

## CORPORATISM AS A TOTALITARISTIC FOUNDATION AND PRACTICISM

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### **Abstract**

*Based on the liberal concept of management and generating profit, capitalism disappeared from the world economic and political scene during the Great Economic Crisis. The expansion of mega corporations, primarily from the USA, was enabled by Anglo-Saxon fascist political-economic world order and state favoring – global control mechanism. The fascist order was in propulsion owing to a combination of leftist economic and political foundations and rightist oppressive practicism. As a foundation of functioning of the world corporate system, corporatism is positioned as a unity of corporative supremacy and state power. Globalization is identified as a geopolitical super-control. The key resource for the transfer of wealth has become global control, along with conspiracy. The current world financial crisis – banking, currency and debt – represents an effort of forced reforming and a more concise restoration of fascism, along with an obvious enhancement to the maintenance of totalitarianistic manners of corporate management. The theoretical foundation of the leading world scientists has contributed to a constant distortion, manipulative modeling and conscious covering up of national and globalist economic systems and policies.*

**Key Words:** Corporatism, Totalitarianism, Fascism, Capitalism, Globalization, Control, New World Order, Financialisation.

JEL Classification: F00;

**Preliminary Communication**

Received: April 03, 2012 / Accepted: June 27, 2012

### **1. Basic approach to an analysis of totalitarianism and corporatism**

The development of the capitalist system economy was enhanced by creating larger economic areas for development of trade and industry. This process benefited from already established state concentration of power in an absolutistic system. Mercantilist policy of state also enabled strengthening of the political power aimed at foreign countries. Industrialization, urbanization of the country, wider trade links and colonial profits strengthened the position of bourgeoisie. Although it met the most important interests of the rising bourgeoisie, absolutism was not seen as a final solution, which led to creation of a bourgeoisie criticism of the feudal system and absolutist state. Calvinism articulated interests of bourgeoisie and rationalistic ideas on natural law served as a more specific criticism of the system.

Pre-capitalist society offered a considerable safety despite legal inequality, political persecution and economic abuse by the ruling class. The victory of liberalism removed the social measures of protection, which was followed by exploitation of classes that did not possess anything, an increasing use of women and child work. From the beginning, capitalism was directed towards existence of those who were not legally free and who were forced in economic terms to sell their labor (free wage labor). Capitalism brought social poverty to a large number of classes, which practically annulled the ideal of liberal theoreticians that the best way everyone can contribute to the general wellbeing is through an egoistic aspiration towards their own usefulness.

Despite the fact that liberalism was good, in economic and political terms, for the society of small producers, numerous social and economic changes took place in the second half of the 19<sup>th</sup> century; these were contrary to liberal theories, while the civil-liberal theory was significantly

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changed. After the industrial revolution in 1850, individual small producers – small capitalists of an independent middle class – were transformed by the new class of big capitalists into dependent wage laborers. Technical revolution led to a concentration of production means; stock companies strengthened, while economic power concentrated into the hands of a relatively small number of big companies. Concerns and fusions were the cause of concentration and monopolies, which led to the arbitrary fixing of prices and profit rates.

Fascist methods of rule were announced starting with the dictatorship of Napoleon III in France. Namely, society had already reacted to the periods of acute dangers by strengthening the executive power and by abolishing freedoms to the opposition. Big companies needed a strong state that would represent their interests out of the country. Merging of the leading economic groups and political (military) levels of decision-making resulted in a supervision of big companies over the state. The power of the state towards other countries was expressed through its relations with the competing industrial powers and population of the colonized areas. On the internal level, the state met the needs of the labor movement, but much more those of big businesses.

The postulates of the liberal theory were replaced by the end of the 19<sup>th</sup> century by new ideologies which assumed many premises of liberalism, but with a significant improvement in theoretical terms. Optimistic beliefs of the public spirit were replaced by a deeply pessimistic understanding of political, social and moral problems, along with the domination of irrationalism. Liberal ideology of progress was redirected to a conservative ideology of ensuring power, which was presented in the Pareto's theory on the circular flow of elites<sup>1</sup>. Democratic elements in the public ideologies were suppressed by those belonging to the authoritarian-elite ones. F. Silberstein proclaimed the following principle: Liberalism is a duty towards the state – liberalism is the duty towards the power.

