

# The Political Economy of Fascism

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*Fascism is a concept that is used more as a pejorative term than one having a rigorous theoretical connotation. The unprincipled flogging of the term, and a failure to come to grips with its cultural and structural significance has frequently brought Left forces to grief.*

*What is still more lacking is a scientific theory of fascism. This article attempts to present such a theory by sorting out the structural features of the social and economic co-ordinates of fascism from the more popular value-laden cultural connotations.*

*Though the bulk of the discussion pertains, necessarily, to developments in the advanced capitalist countries in the West, the last section of the paper attempts to relate the issue to developments in Third World countries, particularly India.*

## I

THE concept of fascism has become a handy tool with which to lambast almost any shade of political opinion or policy which does not conform to one's own. For instance, to draw an example from India, Indira Gandhi called Jayaprakash Narayan a fascist, while almost everybody else called Indira Gandhi a fascist in turn. This ambiguity by itself need not demand a scrutiny of the concept for one can go right on abusing or using it at will.

It becomes necessary to examine this concept in so far as it still retains some theoretical relevance, especially for the Left. Further, the unprincipled flogging of the term, and a failure to come to grips with its cultural and structural significance has often brought the Left forces to grief. As Ernest Mandel has correctly stated, "Fascism was able to develop successfully over two decades only because its opponents lacked a scientific theory of fascism, because the dominant theory was a false or incomplete one".<sup>1</sup> Here we do not presume to be able to settle the issue once and for all; our much more modest aim is to sort out the structural features of the social and economic co-ordinates of fascism from the popular value-laden cultural connotations which have vitiated the relevance of this concept. Our endeavour will be considered justified if it prompts one to have a second look at a term which is supposedly a theoretical one but which survives now by the sheer dint of its pejorative connotations.

Unfortunately the bulk of this discussion pertains to advanced western capitalist societies. There are two reasons for this. Firstly, most of the lite-

rature on fascism is in the context of western capitalism. Secondly, as this paper is sketched with broad strokes, a search for the structural co-ordinates of fascism will primarily involve the advanced industrial capitalist countries. However, the last section attempts to bring out very briefly the relevance of the discussion for Third World countries, particularly India.

## II

The standard versions of fascism originate broadly from two schools: the Marxist and the non-Marxist. The Marxist versions are easily more incisive than the non-Marxist ones. The interest of non-Marxist scholars, moreover, in the issue of fascism receded with the memories of Hitler's regime, and thereafter they took only a peripheral academic interest in the problem.

The single most common factor in the study of fascism undertaken by both the schools is that their take-off point is the ideal typical manifestations of fascist political structures in Italy and Germany during the late twenties and early thirties. The focus seems to be on the extremist postures of Mussolini and Hitler, their intolerance of the values and norms of liberal democracy. As Mario Einaudi writes, "Fascism is used primarily to identify the political system by which Italy was ruled from 1922 to 1945. It is used to identify a prototype of totalitarianism and is applied to variations of political systems thought to parallel the Italian one".<sup>2</sup>

The non-Marxist scholars have usually stressed the anti-democratic nature of fascism, and on the basis of its manifest authoritarian structure they establish a close similarity between the Third Reich and the Communist

states.<sup>3</sup> This bracketing is patently superficial as it does not distinguish between the variant economic and social correlates of the two systems. Alternately, some authors of this school view the growth and establishment of fascism with demagoguery, mass propaganda and the overhaul of the social psyche which proceeds to such an extent that the masses stop thinking for themselves.<sup>4</sup>

Marxist scholars have usually seized upon the blatant suppression of Left democratic organs by Hitler as the lynchpin not only of their attacks on fascism but also of their analysis of this phenomenon.<sup>5</sup> Other peculiar attributes of Hitler's regime, such as its absolute intolerance of certain ethnic and religious communities serve as added riders in their understanding of this concept.<sup>6</sup> Moreover, the subsequent subservience of both Hitler and Mussolini to monopoly capital, after the economy was destroyed by war, is symptomatic, the Marxists believe, of the hollowness of the avowed socialist slogans on the crest of which both Hitler and Mussolini came to power.<sup>7</sup> Therefore Marxist scholars are tremendously wary of a Right wing movement which, in the face of increasing economic deprivation, gains mass popularity against the existing Right wing or moderate government in State power. This was after all the way in which Hitler and Mussolini came to power. Any movement remotely resembling such a situation is easily termed by them as fascist.<sup>8</sup>

