What is the place of fascism in the spectrum of political doctrines? At present, there is no consensus among political scientists and economists, and the question has been extraordinarily politicized and distorted amid ideological battles. From the very beginning, fascism was depicted by Marxists as belonging to the Right, while Fascists themselves wanted to build a society that transcends the Left-Right paradigm. However, few voices in academia have noted that practical implementation of the Fascists’ ideas, inherited from the works of revolutionary and national syndicalists, exhibited predominantly leftist characteristics.

How should we situate fascism? This article does not claim to be an exhaustive analysis of fascism nor a detailed overview of existing approaches. The conclusions drawn are based on my earlier work on the theory of the political spectrum and on the works of other social scientists. I agree with scholars who consider genuine fascism a phenomenon that has received a deep theoretical basis inside the Franco-Italian cultural complex (Sternhell, Sznajder, and Asheri 1994) and a practical embodiment precisely in Mussolini’s Italy. Any other imitations of the Italian fascist state in Europe should not be considered real fascism or a generic pan-European phenomenon (de Felice [1969] 1977; Gentile 2002). Moreover, German National Socialism is not congruent to Italian fascism, regardless of their seeming similarity (Bracher 1970; Sternhell, Sznajder, and Asheri 1994; Pipes 1999; Gottfried 2016). The article is limited to the question of assigning Italian fascism its proper place on

Allen Gindler is an independent scholar from the former Soviet Union who specializes in political economy and promotes free market economics.
the political spectrum. Doing so will determine whether fascism is a unique and independent phenomenon, merely a flavor of the socialist movement, or a logical development of imperialism—the highest and decaying stage of capitalism, according to Lenin (Lenin 1963 [1917]).

The fascist regime was established in 1922 in Italy and lasted twenty-three years, through the end of World War II in 1945. Although it was short-lived from a historical perspective, its basic ideology and practice have confounded political scientists until the present day. There is no consensus among various political and academic circles (sociological, historical, and economic) regarding its place on the political spectrum. Fascism has become the most controversial politico-economic doctrine, and no answer has yet been found that satisfies all interested parties.

The reason is that fascism was theoretically conceived as a compromise between liberal capitalism and socialism and, as such, was deemed to possess the properties of both doctrines. One of the disputing parties exaggerates the features of individualism in fascism and asserts that it belongs to the reactionary form of capitalism. Another sees the features of collectivism and classifies fascism as a kind of socialism. Finally, the third argues that fascism occupies its own unique niche on the political spectrum: it is neither on the left nor the right.

The study of fascism has rarely been able to free itself from ideological shackles and prejudiced attitudes. The problem of fascism, instead of being simplified, was artificially overcomplicated. Constantin Iordachi pointed out, “Paradoxically, however, the extraordinary proliferation of fascist studies seemed to bring more confusion than light to the field, throwing it into a state of perpetual crisis” (2010, 12). When an issue has been in constant crisis for over a century, it must be admitted that either honest mistakes were made in the study, or steps were taken by some stakeholders to obscure the search for truth.

The unprecedented ambiguity in defining and understanding fascism was, first of all, the result of vicious interspecific struggles among different socialist currents. In particular, the initial response to the phenomenon of fascism predictably came from the communist camp in the interwar period, which also marked the beginning of the direct and thoughtful falsification of the nature of genuine fascism.

Bolsheviks insisted that fascism did not dismantle a capitalist state. They asserted that fascism was the revolt of the petty bourgeoisie, which had captured the state’s machinery. The Marxist-Leninist arguments were as follows: The fascist core consisted of former social-chauvinists, reformists, and revisionists, who, in Lenin’s words, “went to the right” and therefore were agents of the petty bourgeoisie. It follows, then, that fascism is a counterrevolution organized by this reactionary class stratum. Trotsky stated, “Italian fascism was the immediate outgrowth of the betrayal by the reformists of the uprising of the Italian proletariat” (1932, 7).

1. Including the Republic of Salò (1943–1945).
However, the identification of fascism with the petty bourgeois counter-revolution turned out to be a rather unconvincing and to some extent emotional explanation. Indeed, as a subclass that did not receive due attention in Marxism—except that it had to disappear from the face of the earth because of its tendency to concentrate capital—could it arrange a counterrevolution? Surely other more powerful and understandable forces described by Marxism had to be involved.

Of course, the Marxist ideologues immediately found such counterrevolutionary forces. Bulgarian communist Georgi Dimitrov asserted that “fascism in power was . . . the open terrorist dictatorship of the most reactionary, most chauvinistic and most imperialist elements of finance capital.” Furthermore, he stated, “Fascism is the power of finance capital itself” (1935). The communist camp began discrediting fascism on several fronts. They did not accept a mass character of the fascist movement; they described bourgeoisie of all ranks as a driving force of the fascist counterrevolution; they theorized about various forms that fascism could take in different countries and assigned all authoritarian regimes to fascism, except the Soviet one.

Such lines of thought have remained unchanged for years and were reinforced after World War II, as the Soviet Union and Western allies were victors, and the Left had an opportunity to write and rewrite history at will. Marxists tried hard to camouflage the actual features of fascism, producing several conflicting explanations of the phenomenon that all insisted the doctrine has nothing to do with either socialism or the worker movement.

Reverberation of the Marxist approach can be found in many scientific treatises on fascism and its place on the political spectrum that appeared after World War II. The prominent German scholar Ernst Nolte proposed a “fascist minimum” that described fascism as an anti-Marxist and anti-liberalist movement with the aim of totalitarianism. Nolte posited, based on the old Marxist position, that fascism and National Socialism belong on the right, as “counterrevolutionary imitation of the revolutionary Left.” His succinct explanation can be found in the catchy slogan: “Without Marxism there is no fascism” (1965, 21).