Liberal capitalism of free competition was substituted at the beginning of the 20<sup>th</sup> century by monopolistic capitalism. The era of free trade ended with organized capitalism. Expansionistic colonial policy was motivated by providing the much-needed raw materials and cheap labor force, along with escalation of international conflicts. On the internal level, 'social-Darwinism' served the capitalist class as an excuse for an uncompromising destruction of small businesses and subordinating wage laborers. The power legitimizes as a means of problem solving. Political dictatorship, economic exploitation and rise of imperialism were justified. The door was widely open for fascism and fascist dictatorship on a long-term basis.

Reaction to serious social changes and conflicts (irrationalism) produced the ideology of violence. 'Educated' and arrogant 'elite' classes rushed into the arms of fascism by despising masses, with dominant pessimism, but also romanticism and nationalism. 'Free entrepreneurship' was not the thread that linked classical liberalism and formally new liberals. Irrationalism allegedly had fascism as its last consequence. However, it is logical and justified to conclude that all the mentioned things had a reverse mechanism of economic and political transmission, by the planned scenario and the Project Hitler, where the factor of coincidence and cause-and-effect of events can be seen possibly in the last iteration – the impossibility of sophisticated directing.

The theories and practices after the crisis and the breakdown of capitalism in 1929 start from the fact that mechanisms of self-regulation in the stadium of monopolistic capitalism were not enough to ensure economic development. The concept of unconditional state intervention which presupposed saving private owners, whereby the cost would be born by the public, is known as Keynesianism. In theory, the so-called liberalism ("social market economy") offered "a third way between socialism and capitalism" in order to allegedly avoid the shortcoming of both systems. Monopolism still maintained the position of power, this time in the system of fascist ideology and practice, while the meaning of neo-liberalism can be understood in the context of ideological 'justifications and disguising'.

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<sup>1</sup> Pareto openly suggested that parliamentarianism should serve as a decorative element because of still existing democratic ideologies among the people, claiming that it should function as harmless.

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By expressing the frustration of masses with the existing circumstances, fascist ideology had as its aim not only to put to question but also to abolish capitalistic social system. The principle of orders and obedience started quickly to permeate whole social systems, both in developed and less developed industrial states, imposing fascism as a solution for basic inconsistencies of bourgeois society. Positioning Bolshevism in one-sixth of the globe was a confirmation of breakdown and overcoming capitalistic organisation of industrial state. Socialist movement latently endangered the capitalistic system and the economic crisis was a radical solution of the problem, out of traditional political scheme.

## 2. Issues and debate on totalitarianism and corporatism

Modern ideas on totalitarianism (theories) – on totalitarian dictatorship and autocracy – are mainly based on the experience of Nazi Germany and the Soviet Union during Stalin. In such a way, the analysis is concentrated on the terror of the political system in relation to the society, with the aim to transform or reconstruct it in accordance with its own ideology, mainly in the first stages. This unjustifiably narrow ideological (dogmatic) and institutional (organizations and society) view of authoritarianism and dictatorship is a consequence of the deliberate effort to cover up the link between the centers of coercion and instruments and mechanism that impose terror over mind and existence.

In accordance with the “modern theories on corporatism”, the society dominated by big businesses is the society with pluralism (social and political) to a large extent, a certain dispersion of power and unavoidable internal competitions among different elements, groups and interests. According to these theories, this should represent the essential difference in relation to totalitarianism. The triple characteristic of the theory is as follows: in modern corporatism<sup>2</sup> big business allegedly controls and mobilizes masses via integration of organised socio-economic groups of produces through the system of representation and cooperation. On the other hand, in totalitarian and quasi-totalitarian systems, groups in power mobilize and control masses with the support of propaganda of the official ideology and force.