Another facet of the Marxist approach, evident in the writings of Dimitroff, Trotsky, etc. is to find an explanation for the rise of Nazism in Germany. According to them fascism arose out of the horrors of monopoly capital which turned the petite bourgeoisie against the State. As the left

wing was weak and lethargic, it was unable to lead the rising wave of militancy engulfing this section. This enabled the populist socialists, or national socialists, with overwhelming nationalist sentiment and support, to come to power whereupon they shed their socialist pretensions and turned totally repressive, thereafter, quite predictably they went about strengthening the hands of the monopolists.<sup>9</sup>

The conspiracy theory accounting for the rise of fascism is also quite popular with a number of Marxist scholars and sympathisers. This theory was given its most cogent expression by Rajani Palme Dutt.<sup>10</sup> While criticising the understanding of several authors that fascism is a middle class movement, Dutt points out that after all the NSDAP was brought up, reared and nourished all along by the ruling party; and in the end the latter openly welcomed it and gladly stepped down without the slightest demur.

### III

What is wrong with the standard version? As a matter of fact almost everything, though it is simple, straightforward, easy to understand and propagate.

We are firstly suspicious of the confluence of characteristics: authoritarian, chauvinistic, expansionist, anti-communist, as well as the attribute of storming the gates from outside the established political structure. And it is no coincidence that all these attributes typified the regimes of Hitler and Mussolini. The Nazi party and the Third Reich epitomise all the essential ingredients and are therefore the ideal fascist movement and State respectively. It is with relation to the extent to which other parties and governments approximate these features that terms like semi-fascist, neo-fascist, proto-fascist, etc. are coined. We are not denying the fact that to understand the Nazi and the fascist regimes one must take into account all their peculiarities and characteristic features. But to confine the theory and understanding of fascism to a point-by-point dissection of the two regimes instead of enquiring into the economic basis of fascism and its socio-political consequences will perhaps retard the development of a complete theory of fascism.

For example, if we take the attribute of authoritarianism to be the key factor in understanding fascism, then as we have seen, with equal plausibility the Left will have terms like "Right fascists" to characterise their oppo-

nents and the Right will brandish the Left as "Left fascists"; and scholars like Lipset will have a field day writing seminal pieces entitled. "Fascism — Left, Right and Centre".

Similarly to equate fascism simply with repression on the Left also leaves much to be desired. Firstly a Right party, no matter of what hue and colour, is definitely no lover of the communists, and a repression campaign on the Left will follow the moment the Left becomes a live threat to the ruling classes. By this definition, then, any State that attacks the Left at any point of time is fascist and the moment it has successfully taken care of the threat and allows the Left to function within defined limits it ceases to be fascist. Further, repression of the Left need not necessarily emanate from a dominantly capitalist state. It may happen in a semi-colonial, semi-feudal structure and in a colonial structure as well. Ironically, it was a left-oriented group called the 'fascio' (from which the term fascism was originally derived) which faced massive repression in nineteenth century Italy. Moreover, to look at fascism in these terms alone will be tantamount to sacrificing the initiative of being able to analyse and predict the outcome of fascism *before* it eventually strikes. This is a real problem. Such situations have arisen very often when the Left forces have suddenly sat up with the realisation that they are threatened by a fascist State.

A more important criticism of the standard version concerns the belief that a fascist movement or party is composed of the petite bourgeoisie, disgruntled farmers, workers and intellectuals with monopolists, as in Germany, playing a shadowy role. If this were true then almost all non-Communist opposition parties should be termed fascists (particularly as we have seen that the mouthing of socialist slogans is not the prerogative of any one party). This is patently absurd. A Right opposition in a predominantly capitalist State will be naturally composed of the petite bourgeoisie, the disgruntled in the rural areas, the workers, peasants and intellectuals with the big monopolists either divided or playing a shadowy role. What else was Hitler's NSDAP composed of? It was a patchwork quilt of several classes led by the Nazi party.

