# Fascism and the American Scene

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# PUBLISHER'S NOTE

FASCISM AND THE AMERICAN SCENE was written as the introduction to the American edition of Daniel Guerin's Fascism and Big Business, a study of fascism in Italy and Germany. This book, which has run through four editions in France, where it was published by the Nouvelle Revue Francais, is the most detailed and systematic analysis of European fascism that has yet appeared. All who are interested in turning America from the road to fascism will find it an invaluable guide manual. For the American edition, M. Guerin has thoroughly revised his book, adding a great deal of new material and bringing it up to date.

In this study of American fascism, Mr. Macdonald tries to show that the European experience can teach this country a great deal about how fascism develops and how it can—and cannot—be fought. In particular, his aim is to relate M. Guerin's analysis and conclusions to our own political situation. To quote the concluding paragraph of his article: "Engels wrote in 1883: 'If American energy and vitality were backed by European theoretical clarity, the business would be finished over there in ten years.' This book of Daniel Guerin's should help us to finish 'the business'."

## FASCISM AND THE AMERICAN SCENE

"And I say that dictatorship may come upon us in ways that we do not expect."—Tom Girdler, of Republic Steel Corp., to the Illinois Manufacturers Association, December, 1937.

AMERICANS HAVE a tendency to look on fascism as a mass neurosis which mysteriously seizes on entire peoples. According to this view, the German and Italian peoples are possessed of the Devil, and, like the Gadarene swine similarly afflicted, are rushing down a steep place to perish in the sea. This moralistic approach has been reinforced by the recent anti-Jewish atrocities in Germany. All sections of American public opinion, from John L. Lewis and William Green through the Nation, the Communist Party and Franklin D. Roosevelt, to Bishop Manning and the presidents of Yale, Harvard and Princeton, all have united in an uproar of indignation whose dominant note is: how can such things be in a civilized world? There is, of course, as the Nazi press has not failed to point out, a good deal of hypocrisy in such denunciations. So far as I know, the eight million black and white sharecroppers of our Southern states are still existing on a subhuman standard of living, nor have I heard that the thirty million Americans now on relief have been rescued from the scrap-heap of unemployment. Pogroms are shocking, certainly, but so are many things in American life which our press and politicians take for granted. German fascism is not the twin of American capitalism. it is its older brother.

The analysis of fascism now being put forth by the reformist liberals and their new friends of the Communist Party is

not only hypocritical, it is dangerously mistaken, at a time when mistakes cannot be afforded. If fascism is regarded as mass lunacy peculiar to certain wicked nations abroad, it is impossible to explain how it comes about, how it can be fought, or how to recognize it over here, where it wears—as vet—no brown shirts. Looked at from the viewpoint of society as a whole, and especially of the workers, fascism unquestionably appears to be insane. But, and this is what the liberals forget, fascism makes excellent sense from the standpoint of the ruling classes. true that the capitalists must give up much under fascism, but the question is: under what alternative system would they yield less?) They also forget that the success of fascism depends on the complex but not at all mysterious interplay of concrete economic and class interests. Since they do not admit the existence of the class struggle, these gentlemen cannot analyze fascism in class terms and must resort to a quasi-mystical concept of "The People" as a unified whole counterposed to a small clique of fascist villains. In his School for Dictators, Silone writes: "You know there are many people who maintain that Hitler and Mussolini, for example, are mad, mad in the clinical sense. That is a thoroughly intelligible thing for normal, useful and decent people to believe . . . But if democratic · politicians and socialists hold the same opinion of the dictators, it only proves that they themselves are amateurs and intruders on the political scene."

For if Hitler is a "madman" (Nation) or a "paranoiac" (New Republic), if the Italian and German peoples are suffering from "mass lunacy," then the "sane" nations can only attempt to restrain these dangerous maniacs by force. If, as John Strachey recently wrote, fascism is the great twentieth-century "heresy," then one can only call for an Albigensian crusade against these heretics—which is just what Mr. Strachey is doing. Quite aside from the fact that a war against European fascism could only be fought, under capitalism, by introducing fascism over here, this approach is dangerously mistaken. The more the American masses are led to think of fascism as something monstrous and unheard of, as one more "ism" peculiar to European nations—"the madness of men in nightshirts" in

Secretary Ickes' phrase—the harder it will be to check the growth of American fascism. Our fascists not only don't (yet) wear brown shirts; they proclaim themselves "anti-fascist" as well as "anti-communist" and march under the banner of "liberty" and even "democracy." By spot-lighting the secondary characteristics of European fascism, such as Jew-baiting and book-burning, without exposing its class roots, the false impression is built up that such manifestations are something unparalleled in the history of "civilized nations." This makes it easy to divert the energy of the American working class and its liberal supporters into a crusade against overseas fascism, while our own ruling class is left in power, undisturbed, biding its time to introduce fascism over here when the situation demands it. The logic of the crusade, indeed, requires that our own bourgeoisie, who at latest reports still owned the means of producing the sinews of war, be not only tolerated but even placed at the head of the hosts of democracy. The current reconciliation of big business with the White House is primarily based on the Administration's aggressive foreign policy and its big armament program. The German big bourgeoisie are the class brothers of our own, it is true, but they are also their competitors in world markets.

The great value of this book of Guerin's for an American audience, it seems to me, is that it brings the discussion down from the cloudy realms of abnormal psychology and moral categories to the solid ground of economic and social analysis. Guerin tries to explain fascism in Marxist terms, that is, in terms of a struggle for political power between various social classes, each with its own concrete economic interests. By means of a detailed examination of a large body of factual data-I am aware of no other book on fascism which offers so systematic an exposition of so vast an amount of information—Guerin is able to demonstrate that fascism in reality does serve the interests of the big bourgeoisie, and that large sections of the middle class lend it their support because they mistakenly believe it will serve their interests. One may not agree with his interpretation, but it has the advantage over the "mass lunacy" concept that one is at least able to discuss it rationally.