A definitive theory on corporatism does not exist, but the analysis – issues and debate – on corporatism mainly refers to different thematic fields. This implies reformulated old theorems arising from the research of associations, then those on the relation between the policy of interest and parliamentary representation, or on developmental tendencies in the socio-political organisation of the Western European countries after World War I and World War II. The diversity of understanding of corporatism arises from the assessment of changes in the relations among state, organization of capital and trade unions. The first papers, however, notice ‘a strengthened tendency to creating additional and new institutionalized forms of integration and cooperation between the state and economy – the main social organizations’.

Despite the obvious, although somewhat shy emphasis on the link between the state and corporations, no theoretical step forward was made to demystify the magnitude of the mentioned relation from the point of view of influence on the overall social relations, the issues of freedom and control, and even less on the international, frequently essential significance of the dimension of links and effects of the economic-political positioning of corporatism as a dominant factor for all crucial social and ethnic global tendencies in the last twenty years. In such a way, no progress was made in addressing the authors of the general concept of corporatism, which gained different forms, whereby the individual analysis of forms of corporatism served as a basis for differentiation within the economic-political phenomenon which should not be analytically segmented.

The mentioned new constellation of the state and corporations, labelled as corporatism, theoretically pointed to the analogy or ‘functional equivalent’ to corporatism of the twenties and thirties. The intention was to make a distinction in relation to understanding society and state –

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<sup>2</sup> H. Kastendiek stressed that the concepts *corporativism* and *corporatism*, i.e. *corporativistic* and *corporatistic* are only partially identical. The issues and debates are extended to the concept of ‘new corporatism’ and ‘(neo)corporatism’.

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structural elements and elements of systemic rhetoric – in the conditions of Italian fascism. Corporatism was also seen as a specific form of modern political organisation, by stressing the difference between authoritarian, state and other form of corporatism, on the one hand and liberal, social and other forms of corporatism on the other. According to this explanation current political organization in the Western European ‘democracies’ is characterized by the latter.

The research of corporatism is mainly carried out by abstracting the link with fascism, which purposefully replaced capitalism recognized at least in the theoretical ideas of the leading economists of capitalism. Corporatism was presented as a product of capitalism by neglecting the fact that corporatism and capitalism are mutually exclusive, in economic, political and historical terms. In the modern theory of corporatism it is not possible to notice the historical growth of corporatism, from the initial dominant influence of the state, and then its gradual relative decline to the inauguration of corporatism. Finally, the background of real reasons of imposing corporatism is not emphasized, which brings with itself a multidimensional – more complex and responsible – approach to research.

According to J. Winkler (1976), corporatism is an economic system in which the state manages and controls the economy, which is primarily in private ownership. The state also defines or limits frameworks of capitalist owners or managers’ decision-making. Starting from the fact that economic goals can be best achieved through cooperation, according to Winkler’s definition, corporatism does not accept anti-monopoly competition, but is oriented towards creating state-organized cartels. State regulation and individual self-limitation is a condition of stability, because market economy is ‘anarchistic, unpredictable and uncertain’. Collectivism of corporatism is defined as a nation, not as a class. Finally, corporatism favors collective, state solutions, not the private-industrial ones.

Compared to the ‘general theory of corporatism’ of R. Pahl and J. Winkler, which is focused on the relation of the state and economy as well as state administration over economy, the approach to ‘functional interests and groups’ refers to the main groups of social production and reproduction, i.e. the organizations of capital and organizations of workers. For example, F. Schmitter (1974) defined corporatism as a specific system of representation of interests and meeting interests in which the role of the state when organizing interests gives it a special characteristic. Interest associations influence the process of ruling, without the parliament; they are agents of the authorities and represent the state in all the fields of public life; they also undertake responsibilities from the competences of the administrative authorities.