Moreover, as we know, once the NSDAP and the fascist party came to power they shed not only whatever

vestiges they retained of democracy but of socialism as well. The monopolists in both Germany and Italy prospered tremendously, while the interests of the classes which brought these parties to power were significantly neglected. Why then did these classes not rise up again? Was it because of the strict authoritarianism that prevailed that they were unable to come up, or had their enthusiasm been totally expended and their social psyche so completely overhauled that they were rendered in a state of atrophy? However, granting that such a movement with the same component does arise again, how do we characterise this new government? Should we believe that we have been delivered from fascism or should it be understood as fascism rejuvenated in all its colours? These questions are not touched upon by Marxist scholars such as Dimitroff and Trotsky. It is probably because of the peculiar circumstances in which the Third Reich and Mussolini's regime collapsed that these problems are deemed non-existent. This again reveals the culture-bound approach to this concept.

Several minor issues remain. It is wrong to believe that fascism overhauled the social psyche. The followers of NSDAP as well as the leaders were not in complete consonance with the various components of the fascist or Nazi ideology. Secondly, to equate fascism with the manipulation of ascriptive schisms to smash the Left, by any party or government, is falling prey to the same ethnocentric bias we are protesting against. **McCarthyism** in America which capitalised on communist paranoia and indulged in systematic witch hunting of the Left intellectuals and organisations did not bank on any ascriptive or ethnic hysteria in its campaign.<sup>11</sup> Finally, it is wrong to suggest, as Dutt does, that fascism is aided and abetted by the ruling powers and pampered, as Mowrer<sup>12</sup> details, by the monopolists. This is erroneous to the extent that it seeks to undermine the tremendous sway both Hitler and Mussolini exercised over a large cross section of the masses in their respective countries. The victory of the Nazi and the fascist parties was essentially on account of their strength. This is not to say the monopolists had no role to play. But their contribution was not central to the development of these movements. Though several monopolists did support the movement many others were frankly suspicious of its

unknown nature and character.

However, in all justice to Marxist scholarship on this subject, a consensus exists regarding the social stage conducive to the advent of fascism. It is believed to be a stage where monopoly capital exercises a stranglehold on the economy leaving deep distress lines in the social structure. Depression is attendant in such a situation, giving rise, as it did in Germany, to rampant inflation and unemployment. But unfortunately Marxists do not go beyond this and fail to draw the economic, social and political consequences of such an impasse. We hope to highlight some significant issues in this context, which might have greater theoretical and practical relevance for the understanding of fascism.

#### IV

Our earlier discussion brings up several related questions. Is fascism a definite stage in history or is it an aberration which can be avoided? If it is the former, what are its social and economic co-ordinates? Sweezy, Baran, Dimitroff, Trotsky and others believed that the epoch in which fascism was manifested was the epoch of capitalism in the stage of monopoly capitalism. This to a degree is correct, but they have not quite seized the point. A little digression here on the contemporary developments of capitalism will be in order.

The whole story starts from the 1930s. It is common knowledge that fascism in its ideal typical form in Germany and Italy flowered during the days of worldwide economic depression. Concomitantly monopolism had reached dizzying heights. Unemployment was rampant and there seemed no way to emerge out of the depressingly low trough of the business cycle. This was true for the entire capitalist order. A quarter of America's work force, a fifth of Britain's and an eighth of France's was unemployed. Say's so-called irrefragable law of supply which purported to create its own demand in an ever generating homeostasis was forced to flounder. The mass scale retrenchment that followed further aggravated the situation. All attempts within the flexible confines of *laissez faire* theory and practice failed to relieve this crisis. The intrusion of the state in the play of market forces was anathema to the prevailing ethos and very often the bogey of communism was raised if any attempt was made in that direction. It was felt that

governmental restriction or interference would abrogate the freedom of entrepreneurship, and in the prevailing ideological climate fiscal and monetary restrictions, deficit financing, etc, to which we are so used today, were viewed with suspicion.