James Gregor (2009) considered fascism to be left-wing. He interpreted fascism as a convoluted version of Marxism, and their relationship as species belonging to the same genus. Sternhell, Sznajder, and Asheri (1994) argued that fascism was a revision of Marxism and not a variety of Marxism or a consequence of Marxism. Sternhell suggested that fascism transcends the Left-Right paradigm, thus occupying a yet undefined place on the political spectrum. Paul Gottfried considered fascism a phenomenon of the Right. He pointed out, “From the perspective of interwar Europe, however, revolutionary nationalists who favored corporatist economies did not really belong to the Left . . . . They occupied a different situation as enemies of the Left and particularly the Bolsheviks” (2016, 38).
The libertarian position, especially promoted by the Austrian School of Economics, firmly designated fascism as a genuine socialist doctrine. Ludwig von Mises analyzed two patterns for the realization of socialism. He wrote:

The first pattern (we may call it the Lenin or the Russian pattern) is purely bureaucratic. All plants, shops and farms are formally nationalized (*verstaatlicht*); they are departments of the government operated by civil servants. Every unit of the apparatus of production stands in the same relation to the superior central organization, as does a local post office to the office of the postmaster general.

The second pattern (we may call it the Hindenburg or German pattern) nominally and seemingly preserves private ownership of markets, prices, wages, and interest rates. There are, however, no longer entrepreneurs, but only shop managers (*Betriebsführer* in the terminology of the Nazi legislation). ([1949] 2008, 717)

At present, fascism is most commonly perceived as an ultra-right ideology in people’s minds, mass media, and academia. This is mostly based on outright leftist propaganda and misinterpretation (and even at times misrepresentation) of historical truths. When examining this issue from an academic perspective, there tends to be one-sidedness in the definition of socialism, predominantly from the point of view of materialist philosophy, which excludes fascism from its list of collectivist doctrines.

The question of whether fascism belongs to one or another wing of the political spectrum is based primarily on the solution of two interrelated problems: the method of constructing a political spectrogram and finding the definition of the socialist minimax. The resolution of the first issue will establish the factors influencing the polarization of the political spectrum and its form, dimensions, and axes. Finding the socialist minimax means defining the minimum set of attributes that uniquely define socialism and that encompass the maximum number of leftist doctrines. When the answers to the questions posed are given, it will be possible to assess whether fascism fits the definition of socialism and determine its place on the political spectrum.

### The Political Spectrum

Let us consider the first problem. Currently, there is no consensus among scholars on the construction of the political spectrum. This lack of consensus applies both to the methodology of composing a spectrogram and to the assignment of political doctrines to a certain position on it. Very often different methods of problem solving lead to the same result and thus reinforce provisions of the theory. This is not a case for political science that deals with the political spectrum: various methods produce different, and even opposite, results.

In “The Theory of the Political Spectrum” (Gindler 2020), I addressed this issue and proposed a method that minimizes research subjectivity and identifies a
set of underlying elements on which a political spectrogram can be based. I applied a qualitative comparative analysis (QCA) to a study of the most prominent nineteenth- and twentieth-century political philosophies, formalizing their essential provisions into the set theory’s statements and applying theorems of mathematical logic to obtain the causative factors that influence political spectrum polarization. This approach adds objectivity to the study of political doctrines, as mathematics pays no attention to the political bias or the emotions of the researcher. It works with sets of variables and finds solutions according to rigorously proven theorems. Of course, the introduction of distorted initial data into a mathematical model, as a rule, leads to incorrect results, so I presented a detailed explanation of the formalization of the provisions of the political doctrines I undertook.

The political spectrum is defined as a system of qualitative comparisons of different political philosophies. It is visualized as a graphic representation of various politico-philosophical doctrines on diverse issues that are relevant to society for a particular period of time. Therefore, any political spectrum is not only historical and relative but also multidimensional. Furthermore, significant socioeconomic changes in society can trigger a switch in the polarization of the political spectrum. Thus, it is inappropriate to apply the same spectrogram for feudalism as for capitalism, to take one example. Regardless of an imaginary or a real switch in the polarization of the political spectrum, the modern political spectrum under consideration is the offspring of capitalism.

The study found that political spectrum polarization is based on three causative factors: attitude to private property, degree of individual freedom, and the scale of wealth redistribution. All three factors are linked by the OR operand and passed the verification for necessity and sufficiency. The explanation of the parsimonious solution is straightforward: The political doctrine is left wing if it assaults private property rights OR subjugates the individual to the collective OR imposes compulsory and scaled-wealth redistribution. In terms of set theory, the solution for the left-wing ideologies is written as follows:

\[
CP + WR + CC \rightarrow \text{Left},
\]  

where + is a logical OR operand and \(\rightarrow\) is a subset operand,

- CP – collectivization of property,
- WR – wealth redistribution,
- CC – collectivization of consciousness

The OR operand means that these factors can be employed individually or in concert. On the contrary, the political philosophy belongs to the set of right-wing doctrines if it defends individual and economic freedom and resists compulsory wealth redistribution. Thus, having three causal variables, the political spectrum turns out to be four-dimensional.
Furthermore, contrary to traditional thought, the QCA approach firmly rejects nationalism as a necessary or sufficient condition to divide the political spectrum between left and right. Although “nationalism/racism” was present in the model initially as a potential causative factor, the algorithm excluded it from the so-called parsimonious solution. This does not mean that nationalism, to a certain degree, is not inherent in fascism. Instead, it means that nationalism can manifest itself in the doctrines of both the Left and the Right and should not be used as a marker to distinguish ideologies on the political spectrum. This conclusion came as a surprise, contradicting the traditional point of view, and requires more detailed elaboration.

In order to assess an object or phenomenon, it is essential to know not only what it is but also what it is not. Applied to the political spectrum, nationalism has been used as one of the primary factors that distinguishes between left and right political doctrines since Marx’s *Communist Manifesto*, but it is not a causative condition in the model. How does one make sense of this result?

First, in “How and Why Fascism and Nazism became the ‘Right’” (Gindler 2021), I show that Marxian proletarian internationalism was a political myth that predated Georges Sorel’s theory of political myth but served the same function: to develop the class consciousness of the proletariat, encourage its combativeness, and mobilize for the upcoming fight with world capitalism. The Marxist suggestion that proletarians possess exceptional moral qualities that oppose nationalism and bigotry and exhibit an unconditional love for all people (except entrepreneurs) is empirically unwarranted based on historical evidence. It was, instead, a necessary condition for the Marxist theory to be logically consistent; that is, the world socialist revolution against world capital could not take place without the united front of proletarians.

Marx and Engels well understood that entrepreneurs were genuinely international because capital does not have borders, and economies of different countries are interconnected. At the same time, labor was mostly local, lacking international organizations and representations. Therefore, Marxism invented proletarian internationalism in order to accommodate their teaching to the socioeconomic realities and attempt to mobilize the world proletariat for the world socialist revolution. Marxism consolidated and expanded internationalism as an integral feature of the workers’ and socialist movements, opposing itself to the contrived nationalism of capitalist society. It was an act of intellectual dishonesty that is still difficult to eradicate.