Schmitter naively makes a distinction between social and state corporatism, ‘liberal’ from ‘authoritarian’ one. It was in the liberal corporatism that B. Jessop (1978) raised the issue of corporatism in the context of the form of state through the relation (fusion) of the political representation and state intervention. All the principles of parliamentary democracy are eliminated, while ‘corporate state’ connects corporations on the state level. The definition of L. Panitch allegedly includes only the formal side of the corporate structures, but not their essential character. According to Panitch, corporatism is a political form that is not aimed at integrating the organised working class into the state.

Analysing corporatism as a policy of industrial relations, C. Crouch differentiates – based on the methods and scope of state participation – between liberal and corporatist system of industrial relations, as a strategy for subordinating organised workers. The so-called free collective bargain was the dominant form of industrial relations in the fifties and sixties, when the trade unions were allegedly politically and socially recognized and participated in state decision-making. ‘Neo-laissez-faire’, which relates to the process of conflicts between trade unions and the capital is, according to Crouch, directed towards the market-economy option of politics, by withdrawing the state from the immediate responsibility for economic processes and development of industrial relations.

‘Neo-laissez-faire’ implies targeting corporatism on disciplining workers through disciplining their organizations – through restrictions for union policies and combination of ‘economic liberalism’ and corporatism. The efforts of pure corporatist strategy are based on the possibility of

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a considerable influence of trade unions, disciplining their members, increased influence of the state and better recognition of the industrial system and its priorities. Despite the fact that Panitch defines corporatism as a political cooperation at the level of management, mobilization and social control at the level of masses, the concepts are mainly concentrated on the institutions and processes at the level of management, starting from the fact that mobilization and social control are done 'top-down'.

H. Kastendiek believes that the ideas of '(neo)corporatism' and '(neo)corporativism' are partial aspects of social organisation of politics, and that the definitions of corporatism are a consequence of generalizing partial structures of organization of politics. Still, according to the theory, corporativistic models or a legal system did not represent the concepts or programmes that referred to individual 'partial systems'. They were supposed to be an alternative to parliamentary system, economic competition and economic class struggle. The conclusion is that the corporate state should unite groups of producers covered by 'corporations' – constitutive units that represent exponents of the state.

However, the fact that corporatism also represents a sophisticated and obscure totalitarian – fascist model that enables states and big corporations to impose an overall system of relations in the society, encompassing relations in all the sectors of industry: the trinity 'workers – unions – state', privileged relation of individual corporations and even activities within a sector, then the system of understanding and reaching agreements on the relation state – corporations, the system of redistribution of profit among the selected participants, unlimited financial and logistic support of state institutions in case of difficulties, repressive mechanism aimed at a possible rebel, which is based on the most brutal methods of intimidation and extermination.

### **3. Fascism – theoretical approach and operative scope**

In the previous decades, civil theories on totalitarianism tried to discredit communism rather than look into fascism, among other things by explicit neglecting the similarity of fascism, on one hand and 'neoliberalism' and communism, on the other. Marxist theories on fascism analysed fascism more precisely in the context of a pure secret service of financial capital, mainly ignoring the significance of the mass base of fascism and 'relative independence' of fascist executive power. Efforts to build a general theory of fascism do not mean that the phenomenon of fascism must be derived from special conditions in one country, but that its proliferation is adapted within the plan of preparation for a thorough change of the existing economic and political aspirations of those who tried to control global trends and resources.

In the earlier approaches, fascism was seen as a political doctrine, a state system, a teaching that creates a new social order, or a new systematization of economic, social, cultural and political relations. Also, fascism was not recognized as a philosophy and creation of systems and models, but as a matter of action, a total reality and ideology, i.e. a total view of the world. Trade-unionism or corporativism are a reflection of fascism, identical to fascism. The existence of fascism is a precondition for corporativism as a 'social, economic and political system'. The lack of approach lies in the understanding that fascism was not created in the rooms of creators of doctrines, in the discussions around a green table, i.e. that it was created by practical life, application of the principle of totality of a nation and state, authority, hierarchy, order and social peace.