On this scene came Lord Keynes with his *General Theory*, but it was not immediately welcomed. Keynes was for long confined to academic circles as no government was willing to undertake massive state expenditure with fiscal and budgetary control at the risk of facing violent opposition. The German state of the "moderates" prior to 1932 had not heard of Keynes and for that matter neither had Hitler or Mussolini, though the latter believed in the state handling of usury.

Be that as it may, Hitler and Mussolini, once they came to power riding on the crest of mass support, were able to overcome the ideological hostility to State Capitalism. As Kalecki said, "One of the important functions of fascism as typified by the Nazi system was to remove the capitalist objection to full employment",<sup>13</sup> i.e. to State Capitalism. The monopolists who were initially unhappy or at least wary of these movements—what with their repeated socialist slogans such as Mussolini's "Capitalism is a dead weight on the shoulders of the State" — found in the massive State bureaucracy and in State Capitalism a way to re-establish themselves. In Germany and Italy factories were working again and the promise of full employment began to gain credibility. The utilisation of the war economy helped the process a great deal.

Subsequently Roosevelt with his New Deal, as well as England and France gave in to State Capitalism, which with the impending war — "The Gathering Storm" — became increasingly intense. The New Deal, it is said, was not much of a success initially as Roosevelt increased both wages and prices. However, in due course the mechanism was perfected. It must not be thought that the New Deal policies were smoothly assembled and implemented. To many Americans they were nothing short of a revolution. A lot of ideological and policy statements as well as assurances had to be dealt out over the mass media to make the New Deal programme acceptable. The American Fascist Party and British Fascist party lost out on this deal. Why did this happen?

The answer to this question is not simple but lies in the complex social, political and ideological streams and trends which were substantially different in America and Britain from those in Germany or Italy. Germany was a vanquished power and whatever glory the Germans could carry off the battlefield was crushed under the humiliating terms of the Versailles treaty.

The ruling moderates in Germany were a party to this treaty and were pledged to uphold it. Italy also emerged severely disillusioned after the First World War. Even though it was on the winning side, the post-war repatriations were not commensurate with the losses it suffered during the war. Italy and Germany were in the throes of an economic crisis and the governments in Rome and Berlin lost much of their credibility. With the gradual erosion of mass support the ruling parties were unable to risk State Capitalism; they were, to use a phrase from Gramsci "mummified and anachronistic". Moreover, in both these countries, there was a lack of consensus over the values and norms governing both the polity and the economic structure. It should also be kept in mind, that in the camp of the victorious allies of World War I (barring Italy) there existed established and institutionalised opposition parties (such as in America and Britain), which were able to absorb the popular resentment of the peoples by espousing their radical sentiment. Roosevelt, for instance, stood out in contrast to Hoover with his advocacy of radical measures, and was consequently the recipient of popular support, though nobody knew precisely what these 'radical' measures would include. The New Deal for instance matured only after 1932, and it was a veritable "revolution from the right".<sup>14</sup> It was able to offer palliatives to the mass of discontented and impoverished petite bourgeoisie, workers and others in Britain and America, without a major upheaval of their existing political structures. State Capitalism was therefore a necessary stage which the British and the American could accomplish within their existing political structures while Germany and Italy could not.

Monopoly capitalists, as they were the most powerful economic force, made use of the State machinery to multiply their assets and control the political deliberations of the State. It is by now a well established fact that since the period when the great

depression of the thirties was overcome, the powerful arm of the state worked in tandem with monopoly interests, resulting in the near-total absorption of all economic activity within the nexus of State monopoly capitalist operations in advanced capitalist countries like Britain, America and Germany. As Lenin said the "colossal power of capitalism with the colossal power of the State were brought into a single mechanism, bringing tens of millions of people within the single organisation of State Capitalism".<sup>15</sup> Moreover, with the new weapon of deficit financing, with the novel authority of being able to impose fiscal and budgetary controls, and with the ability now to create what Kalecki called "political cycles", lusty promises of 'full employment' gained credence. A renewed and vigorous trend towards economism set in and the Left trade unions and political workers were unable to make either sense of or headway in this situation. Some even thought that Keynes was basically putting forward a Marxian remedy to the situation. The armoury of State Capitalism effectively fragmented and divided the entire working class.