Second, nationalism as a marker of the difference between left and right doctrines loses its meaning when both doctrines converge on the national issue. History provides instances of when left and right nationalists united. For example, the founder of revolutionary syndicalism, Sorel, was an inveterate and ardent anti-Semite who subscribed to the habitual fabrications against the Jews by the insecure nationalists. He found a great affinity with the French royalist and nationalist group
L’Action française. His anti-Semitism was a common denominator in the junction with integral nationalism, advocated by this group.

Third, a meticulous and unbiased analysis of Marxist regimes such as the Soviet Union unambiguously shows that Marx’s abstract internationalism, along with Lenin’s slogan about the right of nations to self-determination, was empty words, the most ordinary propaganda. In practice, the communists pursued a harsh national policy. Examples include the failed attempts to return Poland to the Soviet empire by force (1919–1921) and attempts to annex Finland (1939–1940), as well as military actions in Ukraine, the Caucasus, and Central Asia after the October coup, to prevent the formation of independent states.

Bolsheviks carried out a policy of coerced Russification: they closed national schools, newspapers, magazines, and houses of worship. Many ethnic groups (Don Cossacks, Volga Germans, Crimean Tatars, Chechens, Ingush) were repressed, deported, and resettled into territories with a harsh climate as a collective punishment. The Soviet regime starved four million Ukrainians to death during the Holodomor. Of course, one cannot fail to note the presence of state anti-Semitism and incitement to hatred of Jews in the Soviet Union, which eventually ended in a mass exodus of Jews from the country.

Proletarian internationalism as a political myth, the convergence of left and right nationalists, and communists’ aggressive nationalism, explain the correctness of the algorithmic excluding of nationalism as a causal condition for the polarization of the political spectrum, as both the Left and the Right can sin with racism and nationalism.

Nationalism undoubtedly lends a certain flavor to political ideology, but it does not override the main issues of ideology in importance. Peripheral factors make it possible to further define the differences, especially between similar ideologies or regimes, but by and large do not determine their inner essence. Nationalism had a huge impact on the ideas of the unification of Italy—the Risorgimento—and on Mussolini’s political success and expansionist policies. However, let’s assume that after everything had been said and done, the unification was completed. This still does not solve the fundamental issues of the socioeconomic structure of the united Italy. Society still must determine its attitude toward private property rights, individual freedom, and wealth redistribution policy to ensure a just social order. As we will see, the essence of Italian Fascism lay in resolving a conflict between labor and capital by subordinating everything and everyone to the corporate state, thereby attempting to ensure social order and the well-being of the nation as a whole.

In conclusion, it is worth reiterating that the provisions of political philosophy on the issues of private property, individual freedom, and the redistribution of wealth, along with the tactics and strategies for solving these problems by certain regimes, are the main factors influencing the political spectrum polarization.
Socialist Minimax

Let us return to the seemingly simple question, What is socialism? The contemporary understanding of socialism is basically that it is a politico-economic theory of human society that maintains that the means of production, wealth distribution, and exchange should be owned and regulated by the community as a whole.

In his monumental work *Human Action*, Mises emphasized, “The essential mark of socialism is that one will alone acts . . . . The main thing is that the employment of all factors of production is directed by one agency only. All the rest simply obey orders and instructions” ([1949] 2008, 691–92). Later on, he categorically concluded, “The essence of Socialism is this: All the means of production are in the exclusive control of the organized community. This and this alone is Socialism. All other definitions are misleading” (Mises [1951] 1962, 250).

Hans-Hermann Hoppe considers socialism to be “an institutionalized interference with or aggression against private property and private property claims” (2010, 2). This definition is based on the theory of private property rights (which he significantly advanced) and determines that distinctive flavors of socialism and capitalism are characterized by different degrees of interference with property rights, which influence a nation’s overall economic prosperity. He demonstrated that assaults on private property result in nonviable, inefficient, and amoral socioeconomic systems. Murray Rothbard argued that the essence of socialism “is always the same: total coercive state control over the economy” (2009, 1273).

The above explanations of socialism are correct to a point and highlight its important economic features; however, they should not be considered exhaustive definitions. The crux of the matter is that the wording implies a narrow understanding of socialism from a perspective critical of Marxism but does not fully capture the features inherent in other members of the socialist family, especially non-Marxist ones. Also, authors mostly considered socialist theories that materialized and did not pay careful attention to those that failed to do so and remained purely abstract constructs.

Socialism is not limited to just one approach and one notion. There have been multiple socialist currents, and the proponents of each considered only their flavor of socialism and its path of implementation as the correct one. Some of them existed before Marx and Engels (Utopian socialists), some were their contemporaries (reactionary, democratic, and bourgeois socialists, collectivist anarchists), and some appeared as revisions of Marxian thoughts (evolutionary socialism, revolutionary syndicalism).

The generic definition of socialism should list all key subjects of socialization and be broad enough to encompass the essence of socialism of most socialist currents. Since Plato’s celebrated work *Politeia*, the evolution of socialist thoughts had revolved around two main subjects of socialization: private property and the individual. Karl Popper ([1945] 2020) exposed Plato as the first “planner” who theorized about abolishing private property to eliminate economic interest, the establishment of a totalitarian, self-contained, and economically isolated state (autarky) ruled by a superior master race.
The collectivization of private property was propagandized by Marxists and had become a trademark of socialism by the beginning of the twentieth century. The collectivization of individuals has slipped through the cracks for a while, even though it was implied in Marxism as well: the second stage of communism is impossible without creation of a “new collectivized man.” Obviously, Marxism emphasized the collectivization of property more than the collectivization of the individual, but the latter did not escape the attention of the subsequent generation of socialist thinkers.

Mikhail Tugan-Baranovsky, a distinguished socialist intellectual, understood Plato’s ideas of collectivization of consciousness as genuinely socialistic:

> It is not the individual who has the real value, but the human society. The social order must be such that the social whole is the most beautiful, harmonious and perfect. This also requires the complete subordination of the individual to society, the transformation of the individual into a simple organ of society, the destruction of everything that, under the present conditions of society, leads to a collision of the individual with society ([1918] 2003, 8).²

Also, according to Marxist-Leninist doctrine, the communists had to take the lead in fulfilling the daunting task of developing a new type of Soviet man, who cherished collectivism more than individualism.