Fascist regime was from the very beginning deprived of any capitalistic influence or any class basis. The goal was do dismantle the existing economic system. Fascism drew a clear line between the earlier development of social relations and itself. It started to develop as a system in which each social group, each group and each individual had a precisely defined place. Compared to the capitalistic horizontal system, the vertical scheme of fascism positioned the state as the highest authority which directs this whole vertical pattern and which mediates between individual pillars. Fascism and trade-unionism rejected the theory of classless society and did not have a class struggle as their final goal.

Trade-union system of fascism (Italy) is based on the struggle of fascist workers' trade-unions with unions of other groups and then protection of general and common national interest

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– an ever stronger rise of national production. Formalizing collective agreements<sup>3</sup> became a constituent part of the official policy of the state and party, recognized by employers and workers and raised to the level of public social and legal institution. Labor relations that were not solved by collective agreements were subject to arbitrary mediation of the state. Adoption of the Constitution represented a necessary phase in the history of fascism and fascist state. In the fascist state life was not characterized by democracy, liberalism, parliamentarianism and capitalism.

Trade-unionism developed into political socialism, or a fascist corporation. Fascist trade-unionism and corporations became mutually dependent and conditioned. Corporations were defined as an instrument which, under the state protection, materialized integrally organic and unique discipline of productive forces, having in mind the accumulation of wealth, political forces and well-being of Italian people. Mussolini labelled creation of corporations as a burial of economic liberalism and corporatism as a disciplined and controlled economy and a new synthesis of labor, capital, people and state. The directions of economic development started to determine corporations; production was directed by employers and workers, while the state performed control.

It is a wrong theoretical position that fascism is specifically Italian thing and that national-socialism is a specifically German thing, i.e. it is wrong to give a single name – fascism to all the systems. Allegedly, a diametrical difference in understanding the branching of society and people represents a frivolous argument. It is far from truth that there is international democracy and that there is no international fascism. It is also not true that the new systems that manage the destiny of European nations are aimed at protecting nation as a whole, preserve family as a 'basic cell for regeneration and continuity of national life', maintain social cooperation as a condition for 'general progress of the nation', protect all positive moral values as 'a basis of healthy national life'.

According to the fascist doctrine, state is a mechanism that will resolve dramatic contradiction of capitalism (Mussolini). Similarly, according to Hitler, liberal state does not provide protection; a strong state is needed, which is offered by Nazism, as well as a determined foreign policy of imperialistic character. Internal policy was based on breaking down labor political parties, destroying workers' trade unions and creating unions of the regime. On the other hand, other big unions of industrial and financial capital, incorporated into the fascist system, remained intact. Nazism provided influence for big business in all state bodies that decided on economic issues. In turn, Italian and German big businesses undisputedly played a decisive role in the success of fascism.

According to R. Kuhn, fascism is a movement that appears in a crisis situation of the capitalist society between two wars, as a protest against liberal democratic state and a reaction to the possibility to overcome the crisis of the capitalist economic and social system by a socialist solution. Such ideas accept that fascism appeared in almost all industrially developed capitalist states, but that it came to power in only some of them. In addition to the reformist workers' movement, parliamentary democracy and a civil legal state are destroyed. Fascist system takes for itself a much larger share of the social product than the previous forms of the civil state. Certainly, military and political preconditions are necessary to meet in order to pursue imperialistic policy.

Modern theoretical approaches to fascism base their analysis on a new extreme right, which, according to T. Kuljić (1999), has a socio-economic, ideological-value and ideational-epochal dimension "*because it appears at a crossroads of changes of epochal knowledge and two centuries*". The following terms came out of the theories of totalitarianism: right extremism, which refers to all the movement whose activities are aimed against democratic constitutional state; right populism, where the focus is shifted from the state to the people susceptible to mani-

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<sup>3</sup> Collective agreements appeared before fascism. In the policy of Marxist trade-unions, they were seen as a means for concrete fight against employers - holders of capital. By formalizing trade-unionism, fascism gave the collective agreement a role of a link and cooperation between two partners – labor and capital. In other words, collective agreement ceased to be a means of class struggle and the state proclaimed an official character of collective agreement.