But what is the practical value to American anti-fascists of a book which limits itself to fascism in Italy and Germany? I suggest that, just as Guerin is able to show that Hitler strode to power along the same road used earlier by Mussolini, smashing the same barriers with the same strategy, so American readers can learn from his book a good deal about the probable development of fascism in this country. "Fascism," said Hitler, "is not an export commodity." But there is no need for it to cross frontiers; its seeds are latent in every capitalist economy. Whether they mature or not depends on the interreaction of the factors Guerin has analyzed. I might add that the accuracy of his analysis is remarkably borne out by the recent collapse of the Popular Front in France and the current drift of that country towards fascism. France is the stage on which a pre-view, so to speak, of our own probable political future is now being enacted. In France today all can see clearly what most in this country still refuse to admit: that fascism cannot be fought by compromise, concession, or reformist equivocation but only by revolutionary working-class action. This is the major conclusion to be drawn from Guerin's book.

I think it is worth outlining, quite roughly, the main points of Guerin's argument, and the parallels, or lack of them, in our own experience. Since our own fascist movements, happily, are still in an embryonic form, this analogy must limit itself to the first part of Fascism and Big Business. But I should like to make one point here: Guerin shows, especially in his extremely interesting chapter on "The Rise and Fall of the Plebeians," that the class struggle goes on after, as well as before, fascism takes power. It is common to overestimate the totalitarian unity of the fascist state. But since fascism merely suppresses, without solving, the contradictions of capitalism, the class struggle goes on as violently as ever underneath the frozen surface. The enormous pressure of the totalitarian state crushes and distorts these class conflicts sometimes almost beyond recognition, but they do persist. And in that persistence lies the chief hope for Western civilization.

Guerin demonstrates, to begin with, that fascism in Italy and Germany has been subsidized largely by heavy industry iron, steel, mining—and its bankers. Light industry, making consumers' goods for the most part—textiles, clothing, etc. has played a reformist game and has, up to a certain point, opposed fascism. The barons of heavy industry must smash the labor unions and extend their dictatorial sway over the entire national economy. The light industrialists can afford class collaboration: they would tame the workers' organizations rather than destroy them. This difference in political strategy can be traced to economic roots. The capital invested in heavy industry is of a "higher composition" than that in light industry—i.e., more is invested in large and expensive plants and less in wages. This imposes on heavy industry a crushing load of fixed capital charges (interest, depreciation, maintainance of plant) which cannot be reduced when production falls off, so that wages—the chief flexible item in heavy industry's costs-must be cut to the bone in periods of depression. Light industry, with comparatively small fixed charges, does not need such an iron control over its labor and so can follow a more conciliatory policy. Another reason for its tendency to a reformist political outlook is its greater dependence directly on the purchasing power of the masses.

Much the same generalizations can be made about this country. The most implacable enemies of the New Deal have been heavy industrialists like the duPonts (chemicals), Weir and Girdler (steel), the Mellons (oil, aluminum), and the Wall Street banks which finance their enterprises. Weir's National Steel Corporation has been the spearhead of the legal fight against the Wagner Act, as Girdler's Republic Steel Corporation has made the most brutal extra-legal fight against the New Deal's labor policies.

In America's Sixty Families, Ferdinand Lundberg presents an analysis which parallels that of Guerin. "In essence," he writes, "the New Deal represents one faction of great wealth—the light-goods industrialists—pitted in bitter political struggle against another faction—the capital-goods industrialists. . . .

From its beginning, the New Deal was underwritten by those wealthy individuals whose revenues derive primarily from direct exploitation of the retail market—department store owners, textile fabricators, cigarette manufacturers . . . And because the task of the New Deal was to restore prosperity to these beleaguered capitalists by restoring purchasing power to the populace, it succeeded in rallying round itself organized labor and the farmers . . . The banks and heavy industries, of course, did not want to see popular purchasing power wiped out completely, although in retrospect it may seem that they did. They were simply committed to reviving purchasing power on a lower price level, with all of industry under control. The lightgoods industrialists and merchants, seeing in this course their virtual extinction so far as their independent status was concerned, were quick to take advantage of Hoover's unpopularity to install the New Deal . . . So-called economic reforms under the New Deal have all, it is pertinent to observe, been engineered at the expense of the big banks and heavy industries."

This is not to say that, under certain circumstances, "big business"—a term used in this book as roughly synonymous with "heavy industry" and its banking connections-will not practice class collaboration, dealing peacefully with unions and cooperating with a reformist government. During the twenties in Germany, big business got along amicably enough with the Social Democracy because, as Guerin explains, it was "engaged in an enormous industrial reorganization with the aid of foreign capital." So also, over here, the United States Steel Corporation for the past two years has been cooperating with the New Deal and the CIO. But here, too, it is a question of a great rationalization program which is being carried out in the Corporation's vast and somewhat antiquated plants. The final term of the process is still in the future. But one may venture to predict that, like the German steel and mining cartels, the Steel Corporation will also find itself before very long with a magnificent, enormous and highly efficient productive mechanism-and no market for its goods. Nor is there any reason to expect its directors to act differently, when this happens, than their German colleagues did. On the

wall of the office of Myron Taylor, until recently chief executive officer of the Corporation, there used to hang side by side the inscribed photographs of Franklin D. Roosevelt and —Benito Mussolini.

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"The capitalist magnates," writes Guerin, "could never, for all their gold, have set marching such human forces if the masses had not previously been in a state of instability and discontent that conditioned them for conquest." In the fascist synthesis there are three elements: (1) the subsidies of big business, (2) the intolerable economic situation of large sections of the middle class, (3) a political mysticism by which skillful demagogues can persuade the middle classes, ruined and demoralized, to support the policies of their chief oppressors, the big bourgeoisie. The dual nature of fascism, which is at once a conscious plot by big business and a spontaneous mass movement, makes it a political phenomenon which is peculiarly difficult to interpret. Certain liberals exaggerate its mass nature so much as to place Hitler as a revolutionist alongside of Lenin. At the other extreme are the Stalinists, who, for their own political reasons, deny fascism any mass base, insisting it is a plutocratic conspiracy pure and simple. Guerin, however, slights neither element. Demagogy and mysticism are as essential as cash to the triumph of fascism. Mysticism is "the cement that will bind together" the heterogenous and often conflicting social groups which follow the Leader, while demagogy is necessary to persuade these troops that they are marching in quite a different direction from the route that is actually mapped out for them.