We find that barring the manner in which State Capitalism was introduced, the success of both Hitler and the western European world was primarily because they found a way out of the impasse offered by *laissez faire* capitalism by empowering the State to come out actively and protect private appropriation of surplus, and in particular monopoly interests. This resulted in a monolithic State Capitalist organisation which had greater resources for co-opting sources of tension and for fragmenting the working class movement. The economic correlate of fascism is therefore State monopoly capitalism, and the condition which brings it about is the stagnation and recession in the economy where monopoly capitalism is the dominant factor.

## V

In tune, therefore, with this strain of reasoning the economic correlates of fascism should not be confused with the manner in which the governments which brought them into effect, came into being. On the other hand what is important to note is that State Capitalism was the only weapon which both the obviously 'fascist' states as well as the so-called democratic governments had to employ in the interest of private capital in an en-

deavour to contain contradictions within the system. In as much as that, there is a certain structural uniformity in their operations.

With the introduction of State Capitalism, however, a greater degree of social control was imperative and the ideological climate had to undergo suitable mutations. The first attack was therefore on the notions of *laissez faire* capitalism. Subtle methods were employed by democratic countries to make popular and acceptable the belief that free uncontrolled trade without monopolist price fixing, state control, etc, was unworkable and unreliable. Keynes's inveigh on the *laissez faire* dictum regarding the tendency towards self-sustaining equilibrium and in the assurance of the inevitability of continued long run demand is well known. What is often not brought out in this connection is the conscious attempt on the part of bourgeois economists to justify monopolism, contrasting it to the hitherto prevalent 'law of the jungle' where free trade replete with such heinous offences as price cutting, and entrepreneurial competition were the order of the day. In the first stage of this attack, beginning with Schumpeter,<sup>16</sup> the soothing balm of monopolism was sought to be spread on the troubled conscience of the free trade protagonists. Schumpeter, however, justified monopolism on the ideological basis of *laissez faire* capitalism. Later economists like Galbraith saw positive advantages of monopolism over free unfettered trade between more or less equals.

In order to consolidate State monopoly capitalism both the instruments of monopolists and those of the State had to be protected against the demands of, on the one hand, the lesser capitalists, and on the other hand the pressures of mass societies and liberal democracy. A greater degree of social control was evident not only in the handling of the economy but also in controlling and containing the pressures of a pluralist political system. This social control, as Rosa Luxemburg said, "is concerned not with the limitation of capitalist property, but on the contrary with its protection it does not constitute an attack on capitalist exploitation but rather on normalisation and regularisation of this exploitation ... soon as democracy shows a disposition to deny its class character and to become an instrument of the real interest of the people the democratic forms themselves are sacrificed by the bourgeoisie and

*their representatives in the state*"<sup>17</sup> (emphasis added).

Quite in keeping with Luxemburg's prognosis the State and the other components of the polity which according to the pluralist sociologists fulfilled vital input and output functions, also underwent a qualitative change. This was possible because, to repeat Lenin, tens of millions of people are brought "within the single organisation of State monopoly capitalism". The endeavour now was to protect this organisation from the wide-eyed ideals of bourgeois democracy, mass parties, and pluralist institutions. The executives and the administrators were gradually sealed from the vicissitudes of popular pressures; populist organisations which stood by the earlier values of bourgeois democracy, as well as Left wing organisations largely met with disapprobation. Instead of a number of mass organisations whose leaders were chosen, ratified and directed by the general body of these organisations, there was now a consolidation of powerful corporate bodies which were granted legitimacy by the executives to represent certain class or communal interests. This trend was seen by Robert Lynd as early as 1942 when he cautioned his fellow Americans that "(if) we avoid the development of genuine democratic organisation and participation, if we curtail the political organisation of labour... we can know for certain fact that democratic peoples organisations will be similarly frustrated". This he believed "would be a one way ticket to American Fascism".<sup>18</sup>