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pulation; and right radicalism, which puts an emphasis on the revolutionary similarity of the left and right. It is necessary to consider these in relation to the new elements of ideology and organization of modern fascism, i.e. right extremism.

In accordance with Stoss's analysis (1995), right extremism is characterized by inconsistency and multi-dimensionality of the right attitude patterns of different kinds, which was formed depending on history, political culture and environment; orientation against liberalism and socialist tradition; subordination of all other values to populist ethnocentric nationalism, which is in the core of extremism; hierarchically structured populist community, as a guiding principle of right extremism whose expression is a powerful authoritarian state with the expansionist and revisionist foreign policy goals. It is possible to notice a considerable accuracy in defining right extremism, but departing from the essential meaning of the current totalitarianism and even more fascism.

Theories of fascism again point to another tradition of the extreme right and to different interest grounds of alliance or misunderstanding of economic elites of capitalism and fascist movement. The lack of theory lies in differentiating members of the elite and creators of the older and new fascist ideology, which fundamentally covers up, in a deliberate or a layman's way, overlapping of interests of the 'capitalism elite' and ideas of the fascist movement. Defensive of the so-called leftist perception in Eastern Europe could enhance an 'expansion of the right', which actually represents a separate manifestation of dissatisfaction of the Eastern masses from the actions (strategies of criminalization) – interests and organization – of the mentioned right-wing elite from Western Europe. This represented an effort to refrain from anti-totalitarianism in the industrial states, under the auspices of antifascism and anticommunism.

With this in mind, modern theories of fascism, which are under the influence of classical theories of fascism (such as the theory on social origins of fascism within the rules of capitalist development and the theory on totalitarianism, which analyze the relationship and link of one-party socialist and fascist regimes) have as their goal to hide ideological and operative identity of regimes in industrial states and classical fascist regimes and movements in which totalitarian party monopoly and unanimity in the continuity are under the dominant influence of theories and solutions of particular secret and semi-secret organization of the so-called elite. This was given a special contribution, starting from the fifties, by modern cold-war 'ideal-prototypical' theories on totalitarianism, Marxist discussions on fascism and the relation of economy and politic, as a history of daily fascism ('oral history').

Discussions on fascism (totalitarianism) after "discovering new crimes of holocaust and reviving of neo-Nazism" and "German Autumn" (in the sixties and seventies) became increasingly important and consistent under the influence of the left and H. Marcuse, especially since mid-eighties, after the visit of Regan to the graves of SS soldiers in Bitburg. The goal of the visit, followed by paying respect to the victims and murderers, was normalization of the past with the aim to alleviate the guilt for the crimes in World War II, which enhanced a debate on Nazism, started by J. Habermas (1986). The essence of the debate was a warning to stop with self-accusations due to the Nazi past. E. Nolte claimed that the Nazi crimes lost its shocking character since they were (and still are) a response to the Bolshevik destructing threat<sup>4</sup>.

Compared to the co-called conservative historians (Nolte, Hildebrand, Hilgruber), who suggest that the Soviet communism was the main evil, critics of the apologetics in German historiography (Wehler, Habermas, Jackel, Kunhl, Kock) recognized the effort to acquit and relativize the Third Reich, strengthen the anti-communist vision of the enemy and break away in history terms with direct link with the Nazi era. Theories on totalitarianism have the following goals: to relativize fascist 'irrational' genocidal crimes from the past and sweep them under the

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<sup>4</sup> In this way, Nolte reduced Auschwitz to anti-Bolshevism, and fascism to anti-Bolshevik reaction: "Didn't Gulag happen before Auschwitz?". According to Nolte, Auschwitz was only a technical innovation and can be explained by the "Asiatic" threat of the enemy just outside the door.

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carpet; redirecting and minimizing future crimes; blurring totalitarian reality by hiding criminal past and transferring guilt and responsibility to the scapegoat 'enemy'; imposing global obedience by establishing military environment, through propaganda and monstrous techniques of coercion.