Guerin describes the fascist *mystique*, in Italy and Germany, as a fusion of two quasi-religious cults: the Cult of the Leader and the Cult of the Fatherland. In this country, so far, it has been quite different. The religious exaltation aroused by the persons of Hitler and Mussolini, over here is monopolized by saviors like Father Divine and Aimee Semple McPherson. This indicates, it is true, that the American masses are also

capable of this sort of thing, and it is quite possible that, in a serious economic crisis, some political leader may be able to turn this knowledge to account. But up to now, at least, our proto-fascist leaders have made no pretensions to being Men of Destiny. On the contrary, they have taken care to present themselves as Just Folks: plain, ordinary, one-gallus, shirt-sleeves, grass-roots, know-nothing Americans, simple as so many old shoes. There is in Americans a certain tough humor, a pragmatic scepticism which would make it hard for a fuehrer to surround himself with the requisite supernatural sanctions. There is also the democratic tradition, still powerful, though steadily fading, three generations after the closing of the frontier. Huey Long preached the religion of the Common Man, not the Man of Destiny.\*

Nor is Guerin's other basic mysticism, the Cult of the Fatherland, likely to develop in this country as it did abroad. The great variety of nationalities over here, our geographical isolation, our relative prosperity and higher living standards have made it, so far, impossible to arouse extreme nationalist feeling. It is true that our would-be fuehrers talk much about "Americanism" and denounce all things European as "alien." The "Vote American" posters which the Republicans plastered over up-state New York in the fall elections recall the "Know-Nothing" movement in the last century, whose slogan was, "Americans must rule America!" But the venom of American nationalism is not directed against other nations, but rather against New York City, which is popularly and correctly considered an outpost of Europe on this continent. And even here, the real issue is not nationalism. The "alien" quality of New York's culture is used by the hillbilly fuehrers, as by their populist predecessors, merely to sharpen the major antagonism:

<sup>\*</sup> This almost mystical belief in the dignity of the common man, which Long exploited and perverted as the fascist demagogue always exploits and perverts such genuine national sentiments, is deep-rooted in the American consciousness. Long's slogan, "Every Man a King!," was first raised by "The Great Commoner," William Jennings Bryan. It is echoed in a passage from Sherwood Anderson's Many Marriages, a novel whose mysticism is peculiarly American: "John Webster had a fanciful picture of the man of his fancy going into a room. He closed the door. A row of candles stood on the mantle above a fireplace. The man opened a box and took from it a silver crown. Then he laughed softly and put the crown on his head. I crown myself a man,' he said."

the resentment the provinces have always felt against "Wall Street." The tension thus is not between this nation and other nations, but rather between the city, New York especially, and the provinces: the forces of concentrated finance capital as against the less highly developed hinterland dominated and exploited by Wall Street. Up to now, at least, the *mystique* of American fascism has been based on regionalism rather than nationalism. Demagogues like Long, Talmadge, Gerald Smith, Lemke, and Coughlin have shrewdly exploited populism, in its day a real movement of mass revolt. They have sought their mass base in the sticks, posing as hillbillies—which indeed many of them have been—as simple small-town folks leading a popular crusade against the oppression and the immorality of the big city.

But mysticism, Guerin continues, is not enough. Demagogy—the raising of "radical" political programs which the fascist leaders have no hope or intention of realizing—is also necessary. "Although in the service and hire of capitalism, fascism must—and this is what radically distinguishes it from the traditional bourgeois parties—make a show of demagogic anti-capitalism." He shows that, before gaining power, Hitler and Mussolini talked of the right to strike, of workers' participation in management, of the sacredness of trade unions and the necessity for realizing the basic aims of socialism. Fascist propaganda often sounded more "left" than that of its reformist opponents.

Here, again, our experience shows important differences. In Europe, where socialism has taken deep root in the consciousness of the masses, fascism took on a socialist color. Because the European masses, for historical reasons, have long looked forward to a future when capitalist anarchy would yield to an integrated communal society, Mussolini talked pompously about "the Corporate State," Hitler put forward an elaborate and meaningless program of "National Socialism." But over here the frontier tradition has always been dominant—a classless, individualistic outlook, whose key word is not "socialism" but "liberty." Our tendency is to look back longingly to a golden age of petty bourgeois Jeffersonian democracy rather than forward to socialism. So in this country, fascism,

which has no real principles of its own but simply dresses itself in whatever ideological costume it thinks will be most attractive in any given time and place, talks of "individual liberty" and crusades against the "dictatorship" of Wall Street -and the New Deal. (The contrast between the "liberty" represented by the Liberty League and the real thing is, of course, as great as that between National and Marxian socialism.) There is also another difference. European fascism decks itself out in pretentious theories: racism, corporatism, and its intellectuals consciously utilize such pretentious theories as those of Pareto, Sorel, Spengler. The American, traditionally a pragmatist and anti-intellectual, scoffs at "isms" and has little sympathy for the logically consistent systems of "mere theorists." Hence Huey Long, the man who was never caught reading a book, is the type of American duce, and his demagogy is of the Know-Nothing variety.

But these are differences in form. The content of American fascism is the same as that of Europe: big business interests masquerading as anti-capitalism. This is one of the most important points Guerin makes in his book. The old conservative parties cannot attract mass support in a crisis because they can offer no solution, nothing except more of "the same old crap." To win the middle classes at such a time, big business must use radical and even revolutionary phraseology. (Guerin describes the almost comic efforts of Hitler and Mussolini to exaggerate the governmental opposition to their coups so as to give these rather humdrum business transactions a fine air of revolution. One thinks of the murderous pantomine of professional wrestling bouts, in which somehow no one ever actually gets hurt.) This lesson the Republican Party seems on the verge of discovering. The victory of Roosevelt in 1932 and his continuing electoral triumphs have been due largely to the sterile conservatism of his opponents. And the unexpectedly large Republican gains in the fall elections were in many states due to the demagogic "left" line that party adopted. The Republican politicians, incidentally, have been slower to grasp this elementary principle of modern politics than the business men who finance them. Many years ago Judge Gary of the

Steel Corporation remarked: "We would be better off over here for a man like Mussolini." While Hoover and Landon were droning on about cutting relief and balancing the budget, the duPonts were secretly subsidizing such demagogic ventures as the "Grass Roots" Conference of 1936.