Following this development it was necessary that sociologists should come up as rationalisers of the systems and as markers for the future course to fortify the superstructure of State Capitalism. The current generation of established 'academic' sociologists, the so-called conflict theorists, attacked the obverse aspects of *laissez faire*, i.e. liberal democracy and democratic freedoms. Like the economists of State Capitalism these sociologists attacked the earlier accepted notion of functional cohesiveness and crisis free equilibrium. They began by admitting that conflict is endemic in all societies, and stayed on to wonder if the ideals of freedom and openness of the society were by themselves not harmful for the development and maintenance of freedom. As competition was the villain of the piece — according to the rationalisers of

monopolism — democratic freedom and mass societies now bore the opprobrium for the sociologists of State Capitalism.

Kornhauser<sup>19</sup> is probably the most articulate propagator of this point of view in western sociology. According to him the political elites should be protected against constant mass pressures if they are to function effectively. The government and the executive should be beyond the reach of the masses. The danger Kornhauser sees to the US and other capitalist countries is from these utopian notions of bourgeois freedoms and of mass politics. Likewise Lipset urges the view that 'realistically' the distinctive element of democracy is the passivity of electorate and it is necessary to separate the political system "from the excesses inherent in the populist assumptions of democracy".<sup>20</sup> The close parallel between Kornhauser's and Lipset's views and that of Giovanni Gentile, the scholar propagandist of Mussolini, is to be noted.

Ralf Dahrendorf, Daniel Bell and a host of other sociologists are working overtime to get this idea across.<sup>21</sup> Each one develops a special facet which add up to a complete thrust against the theory and practice of mass societies and pluralist politics. Dahrendorf, for instance, propagates the subtle message that conflict should be controlled and regulated through established and well regulated channels. Similarly Daniel Bell, in the tone of a distressed liberal who now knows better, complains against excessive rationality in the politics and culture of modern capitalist states and believes, like Alfred Rosenberg the propagandist of Hitler, that the persistence of this trait is the major cultural contradiction of capitalism. Bell, however, professes to take his cue from Nietzsche.

The ideological derivation is obvious and the motivations and implications are clear. The concentration of economic and political power which follows the transition to State monopoly capitalism makes it imperative that both the economic and political structures be removed and insulated from mass pressures. The State and the monopolist have an enormous concentration of powers without which they will be again prone to unrest and destabilisation which may now entail the downfall of capitalism. The political and ideological correlate of State Capitalism is the undermining of democracy and the establishment of powerful,

centralised structures which vitiate the very notions of mass societies and pluralist politics.

Once we are able to shake off the ethnocentric notions of fascism, we find that in both the so-called fascist states as well as the 'democratic' states, State monopoly capitalism and the consolidation of elitist socio-economic institution proceed simultaneously. The faultiness of the approach which does not recognise fascism in anything apparently dissimilar to the peculiarities of the German or the Italian ideal type overlooks this trend towards elitism, away from the principles of pluralist politics, because it does not see it in relation to the passage of the economic order from *laissez faire* capitalism to State monopoly capitalism. This qualitative change within the capitalist mode of production makes it both necessary and possible for elitist political institutions to develop.

## VI

What we have said so far applies largely to the advanced capitalist world of the West, where the economic life of hundreds and millions of people is brought within the single organisation of State monopoly capitalism. In underdeveloped countries like India, where State monopoly capitalism is also in existence, its scope and effectiveness are vastly different. This is primarily due to the variations of capitalist development between the two worlds.

In India, for instance, we find that capitalism was introduced from the top without an industrial revolution. The pre-capitalist forms of economic relations were retained in the countryside and isolated pockets of capitalist industrial enterprise developed in certain urban centres of colonial India. This resulted in the precocious development of monopolism which throttled the growth of free and unfettered capitalist development.

When State monopoly capitalism did emerge in India it inherited this legacy and its field of operation was severely circumscribed. It could not exercise its sway over the entire socio-economic structure of the country, and large areas of the rural countryside remained peripheral to the growth of industrialisation and were not integrated into the uniform order of State monopoly capitalism. Moreover, unlike the classic dilemma which Keynes set about to resolve, the problem in India was the lack of investible surplus and not its abundance. For

this reason state investment, as Patnaik<sup>22</sup> demonstrates, follows the course of the business cycles and is unable to stand up against it because of the dangerous political implications of rampant inflation.