#### **4. American support to the tyranny of Nazism and Bolshevism**

Nolte noticed three basic forms of fascism: early (French), normal (Italian) and radical (German). No matter whether this typology is acceptable, the essential function of fascism is not to save capitalism from the crisis, while the claim that fascism cannot exist without capitalism is not objective. Bourgeoisie support to Nazism does not present a contradiction, since creators of the rise of capitalism and fascism were at the same address. Fascism represents a preparation for and an answer to a breakdown of capitalism, reform of the world system of socio-economic relations, breakaway with unlimited power of formal leadership and a process of decision-making that considers official institutions formalistic.

Putting the mentioned facts aside, prominent researchers of theories on fascism and analysts of the fascist movement overstated the influence of personalities of fascist leaders (Hitler, Mussolini, Maurras), neglected more specific socio-economic causes of fascism, minimized the link of ideology, social structure and social function, separated capitalistic systems that cease or do not cease to exist in fascism, defined fascism as a combination of an ever-present leader and unrestrained masses, wrapped up the cycle of the fascist rise and the 'end' in the imaginary historical period, opposing of Goliath – 'altruistic democratic force' – to David – oppressive fascist misanthrope.

Fascism appeared as an already prepared solution of the breakdown of (liberal) capitalism and the system of *laissez-faire*. It is difficult to agree with the statement that in the beginning fascism was not a doctrine and that it did not have a clearly elaborated programme. Economic postulates of the fascist programme were taken from the left, by stressing public interests over personal ones. The first steps were anti-state measure of taking control from the state (liberalization). This was followed by protectionism, insisting on the freedom of state as the only freedom worth having. The first measures were aimed at creating a framework for functioning of the selected corporations under the auspices of the state, which was ensured by expanding industrial capacities.

Mussolini's fascism gave credit to the corporate economy as a savior of the world: The way the previous century saw the capitalistic economy, the current century will see the corporate economy. According to him, that is the condition to overcome the tragic contradiction of capital and labor. Fascist principles were seen as an escape – universal perspective, and, inevitably, Europe and the world had to become fascist. Mussolini emphasized that the latest development of communism in the USSR did not mean anything else but a 'triumph of fascism'. For him fascism represented a comprehensiveness of the party, regime, religion, but without hidden wish that, in his case, was always oriented towards war<sup>5</sup>.

London meeting of the Fabian Society<sup>6</sup> in 1904, where Bolshevik communists appeared as guests, was attended by J. M. Keynes. The goal of the meeting was that the Fabians lend money to Bolsheviks for the revolution in Russia that same year. Keynes mentioned that the only way that was open to him was to be a mild 'Bolshevik' so that he could destroy the system of free entrepreneurship and his economic ideas would be '*euthanasia of capitalism*'. B. Mussolini

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<sup>5</sup> According to Mussolini, only a war can bring a self-confident person in front of the alternative of life and death and thus lead them to the highest level of confirmation.

<sup>6</sup> Fabian Society was established by the English sociologists in 1884. The Society had as its goal to reorganize society by means of liberating land and industrial capital from the hand of individuals and classes. That means abolishing private property (over land). In such a way, basic principles of Marxism were made public. Fabians accepted non-violent and gradual way to a total government.

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approved of Keynes' attitudes: "Fascism fully agrees with Mr M. Keynes", stressing that Keynes' ideas that cannot be objected to are an excellent introduction into the fascist economy<sup>7</sup>.

Just like in the case of Italian fascism, German fascism could be defeated. Nolte noticed that there would be no Hitler's history if the important people and forces had not considered him important for their own goals. Collaboration of the state and the leading classes of society was important for the development of the fascist movement. German nationalists got a considerable financial support. The cause of a meteoric rise of the national-socialist party was in the financial and moral support of big industrial magnates. According to E. Remm (1934), financial support to the radical fascist movement obviously came from the 'foreign capitalists'.