Specifically, European fascism's anti-capitalism takes the form of a sham battle with international finance capital, which is usually given a Jewish flavor. The middle classes are aroused against a distant and mysterious ring of international bankers, working hand in glove with an equally nebulous circle of Elders of Zion. In this country, once more, regionalism is substituted for nationalism. Finance capital, the expropriator of the middle classes, is still The Enemy, but its base of operations is not the international scene but rather Wall Street and LaSalle Street. One thinks of the anti-Semitic Father Coughlin, whose inflationary panacea corresponds closely to Bryan's Free Silver doctrine and has the same appeal in the Midwest hinterland. Or of Henry Ford and his lifelong battle with "Wall Street." The business men who subsidize fascist leaders are usually not themselves the dupes of the demagogy they pay for, but Ford is a curious example of an industrialist who really believes in these fantasies. Perhaps for this reason, he has expressed his fascist leanings with a lack of inhibitions unusual in the ranks of big business. Long ago he worked out for himself the same distinction which the early Nazi economists made between "parasitic" capital (money put out at interest) and "productive" capital (money invested in manufacturing). His celebrated anti-Semitic campaign in the Dearborn Independent took place in the early twenties. There is also his Know-Nothing philosophy ("History is bunk!" might be a mot of Huey Long), his passion for Early American fiddlers and spinning wheels and Little Red Schoolhouses (an expression of that nostalgia for the vanished frontier which fascism exploits in this country), his unionsmashing storm troops (the notorious Ford "Service Department," which is said to number some 6,000 operatives), and the evidence, never thoroughly explored, of his company's part in the Black Legion affair. His acceptance of a Nazi decoration, his rumored support of Gerald Winrod, the Kansas fascist, and his philandering with Father Coughlin are the latest manifestations.\*

It is worth an aside at this point to deal with the simpleminded objections of certain liberals to the paradox involved in this analysis of fascism. Stuart Chase, for example, wrote several years ago: "Precisely how are you going to get together Mr. Morgan and the Main Street storekeeper who lost his shirt in Radio common; or the Aetna Life Insurance Co. and the Iowa farmer whose mortgage has been foreclosed? Antifascists seem to be able to perform this politico-chemical miracle, but it makes no sense to me." Trotsky has well characterized this sort of "common sense" thinking: "The thought of the conservative petty bourgeois is metaphysical; its conceptions are fixed and immovable, and between phenomena it supposes that there are unbridgeable gaps . . . Whatever is, is; whatever is not, is not; and anything else is the Devil's doing." Whether the Devil is responsible or not, the fact is that just this combination of big business and its chief victims, although it makes no sense to Mr. Chase, can be demonstrated actually to take place in any fascist movement. For Italy and Germany, Guerin piles up a mountain of data. As for this country, perhaps the pragmatic Mr. Chase will be impressed by a few facts, out of many: (1) This fall, W. Lee O'Daniel, president of the significantly named Hillbilly Flour Co. and a former president of the Fort Worth Chamber of Commerce, was elected Governor of Texas in a popular revolt against the conservative Democratic machine. Mr. O'Daniel campaigned on a platform of the Ten Commandments, Mother Love, and hillbilly music. "The people are tired of politicians," he said. (2) Father Coughlin's crusade against Wall Street was in part subsidized by certain Wall Street silver speculators who had a natural

<sup>\*</sup> The Ford organization has lately openly assumed the leadership of the extreme right-wing, anti-New Deal faction of big business. Iron Age of Dec. 23, 1937, reports a speech made by Ford's radio spokesman, William J. Cameron, before the Michigan Manufacturers Association: "I know one company that in the future will not respect the request of the President of the United States to compromise on a principle. We have the utmost respect for the office of President, but we will stand on principle. You won't be saved by adopting a pathetic, fawning, drooling attitude toward Washington." And last April Ford himself, at a newspaper publishers' dinner, made one of the few speeches in his career. Its full text: "We are all on the spot. Stick to your guns! We of the Ford organization will do all we can to help you. I thank you."

interest in the good Father's monetary doctrines. (3) The Atlanta "Grass Roots" Conference, a gathering of Southern farmers and small-town folks led by Governor Gene ("One Gallus") Talmadge, was financed by such rustics as Pierre duPont, John J. Raskob, Ogden Mills, and various executives of General Motors, Continental Can, National Steel, Associated Gas, Standard Oil of N. J., and Detroit Edison. (4) Huey Long is stated by Carleton Beals to have had intimate connections, backstage, with the "soulless corporations" he publicly attacked, and with Standard Oil of Louisiana in particular. (5) Last fall a drastic anti-union amendment was voted into the Oregon constitution. This legislation was sponsored by the Associated Farmers of Oregon, which spent \$32,440.65 in its successful campaign. Of this sum, all except \$4.65 was contributed by the Oregon Business Council.

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Guerin not only analyzes the fascist synthesis, but also demonstrates it in action. He describes in detail the successive steps by which fascism came to power in Italy and Germany. At first, big business maintains the fascist gangs merely as anti-labor militia, whose job is simply to terrorize and demoralize the workers' organizations. They help break strikes, make swift, bloody attacks on working-class demonstrations, beat up and murder the workers' leaders, wreck union offices and leftwing newspaper plants. As capitalist crisis intensifies, big business finds that this is not enough: it launches its fascist troops toward the conquest of state power. This involves a major change in the movement's nature: the strong-arm squads function more actively than ever, but they are subordinated to the demagogues, who raise the struggle to the political level, trying to win mass support from the middle classes. Finally, fascism takes power, but by default rather than by revolutionary overthrow. The proletariat, the only force capable of smashing fascism, is rendered impotent by its reformist leaders, who tirelessly preach respect for "law and order" and faith in parliamentary action, and who fear a workers' revolution almost as

much as a fascist coup. As for the reformists' bosses, the "liberal" capitalists of light industry, they view the triumph of fascism, and of heavy industry, with no great enthusiasm. But once fascism has grown so strong that only force can check it, the liberal capitalists remember that, after all, they are capitalists first and light industrialists only secondarily. Rather than risk civil war, whose horrors would be intolerable with one section of the bourgeoisie fighting another, they prefer to join their colleagues of heavy industry in handing over the state to fascism. Their men, the reformist politicians, have no choice but to scramble out of the way as gracefully as possible. And Mussolini marches on Rome in a sleeping car.

