to convey.

Different Kinds of Revolution

Take the term Revolution. In current Marxian Sociology it is strictly confined to sweeping changes in the economic system. This taboo makes it quite impossible to give anything like an adequate sociological description of an historical earthquake like, e.g., the National Socialist upheaval in Germany. Why?

For the simple reason that it is in the nature of a Fascist convulsion to leave the economic system unchanged. Indeed, it is the very *raison d'être* of Fascism that it keeps the present economic system going. Nevertheless, it is the most thoroughgoing and complete break in the social system since the great revolutions of the seventeenth and eighteenth centuries. Even those who regard Fascism as merely "Capitalism without the political smoke-screen of Democracy" ought to be clear in their minds that an economic system without a political facade of some kind or other is, to say the least, a startling sociological novelty. But how on earth can one expect clarity regarding the epochal implications of Fascism if one is not even allowed to call it a revolution?

Democracy a Smoke Screen?

Then there is the "screen" itself. In pseudo-Marxian sociology Democracy is defined as the appropriate political superstructure of Capitalism. This definition implies that universal suffrage and representative institutions based upon it are the corollaries of the capitalist economic system. Democratic governments, old-fashioned Marxians assert, are thus but the Executive Board of capitalists as a class. Clearly the term Democracy used in this fashion is another stumbling-block in the way to an understanding of the Fascist phenomenon. Why?

The Deadly Tangle

For the simple reason that Fascism is merely the outcome of the mutual incompatibility of Democracy and Capitalism in our time.

If Democracy were really the appropriate political superstructure of Capitalism, Fascism would never have come into existence. But the opposite is the case. At an earlier stage democratic institutions in Politics, in fact, harmonize with capitalist leadership in Economics. But in a fully-developed industrial society a functional deadlock between Politics and Economics must inevitably arise: Democracy becomes an instrument of work-

ing-class influence, while Capitalism remains what it was, the domain of production, carried on under the exclusive responsibility of the capitalists. This incompatibility consists not merely in the fact that opposite principles reign in the one and in the other sphere. Ideological contradictions never actually matter unless they affect a vital part of social reality itself. But it is precisely material reality that is emphatically affected by this contradiction. The great majority of the population, which in Economics stands under the command of the property-owners, are now actually or potentially the decisive factor in politics. But the class of the employed can defend themselves against the fateful effects of industrial vicissitudes upon their personal lives only by deliberate political interference with the automatic laws governing in Capitalist markets and currency-systems, interest and wage-rates. They are provoked to this interference as a reaction against the secret capitalist influences trying to pervert the natural functions of political democracy; they are almost invited to do so when, during acute economic depressions, Big Business itself calls on political Democracy to help it in its difficulties; they are literally constrained to do it under fear of destruction, when the actual cessation of industrial activity threatens them with starvation.

Perversions of Functions

Political interference with Economics and economic interference with Politics become the rule. The property-owners endeavour to weaken, to discredit, and to disorganize the political apparatus of Democracy by every means in their power without the faintest regard for the most serious dangers arising for the community as a whole from the paralysis of the functions of regulation and legislation in Politics. Parliaments, consciously or unconsciously, weaken, discredit and disorganize the economic machinery of Capitalism in trying to prevent its self-regulating mechanism from restarting the cycle of production at the cost of hecatombs of human lives. The outcome is a signally defective working of Democracy and a clearly diminished Social Dividend in Capitalism. Their mutual incompatibility results in a very real loss both in terms of political safety and of economic standards for all.

A situation of this sort cannot be long endured by society as a whole. Society reacts against it with a vehemence as great as the peril itself. Nothing short of a total change-over in the basis of the social structure will suffice. The deadly interlocking of Democracy and Capitalism must be resolved if society is to survive. *Fascism is that form of revolutionary solution which keeps Capitalism untouched.*

Socialism is Functional

Obviously, there is another solution. It is to retain Democracy and abolish Capitalism. This is the Socialist solution. For, just as Capitalism needs Fascist politics as its complement, so Democracy needs Socialist economics as its extension.