Some anti-Marxist revisionists developed the idea that social and economic problems are basically psychological and cultural and not economic phenomena. Therefore, in order to end exploitation and alienation, it would be necessary and sufficient to “give people a common myth, to give everyone the feeling of working for the good of the country, of being in the service of some higher cause rather than their personal interests” (Sternhell 2008, 287). In other words, they emphasized the predominance of collective psychological and cultural motivational forces over individualistic economic drives. Thus, the collectivization of consciousness is an integral feature of communism and other socialist doctrines and should take an equal place in the definition of socialism.

In “The Theory of the Political Spectrum” (Gindler 2020), I suggest a comprehensive characterization of socialism, which transcends the materialist definition and instead encompasses all known socialist thoughts. Socialism is defined as “a set of artificial socio-economic systems which are characterized by varying degrees of socialization of property, subjugation of individual consciousness, and scale of wealth redistribution, imposed on society by revolutionary or ruling elites without majority consent.”³

² Tugan-Baranovsky, however, believed that modern socialism sought to subjugate the entire system of society in the interests of the person. He died in 1919 and did not see how he was mistaken.

³ Tugan-Baranovsky ([1918] 2003) recognized that “[t]he socialist system is an artificial, invented form of human society, as opposed to the natural, spontaneously developed forms of society that exist today.” He saw the undeniable advantage in that society can be organized according to a precise plan and not following independent evolutionary processes. He held the opinion that humanity has matured enough to take the development of society into their own hands.
It is easy to see that this definition follows from the parsimonious solution of the QCA and is based on the same factors: attitude to private property, degree of individual freedom, and scale of the redistribution of wealth. These factors can be viewed as concrete paths to socialism that are used individually or jointly. Thus, Bolsheviks utilized all three ways to build communism. In contrast, evolutionary socialists funnel the effort to implement a massive wealth redistribution along with the gradual indoctrination of the population.

Now, when the factors that influence the polarization of the political spectrum are known, and the definition of the socialist minimax is given, it is possible to determine objectively the place of fascism in the political spectrum. This article investigates whether the factors I have mentioned were incorporated into the fascist ideology and, more importantly, how and to what degree they materialized during Italy’s transition to fascism. The fascist doctrine evolved over time, and specific provisions provided at a later time contradicted ideas from earlier periods. These contradictions are evidence of either tactical manipulations and outright propagandist lies or of changes in theoretical requirements due to the insufficiency of past assumptions. Fascists’ actions sometimes deviated from theory because their real-life experience was more complicated than the ideas had suggested. Some adjustments were justified and deemed necessary, or specific actions were induced by the political and economic circumstances at the time. Fascists faced many obstacles as they stepped into the unknown territory of the transition period from liberal democracy to totalitarianism, from capitalism to corporatism, from a market economy to a semi-planned one, from free trade to autarky, and from peaceful times to calamities of war.

A societal change is difficult, especially if it tries to reverse the natural course of human evolution. Bolsheviks had faced the same difficulties, and they also deviated from the orthodox Marxist teachings. Nevertheless, their deviations were well understood, and there was no discrepancy in the understanding of their communist regime. The same unbiased approach should also be applied to the study of fascism. So it is necessary to see through various misconceptions and the influence of specific circumstances in order to crystalize the natural features of fascism and understand how they correlate with the factors discovered through the analysis.

**Attitude toward Private Property Rights**

Fascist thinkers proposed an original solution (as it seemed to them) to the issue of socioeconomic order in society, which significantly differed both from orthodox Marxism and its revisionist interpretation by the Bolsheviks of Russia. They based their approaches to answering this question on the rich intellectual development of the anti-Marxist left, which appeared first in France and then in Italy, long before the First World War.

However, it was the First World War that crystallized the ideas of the Fascists in their mature and comprehensive form. First of all, the war showed that people
of different strata can merge in a patriotic impulse and heroically fight shoulder to shoulder against common enemies. The stratification of society into classes was temporarily overwhelmed by the mutual cause of defending the fatherland. Marxian internationalism was refuted because the majority of the European Left supported the war effort. Second, it was possible to see that the state was able to accumulate and control enormous human, financial, and material resources to achieve a common goal. The rise of the state’s role as a key player in all spheres of human activity led to a proof-of-concept status in the minds of fascist thinkers during the war.

Fascist intellectuals unambiguously and sincerely developed a political ideology that envisioned a new type of society of the future: emancipated men and class unity; a powerful totalitarian state governed by capable elites aiming to achieve unprecedented civilizational heights in all aspects of human activities; and productionism as an economy with harmony between labor and capital. The fascist doctrine was aimed at promoting a new civilization for the modern era, based on the moral unity of the nation and the predominance of state interests in all aspects of social relations in order to ensure the safety and well-being of every person.

At first glance, the attitude of fascist ideology to private property may seem controversial and inconsistent. However, we should not lose sight of the fact that the problem of private property rights is destined to be resolved within a generalized scheme, where the state is a master of everything and everyone. We must clearly distinguish between what is the core fascist thought about private property, and what is political maneuvering and outright manipulation.

Mussolini’s cabinet conducted a fairly liberal economic policy at the beginning of its government. At that time, Fascists were still sharing a bench in the parliament with other parties, and Mussolini had not yet acquired unlimited power. Mussolini’s first minister of finance was Alberto De’ Stefani, a professor of economics. Under De’ Stefani’s supervision, state intervention in the economy was reduced, taxes were cut, tax laws were simplified, and government spending was curbed. These emergency measures stabilized the Italian economy, an accomplishment that the previous government could not achieve.

To please big business owners, gain additional support, consolidate power, and, more critically, fill the country’s coffers, the fascist faction carried out a policy of privatization. The government sold state-owned enterprises and assets, such as telephone networks, insurance, metalworks, and many others. Its economic policy was in sharp contrast to other European countries’ main economic trends, which were influenced by left-leaning “progressive” governments. This tactical maneuver was very successful, and within a couple of years, Fascists had reduced government

4. Only Bolsheviks and the Spartacus League within the German Social Democratic Party stubbornly insisted on proletarian unity against world imperialism during World War I.