American fascism is still in the first stage of this development. An armed anti-labor militia in the pay of big business is an American tradition extending from the use of Pinkertons to break the railway strike of 1877 all the way up to the most recent revelations of the LaFollette Committee. In Europe, where the unions and the working-class parties were well entrenched by the turn of the century, such private armies were almost unknown—until their revival in the Black Shirts. But, although over here strikebreaking has been a profession for generations, I think it unlikely that it will remain one very much longer. In a few years we have travelled far along that road of reformism which it took Europe as many decades to traverse. The Wagner Act, the LaFollette findings, organized labor's growing political power—such factors will make it hard for the employer to use the crude old tactics. We have travelled so far along the reformist road, indeed, that we seem to be nearing its end. In future, big business will give up its private armies not only because they are proscribed, but, still more important, because they are seen to be inadequate. In the comparatively healthy capitalism of pre-1929 days, the class struggle reached a point of high tension only at exceptional. crucial moments, only during strikes. The Pinkertons were quite adequate to cope with that. But in a period of capitalist crisis like the present, the class war is waged on a broad social and political front and the tension continues from day to day. Therefore, big business finds it must progress from simple

assault and battery to the second stage: a political drive for state power. For such a higher purpose, the Black Shirts and the Brown Shirts, strange mixtures as they were of needy adventurers and youthful fanatics, were well suited. But not the employees of the big strike-breaking companies. These troops are mercenaries pure and simple—thugs, gangsters, jailbirds, and such riffraff, whose only interest in their work is as one more lucrative racket. With such human material, it is impossible to advance on the political front.

For some time, therefore, big business has been experimenting with vigilantes. In the San Francisco general strike of 1934, in the big CIO strikes, the bosses dealt their heaviest blows not with professionals but with home talent recruited from the petty bourgeoisie. Although these vigilantes were usually paid by the corporation whose interests they defended, most of them did not serve primarily for pay. They sincerely believed they were defending the American Home and Fireside, the Right to Work, and other middle class ideals from the onslaught of barbaric hordes of "Reds"—a delusion which was encouraged by skillful and expensive propaganda.

But vigilantes have the same fatal disadvantage as professionals: their scope is too limited. Once the physical battle is over, their groups disband and melt back into the community. The problem is to find an ideology which will keep them lined up solidly against the workers even in "peace" times. (Unlike the liberals and the reformists, the big bourgeoisie have no illusions on the score of the class struggle!) A significant step in this direction was taken during the Little Steel strike. To break the strike in its big Johnstown, Pa., mills, Bethlehem Steel hired the John Price Jones Corporation, a firm of New York public relations experts which specializes in raising funds for hospitals. colleges, and other worthy causes—at a fat fee, of course. For this particularly worthy cause, Mr. John Price Jones himself took command. His first step was to form the usual false-front "citizens' committee" of local bankers and merchants. Then, having plenty of funds and being accustomed to acting on a grandiose scale, Mr. Jones ventured into new territory. Over the name of his "Johnstown's Citizens Committee," he took fullpage advertisements in newspapers all over the country giving "Bethlehem's side" of the strike and inviting all good Americans to rally to the cause. Apparently, Mr. Jones got enough response to go one step further and set up a permanent "National Citizens Committee" to teach the unions their place. This, too, was given wide publicity, both paid and unpaid in the nation's press. A "national convention" was held in Johnstown, which attracted professional labor-baiters from all over the country. Happily, it attracted only such elements, and, after a few months of desultory newspaper releases, the National Citizens Committee was allowed to die of financial starvation. The experiment, this time, was a failure.

It is not hard to see why. The fortunate weakness of such projects is that they are originated, as well as subsidized, by big business. It seems to be impossible to build a fascist movement from the top down. To quote Guerin: "Fascism is not born solely from the desires and the subsidies of big business." The services of the big advertising and publicity agencies will be most useful in stepping up the voltage of a fascist movement which grows spontaneously from the sour soil of middle class unrest, but even a public relations counsellor is powerless to create fascism in a test tube. So far such movements as have had this independent mass base, such as the Klan, the Black Legion, or the Silver Shirts, have been limited to the most backward elements of the middle class. Father Coughlin, still the most formidable national figure, is fortunately much handicapped in his appeal by the fact that he belongs to a religious group that is generally the victim, not the leader, of American proto-fascist movements. The late Huey Long was on the way to spreading his Share-the-Wealth gospel on a national scale when he was assassinated. Meanwhile, until some new and more promising fuehrer arises, big business must continue to subsidize hopeless provincial crackpots like Talmadge, and to concoct national paper organizations of its own like the Liberty League and the National Citizens Committee, which wither away for lack of social roots.

So far, then big business has been unable to create the fascist synthesis. The anti-labor militia and the political program have

not yet been satisfactorily wedded, nor has a sound mass base been found for a national fascist movement. The deepening economic crisis may be expected to make it easier to bring all these elements together. Then the third phase described by Guerin—the life and death struggle with reformism—will begin. How this struggle will end, will depend on how completely the masses shake free of their present reformist leadership and put up militant resistance. This cannot be foreseen now. But it is not difficult to predict that the reformist politicians and labor bureaucrats will meet the fascist drive to power in much the same way as their colleagues in Italy and Germany did.

Without taking the analogy too seriously, and simply as a rough indication of the similarity in European and American experience, it is interesting to compare the struggle of the workers in Italy between 1920 and 1924 with the course of the CIO strikes in rubber, automobiles, and steel in 1936 and 1937. Certain typical stages in the development of the struggle can be indicated.