Socialism is democratic or it is nothing. It is functional only because it is democratic. For functionalism is but the highest form of Democracy in society as a whole. The economies of a genuinely functional society are, therefore, necessarily Socialist. That functional sociology can also be used for Fascist purposes does not contradict this. Anatomy is no less a science of the whole human body because it can be made use of in the amputation of a leg. Nor is physiology any less a study of our normal functions because it may be used by eugenic fanatics in depriving human beings of some of them.

Sham Reform Possible

But here again we ought not to put up with the terms in use. In saying that Fascism leaves Capitalism untouched, we did not mean to stress the "untouched". We ought, in fact, not to exclude wholly the possibility of a Capitalism "reformed", so as to make it comply with some measure of planning in the process of production, and with some measure of security of tenure for those engaged in this process. In the current terminological jargon this would sound like so much unscientific fiction. For planning and security of employment are (and, in a manner, rightly) regarded as "Socialist" features in industry; it would seem almost a contradiction in terms to conceive of them as possible features of Capitalism under any circumstances whatever. But to think this is another dangerous scholastic fallacy.

Inevitable Failure

In Fascism, Democracy goes and Capitalism remains. Planning and security of tenure could be in principle introduced under Fascism by property-owners as a whole, distributing the risks amongst themselves. The same group of persons own here the factories, plan production, and share the costs of equalized employment among themselves, collectively. Fascism is not, in its nature, incompatible with some sham-reform of Capitalism. Indeed, herein lies perhaps its greatest danger. For it can promise and attempt that "reform" only because the abolition of Democracy opens up the way to an absolute and complete centralization of power in the hands of a small self-interested group, collectively. No amount of camouflage by means of *soi-disant* functional representation can do away with the fact that even the partial "reform" of the capitalist system in Fascism merely reveals the intrinsic impossibility of introducing any kind of genuine functionalism into a form of society which makes private property-owners into a class of demigods—above their fellows. No adherent of the Threefold State will doubt for an instant that a human agglomeration in which not only industrial and political but, finally, also intellectual, cultural and spiritual life is short-circuited in a minute group of vested interests is doomed to ruin and ignominy.

But most misleading of all is the terminology under which class-interests and the power-issue are often introduced into the discussion of Fascism. With these we will deal next week.

Taxation—II

S. G. HOBSON

THE upkeep and general maintenance of a State that has had the wisdom and prudence to separate its economic functions from its political life must inevitably lead to greatly increased expenditure, not balanced by the decrease in armaments. Our cultural activities must expand beyond all knowledge. If our existing Budget is, say, £750,000,000, we must prepare for at least £1,000,000,000 in the new dispensation. I make allowance for the stupendous burden of debt interest and sinking fund and even then have no fear of vast expenditure on education, science, art, housing, replanning, transport, and a thousand other things. Still, I may be wrong. Our Budget 1913-1914 was only £163,000,000, compared with £784,000,000 in 1918-1919, the last year of the War. Never mind! Whatever the amount, greater or smaller, we can manage it—ten times over, if needs be.

Function and Finance

Since, however, taxation assumes an altogether different form in a functional society, the economic group superseding the individual, we are at once confronted with the problems how to pay the taxation. That necessitates as simple as possible an explanation of the attitude of function to finance.

We shall save ourselves trouble and misunderstanding if we declare that function will never sit

on a dual throne with finance. Function knows from long experience that finance is, functionally considered, of minor importance. If we could imagine ten degrees in function, finance's status would be about five or six. The best minds are wasted on finance. The cashier's job is mechanical and not intellectual. He is a recorder; not a controller. He must do what he is told. And the banking system must simply become the accountancy department of the nation. It may tender advice, if asked; otherwise the control of money, currency, and credit must rest with the economic authority, in co-operation with the State.

Immoralities of Capitalism

Heaven forbid that I should find myself involved in the interminable discussions now proceeding on the subject of money. We may hope that perhaps possibly somehow some day who knows—an improved banking technique may be evolved. One notices that most of these discussions are within the framework of the existing system. So much the worse for them! I must, however, content myself with briefly stating what are the financial desiderata in a functional society.

(i) As stated, function must control finance. All financial control is, in itself, an act of bankruptcy.

(ii) Money must only have a token value. The two glaring immoralities of capitalism are the com-