5. Alberto De’ Stefani (1879–1969) was in charge of Italian economic policy from 1922 to 1925 and carried out laissez-faire reforms.
expenditure and balanced the budget, while increasing industrial production beyond
the wartime peak.

As a former Marxist, Mussolini certainly knew that in the first stage of
communism, the level of economic activity had to be higher than at any point during
capitalism. Therefore, a violent expropriation of private property and, consequently,
reduced production capacity would not lead to the needed level of economic de-
velopment. Thus, Mussolini tried to avoid impeding the economy by not employing
violent revolutionary measures as the Bolsheviks had done in Russia. However, this
should not be considered evidence of the complicity of the Fascists with capital, since
these were temporary measures, and the gradient in the development of fascism ulti-
mately brought private property rights under control.

The Bolsheviks themselves temporarily halted collectivization after their first
attempts to fully implement it against the background of the devastation of the Civil
War, which brought the Soviet economy to the brink of total collapse. Communists
had improvised as they went along, and some of their actions were not exclusively
taken from the Left’s manuals. The New Economic Policy (NEP) was a partial res-
toration of market relations and property rights; it lasted from 1922 to 1928. No
scholars accused the Bolsheviks of betraying socialist ideas or clinging to capitalism;
instead, the vast majority understood the reasons for and provisional nature of such
a policy.6 However, in the case of fascism, we hear that Mussolini was complicit with
capitalists against the laborers, indicating that fascism was therefore a right-oriented
movement.

Mussolini rejected Marx’s proposition that class struggle had been a driving
force of history. Nevertheless, he accepted the notion of the conflict between labor
and capital in a capitalist society and thought he knew how to resolve this diver-
genence between them. He thought that the syndicalist idea of achieving productivism,
which had never been tried before, had essential ingredients that would pacify both
labor and capital and eventually eliminate a cause of the conflict. Fascist doctrine
views the class struggle as an episode at the stage of stabilizing society in the direc-
tion of general equilibrium.

Actually, the entire purpose of totalitarianism, the corporate state, nationalism,
and fascism as a whole was the attainment of social peace, an attempt to reconcile the
supposed conflict between labor and capital once and for all. The practical implemen-
tation of productivism based on the idea of collaboration between “free producers”
was reflected in the introduction of corporatism. However, Fascists’ application of
these economic ideas in the form of corporatism was done precisely to achieve the
opposite effect. Instead of reassigning all property rights regarding means of produc-
tion to labor collectives and delegating all economic power to industrial syndicates,
the fascist state usurped that role, leaving property titles intact. Rather than being

6. The Left opposition, led by Trotsky, argued against the NEP.
a small political state, as Mussolini had originally promised, the fascist totalitarian state encompassed all aspects of relations within society, especially economic ones. Neither Arturo Labriola nor Enrico Leone—syndicalist economists who developed the theory of productivism—had envisioned such a state of affairs within the economic practices of syndicates.

Corporatism was a system that stressed the central role of the state in promoting social justice and suppressing the grievances that resulted when people pursued their own ambitions. Under corporatism, employee and employer associations united under one corporation set up for each of the four main branches of the economy: agriculture, industry, commerce, and finance. The emerging corporate state was much larger, more complex, and more intrusive than the democratic state that previously existed in Italy. State structures grew vertically and horizontally, creating institutions by territorial and professional categories, establishing occupational federations, confederations, the Corporative Parliament, the Ministry of Corporations, and Labor Courts—all with multitudes of councils, departments, divisions, committees, and bureaus. In 1935, there were twenty-two corporations subdivided according to the cycle of production, thus encompassing the entire process, from obtaining the raw materials to the sale of the finished goods (Florinsky 1938, 92).

It was theorized that the representatives of labor and capital could settle any economic issues through collective negotiations. In practice, the corporations were primarily ruled according to the dictates of the Fascist Party and its supreme leader. The law recognized corporations as state organs, and the National Council of Corporations (NCC) was presided over by Mussolini as the head of the government. Fascists predictably drifted to the realm of a pseudo-planned economy. Their “corporations” resembled a network of government planning agencies, one for each industry. The NCC served as a national overseer of these individual corporations and had the power to “issue regulations of a compulsory character” (Pitigliani 1934, 107).

The government’s intrusion into the economy was profound, although it was not unleashed at once, but rather gradually, so it did not seem that anything significant had changed in the capitalist method of production. The fascist Charter of Labor contained theoretical propositions of corporatism as early as 1926, but they only fully materialized in 1934, and corporations’ authority became more extensive and intrusive as time passed. In the beginning, they were used as a venue to settle disputes between employees and employers, as well as a means of providing education and social work. Later, corporations’ objectives were widened and included requirements to increase productivity and reduce costs. Finally, the state reserved the right to control and directly manage any enterprise if it was considered politically or economically vital. Gradually, all production relations were subordinated to the state, and employers lost the opportunity to make their own decisions unless they coincided with the opinions and wishes of the party and government.
Corporatism was an ingeniously invented and implemented deception scheme that allowed the state to commit aggression against private property rights. The intentions were clearly stated in the Charter of Labor and later confirmed by practice:

The Corporative State considers that, in the sphere of production as a whole, private initiative is the most effective and valuable instrument in the interests of the Nation. In view of the fact that the private organization of production is a function of national concern, the organizer of the enterprise is responsible to the State for the management of its production. (Pitigliani 1934, 246)

As they say, watch the magician’s hands: Enterprises could be private, but the employers and employees must register with occupational associations that were part of corporations, which were state organs. Therefore, corporatism was an economic model that seemingly had resolved the confrontation between labor and capital by introducing a new boss—a powerful ideological and militaristic state, governed by the Fascist Party. Now workers were seen as laboring for the good of the whole state and not for any particular employer; employers, in turn, were limited in their rights to control their property. As such, Fascists elevated workers and diminished capitalist rights in Italian society without imposing direct expropriation of the means of production.

Corporatism linked workers and employers in one common chain, and they both became cogs in the machinery of the state, differing only in their respective functions within the production process. It was a skillfully designed illusion in which former “antagonists” were forced by the state to cooperate in order to emancipate the society. In reality, workers and employers became slaves of a new uber boss, who did not tolerate failure.