(1) The rank-and-file of the workers take the initiative, spontaneously and without benefit of the top labor bureaucracy, and devise certain militant and original tactics.\* The workers' tactics are effective because they are not inhibited by respect for the forms of bourgeois "law and order." They strike at the very

<sup>\*</sup> For simplicity's sake—since this analysis is purposely schematized—I have not taken into account here the role played by the politically conscious, left-wing elements among the workers. This distorts the general picture less than might be supposed, since the most valuable function of this kind of leadership seems to be to direct and strengthen the militant tendencies already spontaneously expressed by the workers. In Rosa Luxemburg's pamphlet, The Mass Strike, dealing with the great wave of strikes which culminated in the 1905 Russian revolution, the limitations within which conscious leadership must work in such movements are well defined: "It is clear that the mass strike cannot be called at will, even when the decision to do so may come from the highest committee of the strongest Social Democratic party. . . A mass strike born of pure discipline and entusiasm will, at best, merely play the role of an episode, of a sympton of the fighting mood of the working class, upon which, however, the conditions of a peaceful period are reflected. Of course even during the revolution, mass strikes do not exactly fall from heaven. They must be brought about in some way or another by the workers. The resolution and determination of the workers also play a part, and indeed the initiative and the wider direction naturally fall to the share of the organized and most enlightened kernel of the proletariat . . But there are quite definite limits set to initiative and conscious direction. During the revolution it is extremely difficult for any directing organ of the proletarian movement to foresee and to calculate which occasions and factors can lead to explosions and which cannot. Here also initiative and direction do not consist in issuing commands according to one's inclinations, but in the most adroit adaptability to the given situation, and the closest possible contact with the mood of the masses. The element of spontaneity, as we have seen, plays a great part in all Russian mass strikes without exception, be it as a drivi

heart of capitalist property relations. In ITALY: The metal workers in 1920 replied to a threatened lockout by occupying the steel mills. The movement quickly spread throughout all the industries of Northern Italy. The workers not only occupied the plants but established their own armed guards to defend them, and, in many cases, even operated them—a dramatic demonstration that the bourgeoisie are not as essential as they like to imagine. The employers, the police, and even the armed forces of the state were powerless to expel the rebels. The national economy was paralyzed. It seemed that revolution was on the order of the day. In This Country: The Akron rubber workers' sit-downs, which began late in 1935 and were the first big sit-downs on this side of the Atlantic, were a discovery of the rank-and-file. Certainly neither the AFL nor the CIO top leadership had anything to do with them. The sit-down speedily showed itself to be the most effective weapon American labor has yet discovered. Using it again and again—and, of course, aided by the general success of the CIO movement—the rubber workers built up their union from 3,000 at the time of the Goodyear strike to 75,000 out of a possible 125,000 in the industry by November, 1937. The first sit-down in the automobile industry took place in November, 1936, and within six months every major company except Ford had signed contracts with the UAW. These victories in rubber and automobiles were all the more remarkable because both industries had been for many vears strongholds of the open shop.

(2) The trade union bureaucracy, almost as alarmed as the employers by this irregular explosion of rank-and-file revolt, does its best to get the workers back under control. It tries to keep the movement within trade-union bounds and to prevent its rising to the plane of political action. The workers are persuaded that further class struggle would be "impractical" and "dangerous," that they should be satisfied with better union contracts—negotiated and administered, of course, by the bureaucracy—and that the broader social issues should be left to the reformist politicians to mediate in an "orderly" fashion. In Italy: At a joint conference of the Socialist Party and the

Confederation of Labor, control of the strike was placed in the hands of the Confederation, whose reformist chiefs at once opened negotiations with their friends of the Giolitti ministry. On the strength of paper promises by the latter, duly signed, stamped, and sealed but never put into effect, the Confederation chiefs were able to accomplish what neither the employers nor the armed forces could do: they persuaded the strikers to abandon the factories. Revolution was struck off the order of the day. In This Country: The attitude of the CIO top leadership towards the sit-downs, friendly at first, cooled off rapidly as the radical implications of the movement became clearer-and as "public opinion" and the White House grew increasingly hostile. Nor did the tops overlook the threat to their own authority, implicit in this rank-and-file tactic. To get back into the saddle and halt the runaway, the CIO chiefs worked along two lines. On the trade union front, they began to discipline "unauthorized" sit-downs, as in the automobile workers,\* and above all to see to it that steel, the next basic industry to be organized, should be unionized in a more respectable way. The Steel Workers Organizing Committee was so well packed with safe and sane officials of the United Mine Workers that, to date, not a single steel worker has been able to penetrate into the SWOC top bureaucracy. It was also made clear to employers that the SWOC, unlike the UAW, was a "responsible" and well disciplined union, whose contracts were as good as 5% gold bonds. The CIO chiefs also worked on the political front. Here they discouraged all moves toward an independent labor party and delivered the labor vote en bloc to the New Deal. Throughout 1936 the CIO swung its growing weight behind Roosevelt, playing a big part in his victory in the fall elections. We shall presently see how Roosevelt repaid this loyalty.

<sup>\*</sup> Just what this means in practice appears in a recent pronunciamento of Homer Martin, head of the UAW. This states flatly: "Unauthorized strikes will not be tolerated under any conditions," and goes on to list the steps necessary to obtain authorization. These are: (1) approval in secret ballot by two thirds of the local members, (2) approval of the action by the regional director, (3) filing of written reports on the issues involved, (4) proof that all steps provided in the contract between the company and the union for the settlement of grievances have been exhausted, and (5) written authorization to strike from Martin. Mr. Martin would have been franker if he had begun his ukase: "Strikes will not be tolerated under any conditions."

(3) The taming of the rank-and-file coincides disastrously with a powerful counter-attack by the employers. These gentlemen have, as Guerin puts it, "felt the chill of expropriation pass over them," and they are determined to yield no more ground. Frightened, desperate, they mobilize all their resources of money, propaganda, and terrorism. It should be noted, by the way, that the big business magnates share none of the reformist illusions of the labor bureaucracy and its political allies. Firm believers in class warfare, they know that the only possible reply to a proletarian upsurge is to smash it. In ITALY: "But it was above all in the fall of 1920," Guerin writes, "after the workers' occupation of the factories, that the subsidies of the industrialists and landowners rained into his [Mussolini's] coffers." The workers surrendered the factories in September, 1920. One month later, the first terrorist action, the Bologna riots, was directed by the Black Shirts against the workers. In This Country: Two instances out of many will suffice. First: In 1936, year of the first big sit-downs, the income of the National Association of Manufacturers doubled, rising from \$600,000 in 1935 to \$1,200,000 in 1936. This increase was spent almost entirely on the NMA's "Public Information Program." In 1937 income again rose, to \$1,400,000, and again the increase went for propaganda. Second: During the great Goodyear strike in Akron early in 1936, Pearl Bergoff, the strike-breaking king, organized for the rubber companies "The Law and Order League," a vigilante group on a particularly heroic scale. The workers replied with an eleven-mile mass picket line, the longest in the history of American strikes. They also organized their own defense squads of ex-service men. Bergoff's "Law and Order League" collapsed, and the strike was won. But, as is all too often the case, the chieftains of labor learned nothing from this experience, the chiefs of big business a great deal. While the CIO top leadership was cooling down as best it could the burning militancy which had won the Goodyear strike, big business was further strengthening and perfecting Bergoff's bright idea. And in a few weeks, at Ilion, N. Y., Remington-Rand smashed a strike with a rationalized, streamlined version of the Law and Order League—the famous "Mohawk Valley Formula," the most systematic dovetailing of terror and propaganda this country has yet seen. The technique was widely publicised among manufacturers by the NAM, and used in many other strikes, notably in the Little Steel strike of 1937.