This is however not to deny that State control has had no role to play. It has successfully brought about and maintains a tenuous balance between the interests of the rural and the urban rich. This enables the monopolists to amass huge profits in a closed and protected market. This has also resulted in the restriction of growth prospects in the rural areas and thoroughgoing changes in rural relations.

It is primarily the existence of this large rural population whose field of economic activity is far removed from the machinations of State monopoly capitalism that inhibits an organised, well regulated and well channelled socio-political system in India, like in the West. In so much the social structure still retains sources of populist mobilisations and uprisings which cannot be adequately controlled by the political and economic weaponry of State capitalism as we found to be possible in the western capitalist countries. Even in the urban industrial areas of India it is not quite possible to seal off the sources of mass politics and organisations and to institute instead elite corporate structures which can assume to protect the interests of the subaltern classes. Firstly, the urban Indian worker is not quite cut off from his traditional moorings, thanks to the primitive and extractive nature of Indian capitalism which does not offer adequate social security benefits. This in turn determines the affiliation of the workers towards organisations, politics and pressures over which the industrial and trade union elite, even if the latter could come into being, would have little control. Secondly, the essentially defensive nature of State capitalism in India and its inability to correct or attenuate the vicissitudes of the business cycle or of the monsoon, robs it of much of the potency that Keynes had visualised.

The power and sway of State monopoly capitalism in India are therefore vastly different from the American or West European examples. This also precludes its ability to control and co-opt sources of unrest whose locations are widely dispersed. This however is not to deny that such attempts cannot be made, but their effect is bound to be partial and temporary.

Failing this the ruling powers resort to crude violence and terror as was witnessed during the Emergency. The only method of successfully resisting this is through the traditional Left and democratic methods of mass mobilisations and insurrections on popular slogans such as the restoration of democratic rights, land to the tiller, minimum wages, etc.

A search for the structural socio-economic co-ordinates of fascism can also be of utility to the theory and practice of Left movement in India and in other underdeveloped countries. By overcoming the culture laden connotations of fascism, the threat of fascism may be more fully understood. We believe that the success of fascism depends primarily on the social and economic structure and not merely on the wishes and whims of any individual or political party. Similarly, any Right wing movement which gains State control through popular mass support need not necessarily culminate in the ushering in of a fascist era.

Moreover, it should be remembered that the State in India (and perhaps in a large number of underdeveloped countries of the Third World), given its class character, is no champion of bourgeois democratic norms and values, for as we have seen, they run contrary to the interests of the big bourgeoisie and the rural rich combine. Therefore anti-democratic measures may well emanate from the top with constitutional sanction. There is thus very little justification in reposing full confidence in a ruling party which avowedly swears by democratic principles without examining its class character. In the Constitution of India for instance, which is supposed to be the high-watermark of the democratic temper of the Indian polity, certain elementary fundamental rights and liberties were already been done away with even before the 1975 Emergency; in Article 22 forming ironically part of the chapter on Fundamental Rights, the Constitution empowered the State to enact "any law providing for preventive detention". The successive MISA and DIR provisions were smoothly accommodated in the statutes primarily because of this. According to Ranjit Guha, we have "the fundamental right of being detained without trial".<sup>23</sup>

Simply stated, our contention is that due to the conjuncture and context of State monopoly capitalism in India, it is unable to establish its hegemony and impose thereby strict

elitist political and economic control, given the "multiplicity" of structures belonging to different economic formations.<sup>24</sup> But at the same time the fact that State controls work in consonance with monopoly and bourgeois interests is a pointer to the fact that the ruling party can easily shed its democratic veneer without the slightest compunctions.

And finally, if it is agreed that fascism is a stage in the development of capitalism and not an aberration, the strategy and tactics of the left in its long and arduous struggle towards emancipation should take into account the possibility of overcoming this stage wherever possible and halting any tendency which might lead to greater consolidation and control of State monopoly capitalist forces.

### Notes

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