Although Fascists did not expropriate private property directly (a la Marx and the Bolsheviks) there was a very subtle caveat—nominally private property was permitted as long as it was in service to and useful for the state. Private enterprises were directed by government corporations on what to produce, in what quantity, and of what quality. Therefore, it could be concluded that corporatism was collectivist in nature; it was a de facto nationalization without being de jure nationalization.

The fascist state used socioeconomic recipes from the cookbooks of the world’s Left. Mussolini’s government implemented social policies that were socialists’ oldest and longest-fought-for aspirations. The fascist policies strived to achieve an equilibrium in society by means of fair collective contracts and the most advantageous distribution of the aggregate quantity of welfare produced. First of all, the fascist government introduced a plethora of social programs that had not been practiced on such a grand scale anywhere in the world yet—supplementary food assistance, infant care, maternity assistance, general healthcare, wage supplements, paid vacations, unemployment
benefits, illness insurance, occupational hazard insurance, general family assistance, public housing, and old age and disability insurance, which effectively transformed Italy into a welfare state (Gregor 1979, 258–64). This was an unprecedented wealth redistribution, undertaken by the fascist totalitarian state to erase inequality between employers and employees.

It should be noted that all forms of support were facilitated through various institutions for assistance and insurance and were paid by the interested parties themselves through their contributions. Moreover, these contributions were mandatory and proportionally higher for the companies than for the workers.

Mussolini also adopted the Keynesian policy of government spending on public works to stimulate the economy. In Keynes's approach, there is always government intervention in economic affairs, which inevitably leads to a pseudo-planned economy. The fascist regime had initiated programs of public works of unprecedented scale. People were engaged in massive construction projects; they built highways, bridges, and schools, and even drained swamps.

One could conclude that Italy’s particular circumstances prevented Mussolini from implementing full revolutionary transformation. The unique position of fascism forced Mussolini to seek a continuous compromise. Nevertheless, Mussolini’s gradient of social and economic development was unambiguously directed toward a socialist state. Mussolini’s socialist upbringing had indelibly influenced his thoughts. The Fascist Party had been working slowly but surely toward the nationalization of private property. Due to the worldwide economic crises and continuous bailouts of failing banks and industries, Mussolini claimed that three-quarters of Italian businesses were under state control by 1934. Apparently, he intended to nationalize all property by 1940 but could not accomplish this because of the looming war (Smith 1983, 311). It is telling that by 1939, Fascist Italy had attained the highest rate of state ownership of an economy in the world other than the Soviet Union (Knight 2003, 65).

The fascist revolution did not follow the Bolsheviks’ scenario, but their actions should not be viewed as less revolutionary or even sympathetic to the bourgeoisie. The Fascist Party indeed did not finish what it had started, but even the intermediate results clearly pointed to the gradual dismantling of the liberal state and capitalist economic relations. Corporations as state organs were useful tools for superseding the liberal economy. They worked more slowly but prevented mass outrage and the possibility of a civil war.

Thus, the fascist government pursued a policy of large-scale redistribution of wealth, while the constant intrusion of the state in the economy led to partial collectivization of private ownership of the means of production. If in the beginning the fascist state exercised strict control over economic relations, but at the same time did not expropriate property rights, then over time the state gradually became the proper and legal owner of economic assets. Thus, fascism achieved the nationalization of the economy in a way very different from that of the Bolsheviks, but the result was very similar.
Collectivization of Consciousness

Collectivization of consciousness is a general term meaning the forced or deliberate subjugation of an individual to a collective ideology by a dominant institution. The most widespread and strongest institution is of course the state; however, it is not an exclusive institution. For example, from 1918 to 1921 indoctrination of the population of the Free Territory in South-Eastern Ukraine was carried out by Anarchist-Communist agitators, backed by the Revolutionary Insurrectionary Army. Ideological brainwashing can be carried out in educational institutions by ideologically biased educators, even without an explicit order from the government, as practiced by the proponents of evolutionary socialism.

Mussolini had long nourished the idea that an all-encompassing state was the critical component of the fascist doctrine. However, initially he did not unleash coercive measures, because of the weakness of the fascist regime. After the fascist base became more significant and influential and the economy improved, Mussolini began to build a corporatist state. This almost coincides with the termination of the New Economic Policy in Soviet Russia (there is two years’ difference). Both regimes stopped clinging to pseudo-laissez-faire economic policies and introduced radical programs in economics and in social life. The pendulum had definitely swung to the left.

In his forceful speech on January 3, 1925, Mussolini finally opened the gate for harsh measures against individual freedom and opposition. Within the next two years, the fascist regime had essentially committed a coup d’état, which Mussolini's supporters had been waiting for since the movement’s creation. This period, therefore, could be considered the beginning of the genuine fascist regime. All political parties were dissolved except the National Fascist Party, and Italy officially became a one-party dictatorship. All opposition media and organizations were closed, and some prominent activists were arrested. Directly appointed loyal administrators replaced elected ones. The regime had instituted censorship of the press and media. All trade unions were closed except the fascist-controlled ones, and Italy became a one-party country under one supreme leader—Il Duce himself.

Under Mussolini’s fascist state, the government was totalitarian, meaning there were no limits to its ability to impact all facets of public life. As Mussolini famously said to the Chamber of Deputies in 1928, “Everything within the state, nothing outside the state, nothing against the state.” Therefore, contrary to his earlier speeches, in reality, he envisioned and built a state that influenced every aspect of the national life. Mussolini considered the state as the guarantor of security and a custodian of its people’s spirit throughout the generations.

Fascist assaults on individual freedom were profound. “The Fascist State organizes the nation but leaves a sufficient margin of liberty to the individual; the latter is deprived of all useless and possibly harmful freedom but retains what is essential; the deciding power in this question cannot be the individual, but the State alone,”
acknowledged Mussolini (1933, 24). When a state defines the boundaries of freedom, including what is harmful and what is not, it is not freedom at all, but mockery of it. Individuals ultimately succumbed to the will of a state, and the will of the collective prevailed. Essentially, Fascists had pursued a policy of first socializing the population and then the economy, the opposite of the Bolsheviks.

Fascism was based on the idea of unity of all classes in pursuit of a glorious future. This “unity,” however, was forced upon the classes by the coercive forces of the totalitarian state. Fascists realized that human beings accustomed to freedom and democracy were not fit for a society built on military blueprints. Thus, the dictatorship came up with a convenient explanation that it was necessary to create “new” morally and physically superior humans who understood and were eager to fulfill the grandiose tasks facing them and society. Fascists emphasized the primacy of community over individuality; an individual had no rights outside communal interest. The free will of an individual was forced to succumb to the community’s will and the state itself.