(4) This counter-attack, a serious enough matter at best, finds the workers' hands tied by its leadership, which continues to preach non-resistance (lest "public opinion" be alienated) and faith in the reformist government (which will deal with the employers' onslaught in a legal, orderly way). The big business offensive easily smashes through these flimsy barriers, and a serious defeat is inflicted on the workers. In ITALY: The trade union chiefs met the armed terrorism of the Black Shirts with appeals to the workers to trust in the government to defend them. Offered arms, they rejected them, observing quite correctly "that it was the duty of the state to protect the citizen against the armed attacks of other citizens." Nor did the reformist government of Giolitti do anything to enforce the concessions won by the workers after the 1920 occupations. The employers simply disregarded these scraps of paper and poured funds ever more copiously into the treasury of Mussolini. The final upshot of all this unilateral respect for law and order was, of course, the March on Rome. In This Country: The counter-attack by big business reached its climax in the Little Steel strike. The CIO bureaucracy kept a firm hand on the throttle all through this tragic episode. There were no sit-downs, no militant demonstrations, no defense squads to protect the strikers against terrorism. The CIO theme song was: "Have confidence in the New Deal . . . Trust in the Wagner Act . . . Do not be "provoked" into violence . . . Trust in the N.L.R.B., in the political influence of Lewis at the White House, in the LaFollette Committee, in Governor Earle, in anything, in short, except your own power!" The old refrain. And the old results. The steelmasters mobilized an unparalleled campaign of propaganda and terror to break the strike. While the John Price Jones Corp. was spending hundreds of thousands of dollars of the steel companies' money on a nation-wide publicity campaign, the strikers were being beaten up, jailed and killed. When it was all over, eighteen strikers had been slaughtered by police, guardsmen, vigilantes, and strikebreakers, not one of whom was killed. President Roosevelt rewarded the workers' faith in the New Deal by ostentatiously washing his hands of the whole business in his famous "Plague on both your houses" statement. Lest the strikers grow disillusioned too rapidly, however, and get out of "control," Roosevelt appointed a Federal conciliation board to settle the strike on a "fair" basis. This three-man board, headed by a Republican, Charles P. Taft, was shocked by the ruthless attitude of the steel bosses, especially by the foul-mouthed tirades of Tom Girdler, and issued a report which largely backed up the demands of the strikers. The bosses paid no attention to this document, and the White House made no effort to enforce its recommendations. The strike was a disastrous failure. If the March on Washington has not yet taken place, it is no fault of the labor leaders and the reformist politicians, but simply because the situation is not yet ripe. The taming of the CIOand how respectably bureaucratized the CIO has become any one who saw its recent convention can testify—for the moment, was enough. But the drama will be played through again, on a larger stage, and if all the actors behave as they did in the summer of 1937, the March on Washington will not be far off.

5

Guerin's analysis leads to one conclusion: fascism can be fought only by militant working-class action. If the workers depend on the reformist politicians, they will suffer defeat because the reformists represent, not the workers, but the so-called "liberal" capitalism of light industry, and when it comes to a showdown, "liberal" capitalism simply drops the adjective. It submits, not without grumbling, but still it does submit, to the triumph of fascism. The temporizing of the Giolitti ministry with the Black Shirts in Italy, the meek submission of the Prussian social democracy to Goering's coup in Germany, these found an ominous echo in the failure of the White House to take action against the terrorism of the Little Steel companies.

The reformist trade union leadership is no more trustworthy when it comes to defending the workers against the armed violence of their enemies. Guerin describes the fatal policies of the German and Italian union leaders in words which apply exactly to our own top leaders: "Let us be careful not to reply to fascist violence, the reformist leaders said in both Italy and Germany. We should only arouse 'public opinion' against us. Above all, let us avoid forming combat groups and semimilitary bodies, for we should risk antagonizing the public authorities, who, we are confident, will dissolve the semi-military groups of fascism." Thus, too, Lewis and Green. But the Little Steel strike is not the first demonstration that the workers suffer most from violence precisely when they are most law-abiding. It is the "orderly," unarmed demonstraters who are the victims of the bosses' terrorism, and not those prepared to fight back-a tactical axiom one might think should be self-evident. Furthermore, the "public authorities" on which the reformists rely to defend the workers are usually just the instruments used against the workers, as in the Memorial Day massacre.

But if the workers take a militant stand, won't they alienate the middle classes? Far from being alienated, the middle classes are lost to socialism precisely when the workers are not militant. "Why did they not turn to socialism?" asks Guerin, referring to the Italian and German middle classes. "No doubt a number of clashing interests, as well as certain antipathies, separated them from the organized proletariat. But these conflicts would have been surmounted if the revolutionary proletariat had opened up for the discontented an escape from their misery. But, in reality, the working class showed itself incapable of leading the way. Instead, it was fascism which exploited the discontent of these various social strata." He shows how the parties of the working class actually appeared to be more conservative than the fascists, how they exposed themselves as impotent to cope with the economic crisis, and, how, to the reckless "radical" agitation of Mussolini and Hitler they opposed only the parliamentary banalities of frock-coated social-democratic politicians and aging labor bureaucrats.

The middle classes, as Trotsky has pointed out, have no great prejudice in favor of "law and order" as an abstract moral proposition. They are for it—as who is not?—so long as they

are getting along reasonably well. But when they are squeezed painfully by the crisis of capitalism, they throw law and order to the winds and will follow communists or fascists indifferently, depending on which side seems to hold out the greater promise of action to relieve them.