The fascist state used different approaches to the collectivization of consciousness, both direct coercion and persistent persuasion. But the most effective was the creation of conditions under which the members of society themselves came to the conclusion that cooperation with the authorities and unconditional submission to the dominant ideology would ultimately bring great benefits to the individual. Thus, the fascist state practically eliminated the labor market—one major pillar of the capitalist economy—introducing mandatory personnel management through employment bureaus, which were state-controlled entities. Employers were required to engage workers through those bureaus, and employment was limited to those individuals who registered with bureaus, and among them the preference was given to members of the Fascist Party and Fascist Syndicate.

The state made it clear that in order to survive under the new conditions, the population must accept fascist ideas and actively participate in their implementation. Those who remained outside the system were doomed to a miserable existence due to unemployment or low-paid unskilled labor and were cut off from many social programs. Therefore, the state forced the population to accept fascist ideology, rewarding obedient people with economic privileges, while simultaneously punishing dissident thoughts. They created a bilateral system in which, on the one hand, employees were connected to the government’s redistribution machine through various social programs, and on the other hand, trade unions were used to instill fascist ideology in people.

How did the citizens of Italy react to these undemocratic changes in their lives? It is very telling to observe the behavior of Italian intellectuals. Of those who signed Benedetto Croce’s Manifesto of the Anti-Fascist Intellectuals7 of 1925, ninety

7. The Manifesto of the Anti-Fascist Intellectuals was written by Croce in response to Giovanni Gentile’s Manifesto of the Fascist Intellectuals.
could be found in 1931 writing for the very official *Encyclopedia Italiana*. In the 1931–1932 academic year, university professors were required to take an oath to the regime. Only eleven academics out of 1,200 refused to take an oath—less than 1 percent (Paxton 2004). As the population usually follows its intellectual leaders, we can safely conclude that one part of Italian society was forced to accept fascist ideology while others were compliant voluntarily—self-censorship works even better than direct pressure.

Thus, there is overwhelming evidence that fascist doctrine theorized, and the fascist regime implemented, a policy of subjugation of the individual to the collective.

**Fascism Is a Member of the Left Cluster**

Mussolini once said that the twentieth century “will be a century of authority, a century of the Left, a century of fascism. For if the nineteenth century was a century of individualism [liberalism always signifying individualism], it may be expected that this will be the century of collectivism, and hence the century of the State” (Mussolini 1933, 20). This is one of the most important of Mussolini’s statements. First of all, he was entirely accurate in his prediction. Authoritarianism and totalitarianism ruled in many European countries in different forms (fascism, National Socialism, communism) almost until the 1990s. Second, fascist economic ideas were incorporated and remain to this day in many countries, creating nanny states. Third, Mussolini admitted and proclaimed that fascism is a leftist idea. He never asserted or even hinted that fascism belongs to the political current of the Right.

Even though Mussolini claimed that he had found a “third alternative,” the practical implementation of the fascist doctrine produced a society with an unstable equilibrium between labor and capital, as well as between an individual and the state. The balancing act between the Left and the Right was sustained by neither internal nor external conditions existing in Italy.

There are subjective and objective reasons for fascism’s imbalance or inability to sustain the equilibrium. The main subjective reason is the fact that the vast majority of fascist intellectuals came out of the school of socialist revolutionaries. They were prewired to generate predominantly leftist solutions to all obstacles they faced while implementing fascism. The main objective reason is that corporatism as a distorted incarnation of a syndicalist economy and a totalitarian state that de facto managed all aspects of socioeconomic life had eliminated a significant chunk of society’s capitalist features. The dismantling of the democratic state, infringing on market relations and curbing individual freedoms, inevitably led to the collapse of the capitalist economy. Syndicalist and fascist thinkers gambled that this would not be the case. They presupposed that the surgical removal of the democratic state would leave capitalist relations intact. This was one of their main blunders. A capitalist society is a natural development of human evolution, and a democratic state is necessary to promote the
equality of people before the law and defend private property rights. The disappearance of democratic institutions leads to the loss of healthy economic relations within a society.

Capitalism can be thought of as an apple tree that will reward people with delicious fruit when it is properly cared for. A tree needs the sun, water, and nutrition. If there is not enough sun, the apples will not ripen. If there is a lack of water, the apple tree can dry out and die. With a lack of nutrition, the apple tree will get sick and will not bear fruit. All components are complementary; they have to work in unison in order for a tree to survive. Let us compare the sun to the liberal democratic state, and water to private property on means of production, and nutrition to the market economy. If any of these components is omitted or impeded to any degree, capitalism will progressively deteriorate. The fascist state hindered all three components; thus, it set in motion the process toward inevitable socioeconomic decadence and the end of its regime.

The fascist state failed to outperform capitalism even in its best years. Thus, Mussolini’s Italy never achieved the growth rates of post-war European democratic countries or pre-1914 Europe (Paxton 2004).

Fascism contained internal economic contradictions and logical inconsistencies overlooked by its theoreticians. Let us consider the following logical framework: if one owns something, one should be able to control it. Furthermore, the reverse is also true: if one controls something, one de facto owns it. Therefore, it was quite natural that the fascist state developed a tendency to become a real owner, not only de facto but also de jure. A contradiction inherent in the de facto and de jure possessions was inevitably resolved in favor of a stronger counterpart: a fascist state. As Ayn Rand argued, the government is always the senior or dominating “partner” (DiLorenzo 1994). This contradiction was at the core of the socioeconomic model of fascism. The property ownership dichotomy “one owns but cannot control—another controls but does not own” could not be considered a stable paradigm. It had to collapse and rest in a stable position: “one owns, and one controls.” The resolution of this discrepancy was observed during the Fascists’ regime. A fascist state limited owners’ control over their properties and, at every opportunity, nationalized units of industry.

Some scholars point out that Mussolini’s implementation of corporatism and totalitarianism was only partial and not comprehensive. The foundation of society was not radically transformed as had been envisioned by the fascist purists. In some respects, this may be true, but historians should also consider that Italian fascism lasted for two decades, a mere moment by historical standards. The political revolution can happen quickly, but revolutionary changes in economy and society take place much more slowly. Economic relations are complicated and need time to adjust to the new revolutionary demands. It took time and effort to dismantle the old society and habitual relations within it and simultaneously build a new system of relations.
Nation building is uncharted territory, and there is no manual on how to proceed, especially if society has abandoned its natural evolutionary process and fallen into the realm of voluntarism. Intellectuals posit theories, and practitioners try to execute them based in part on what is feasible under their circumstances. For example, in the Russian Empire, the Bolshevik coup took place on the night of October 25, 1917, but the revolutionary socioeconomic transformation of the society continued until the beginning of World War II. The Bolsheviks tried numerous social and economic policies during that period: military communism, Red Terror, the New Economic Policy, forced grain requisition, agricultural collectivization, industrialization and electrification, dekulakization, party purging, military purging, and repression, among other things. But despite the shuffling from side to side, the gradient in the development of Soviet society was undoubtedly socialist.

The same could be said about Italian fascism. When considering the fascist regime and its development dynamics, it is easy to determine that the whole structure predictably collapsed to the Left. The fascist government conducted a policy of partial socialization of private property, total collectivization of consciousness, and large-scale redistribution of wealth. Thus, the main features of fascism correspond to the minimax definition of socialism I described at the beginning of the article. Even if one succumbs to the arguments of the Marxists and admits for a moment that the fascist regime did not assault private ownership rights, then the other two conditions connected by the OR operand would still lead to the same conclusion about the socialist essence of fascism. Remember that if the conditions are bound by an OR operand, if at least one condition is TRUE, then the entire expression is TRUE. That is,

$$(\text{Socialization of Private Property} \text{ is FALSE}) \text{ OR } (\text{Collectivization of Consciousness} \text{ is TRUE}) \text{ OR } (\text{Wealth Redistribution} \text{ is TRUE}) \text{ Socialism is TRUE}$$

The resulting formula is remarkable because it still indicates that fascism belongs to the totalitarian socialist ideology, despite the persistent admonitions of the Left that private property was not completely and formally prohibited under the fascist regime. Collectivization of consciousness, which found its reflection in the totalitarian regime, as well as nanny-state redistribution policies are sufficient to designate fascism as being in the socialist current.

It is also worth mentioning that economic and individual freedoms are interconnected. The study of the relationship between the indices of economic and individual freedoms in the framework of the Human Freedom Index project, which in the first approximation can be taken as a proxy of the variables in our model—the attitude to private property and the collectivization of consciousness, respectively—showed a significant positive correlation ($r = .63$) between them (Vásquez and Porčnik 2018). It means that the change in the degree of economic freedom leads to a corresponding change in the level of individual freedom and vice versa. Richard Pipes, analyzing
totalitarian regimes, noticed: “The curtailment to the point of abolition of personal rights and freedoms in totalitarian states thus went hand in hand with the curtailment, to the point of abolition, of private property” (1999, 224).

Consequently, it is inconceivable to have a low degree of individual freedom and, at the same time, a high degree of economic freedom, and vice versa, as reflected by the “Impossible Corners” in figure 1.

Given that the redistribution of wealth is a latent assault on private property, the political spectrogram becomes three-dimensional and can be visualized in a two-dimensional plane. Figure 1 shows the position of fascism on the political spectrum where Individual Freedom is a proxy and the opposite of Collectivization of Consciousness. Collectivist ideologies and the regimes that represent them occupy the bottom-left corner on the political spectrogram. Fascism did not reach the far-left position occupied by communism, which is characterized by a minimum magnitude of individual and economic freedoms; it occupied the bottom-right position in the cluster of the leftist movements.

Consequently, even if fascism was theoretically conceived by its founders as not belonging to either the Right or the Left, its practical implementation showed that the whole building of fascism collapsed to the Right flank of the Left. This is its proper place on the political spectrum—the Right within the Left. It should be recognized that the attitude toward the phenomenon of fascism established within the libertarian stripe of political philosophy has rightly described it as a non-Marxian flavor of socialism.
Conclusion

Italian fascism was a doctrine that was thought of as being neither Left nor Right; however, its practical implementation revealed its leftist essence, as Mussolini himself acknowledged. When one considers the triad of ideology, movement, and regime in the practical implementation of fascist ideas, one observes that fascist regimes inflicted irreparable damage to essential rightist provisions. It would be intellectually dishonest to accept fascism as containing capitalist economic relations, because the implementation of its policies actually impeded vital components of capitalism.

Fascism, as a non-Marxian current of socialism, diminished economic initiatives, stagnated labor productivity, and halted healthy market competition. These were direct and indirect results of an assault on private property, individualism, the labor market, and finances in the framework of corporatism and totalitarianism. Forced economic equality through unprecedented wealth redistribution, in conjunction with autarkic policies, extinguished the economic achievements that Mussolini gained during the first five years of his rule. In the cluster of leftist ideologies, fascism takes a position slightly to the right of communism not because of nationalism, but because of the partial and incomplete collectivization of private property. Therefore, fascism can be thought of as the Right of the Left. Nationalism, as a factor to distinguish between ideologies, is a centuries-long political myth that has served the Marxist agenda.

Socialism manifests itself in various hypostases, and different currents prefer one way or another to achieve the goal. Italian fascism chose wealth redistribution and collectivization of consciousness before socialization of private property and the means of production as the main paths to a fair and equal society. Instead, Italians gained a society ruled by fascist elites, deprivation of individual freedom, and equality in misery for the vast majority of the population. It is precisely the same result that all socialist societies achieved, regardless of the path they chose.

References


The Independent Review does not accept pronouncements of government officials nor the conventional wisdom at face value.”
—JOHN R. MACARTHUR, Publisher, Harper’s

“The Independent Review is excellent.”
—GARY BECKER, Nobel Laureate in Economic Sciences

Subscribe to The Independent Review and receive a free book of your choice such as Liberty in Peril: Democracy and Power in American History, by Randall G. Holcombe.

Thought-provoking and educational, The Independent Review is blazing the way toward informed debate. This quarterly journal offers leading-edge insights on today’s most critical issues in economics, healthcare, education, the environment, energy, defense, law, history, political science, philosophy, and sociology.

Student? Educator? Journalist? Business or civic leader? Engaged citizen? This journal is for YOU!

Order today for more FREE book options

SUBSCRIBE