But what are the prospects in this country for attracting middle class support to the banner of socialism? The United States has often been termed a "classless" nation, and it is true that class lines have always been drawn less sharply over here, so that most Americans think of themselves vaguely as "middle class." We also have a large percentage of farmers, white collar workers, and petty bourgeoisie. (In The Decline of American Capitalism, Lewis Corey estimates these classes as 40.7% of the population in 1929.) In America, the attitude of the middle classes, therefore, is an especially vital factor. The prospects for defeating fascism are both brighter and darker over here than abroad, and for the same reason: the comparative fluidity of our social structure. On the one hand, the middle classes are less sharply split off from the proletariat, and hence are less violently prejudiced against the workers and have less fear themselves of being "proletarianized." On the other, American workers being less class conscious, a skillful fascist campaign can win over larger sections of them.

The Black Legion affair well illustrated the fluidity of American class relationships. Among the working class recruits to fascism in Europe, Guerin includes "those who had recently become proletarian—peasants' sons freshly arrived from the country, who had not had time to acquire class consciousness." In the same way, the promoters of the Black Legion, that fascistic terrorist organization whose accidental uncovering shocked the nation several years ago, were able to build up a membership among the Kentucky and Tennessee mountain folk who had migrated en masse during and after the war to work in the rubber plants of Akron, the automobile factories of Detroit, and the steel mills of the Mahoning Valley. These "hillbillies" also provided the backbone of the powerful Ku Klux Klan organization in Ohio, Michigan, and Indiana. But—and this is the twist which has no parallel in European experience—later

on, the organizers of the CIO in those areas found that these same people were equally good material for trade unionism. To their superbly militant spirit, indeed, the great CIO sit-down strikes owed much of their success.

And so it can be said that in this country the subjective factors of leadership and policies are more important even than they are in Europe. Likewise, the mechanical-Marxist idea that the economic development of capitalism must "inevitably" result in socialism—this is even less tenable over here than abroad. The enormous American middle classes lie, inert, passive, incredible confused, waiting to swing towards whichever pole of the class struggle exerts the strongest magnetic pull on them. The gyrations of the old age pension movement are significant. In the 1936 election, Dr. Townsend made common cause with the quasi-fascist demagogues, Gerald Smith and Father Coughlin. Lately, the Townsendites have been lining up with the Republicans, whom they helped win last fall in Massachusetts, Oregon, and Minnesota. And finally, in California, the Democrats swept into power on their Ham-and-Eggs pension propaganda. "The discontent, the nervousness, the instability, the fluidity of the petty bourgeoisie," Trotsky writes in Whither France? "are important characteristics of a pre-revolutionary situation. As a sick man, burning with fever, tosses from right side to left, so the feverish petty bourgeoisie can turn to the Right or to the Left."

This fluidity of the middle classes makes American politics today even more contradictory and confused than usual. The one rule, however, that does seem to emerge is that boldness in promising change in the capitalist system—whether these promises are serious or not is another question—is the best formula for success. The political cemeteries are beginning to fill with the corpses of reformist politicians who watered down their doctrines to avoid "frightening" the middle classes. The dismal fizzling out of the LaFollettes' National Progressive Party could have been predicted from the day its milk-and-water program received the kiss of death from the N. Y. Herald-Tribune, which editorially pronounced it, "a breath of fresh air from Wisconsin." In point of fact, the air was not even fresh enough to pre-

vent the LaFollettes, in the fall elections, from losing the control they have held for two generations in their own state of Wisconsin. In neighboring Minnesota, as well, the reformist Farmer-Labor Party lost control of the state government to the reactionaries. Governor Benson's victorious opponent, the young and vigorous Harold Stassen, played a straight fascist game: on the one hand, he talked liberal, hardly admitted he was running on the Republican ticket, and gave an impersonation of Olson, the late great Farmer-Labor chieftain, which included imitating Olson's radio voice, wearing the same kind of blue serge suits Olson went in for, and even parting his hair à la Olson; and on the other, he used the Dies Committee as a sounding-board for red-baiting charges, accepted the support of the Silver Shirts, who flooded the Twin Cities with anti-Semitic propaganda, and behind the scenes was heavily subsidized by the steel trust and the harvester trust. After his defeat, Benson said that it all went to show that the Farmer-Labor Party has liberalized Minnesota—why, even the Republicans have gone liberal! Actually, of course, it showed that the Republicans took advantage of Benson's timid reformism to beat him at his own game.

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Guerin quotes one of Radek's epigrams: "Fascism is the iron hoop with which the bourgeoisie tries to patch up the broken barrel of capitalism." But, as Guerin notes, the barrel was broken not by revolutionary action but by the internal development of capitalism itself. When reformist politicians try to avoid fascism by compromising and temporizing, when certain well-intentioned liberals warn the workers against militant action on the grounds that thus they will "provoke fascism," they assume that big business can make a free-will choice: to impose or not to impose fascism. This is not the case. When and if the American big bourgeoisie put fascism on the order of the day, it will not be because they are "provoked" by militant labor action, nor because they seek "revenge" on a strong labor movement, nor for any other subjective reason. It will be because the automatic, uncontrollable development of capitalism—a

matter of such economic factors as technological advances, rediscount rates, unemployment, bank loans, new security issues, etc.—has made it impossible for capitalists to earn profits with their capital under the old bourgeois-democratic form of government. When that time comes, whether the working-class parties threaten revolution or not, the big bourgeoisie will be compelled to turn to fascism if they are to survive. (Guerin shows quite clearly that in Italy and Germany, fascism conquered power at a time when there was no real threat of revolution from the left, and that its victory was made possible, in fact, only because the working masses were disarmed by their reformist leadership.) The same economic crisis that spurs big business to attempt a fascist coup will also put the masses into a state of unrest, ready to follow whatever political path seems to promise an escape from their misery. This is fascism's big opportunity, but it is also a revolutionary situation. Whether fascism or social revolution wins then, will depend on a great many factors which there is no room to discuss here. Only one thing is certain: if the American masses follow the example of their German and Italian brothers and allow their reformist leaders to tie their hands, fascism will win one more easy victory.

"If American energy and vitality were backed by European theoretical clarity," Engels wrote in 1883, "the business would be finished over there in ten years." This book of Daniel Guerin's should help us over here to finish "the business."

DWIGHT MACDONALD

New York, December, 1938

# Fascism and Big Business

# by DANIEL GUERIN

The American edition of a French contemporay classic—thoroughly revised and brought up to date by the author—edited, with an introduction, by Dwight Macdonald.

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