International Banking Fraternity, linked to the Rothschild family, offered a significant support to Hitler's rise to power<sup>8</sup>. The crucial support to national-socialist movement – productive, technological and economic – was provided by the chemical cartel *Interessen Gemeinschaft Farben*. The source of economic power of IG Farben was the capital from the Wall Street. Companies under the domination of IG Farben produced the deadly gas cyclone B, used in the Nazi camps. The process of hydrogenization, important for the Nazi preparation for war, was certainly invented and carried out by IG Farben. Also, Standard Oil participated in the cooperative program and research of the process of hydrogenization – petrol was derived from coal<sup>9</sup>.

During the thirties, American big capital set as its priority creation of war machinery in Germany. According to the data of the American Embassy in Germany, more than a hundred American Corporations had their affiliations or joint ventures in the Nazi Germany. In the weapons business, family Du Pont had the initiative. Corporation International Harvester was also included in the production of weapons. Corporation IG Farben funded the organization of propaganda that exerted influence on the American public. Corporations General Motors and Ford, through their affiliations in Germany, developed their business. Secret arrangements of aircraft corporations with Krup were established.

The American corporation International Telephone and Telegraph had a share in the Focke-Wolfe Corporation, producer of German combat planes. General Motors almost fully owned Opel – producers of tanks in Germany. American corporations sold the Nazis technology, spare part for planes and diesel engines. General Electronic and ITT controlled German electric industry. Control was often conducted by the corporation J. P. Morgan. American corporations and the British Petroleum transported oil from Romania to Germany which was dependant on oil resources. Also, the Standard Oil Refinery compensated the lack of petrol to the German Air Force.

In 1938, H. Ford received the highest decoration that the German state could award to foreign citizens – Great Cross of the German Eagle Medal. One of the most eager proponents of a world government P. Warburg was a director of the American affiliation of IG Farben which cooperated with the Rockefeller's Corporation Standard Oil, thus helping an increase of the foreign exchange earnings of the Nazi Germany and the capacity for production of war materials. A group of heavy industry – Schacht and Thyssen – was linked with the Anglo-American financial capital, primarily with the Morgan Trust, with obvious imperialistic goals. The effort to dismiss links with the Nazi economy at the Nierenberg Process was unnecessary.

Members of the board of American corporations, in addition to Americans, were Germans who were sentenced for war crimes. American Jews did not mind Hitler's intentions towards Jews: "...real and final end of Judaism". Bearers of the American corporate-banking business were mainly Jews. In the Nazi camps and different pogroms of Jews, Hitler used 'fire and sword' to exercise his right to exterminate millions of Jews, again in the name of Judaism. At the trial of the mass murder of Jews and non-Jews, A. Eichmann, the Israeli court confirmed that the legal and

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<sup>7</sup> See more detail in R. Epperson, 1990: 215-217.

<sup>8</sup> Psychoanalyst V. Langer, in his book "Mind of Adolf Hitler", concluded that Hitler was a grandson of Rothschild.

<sup>9</sup> Therefore, Standard Oil participated in the cooperative program of German preparation for World War II. Cartel Agreement was made with IG Farben and was oriented towards chemical industry, while oil industry was given to Standard Oil. The Cartel Agreement was especially important for the Nazis.

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moral responsibility of all those who gave away victims to death was higher than the guild of immediate executioners.

The reason for 'revolution' in Russia is elimination of the middle class as an enemy, which is the case with other 'revolutions', and introduction of a new form of fascism – communism<sup>10</sup>. American presidents and financiers were a conspiratory support to the breakdown of Russia. W. Wilson rejected to interfere in the war against the Bolsheviks. In the thirties, R. Roosevelt gave legitimacy to the communist authorities in Russia, thus approving the method of imposing control over Russia. Rich American 'capitalists' families Rockefeller, Morgan and Schiff - and German bankers directly funded the coup. Later, American banks and other financial institutions established a link with the Soviets<sup>11</sup>.

Communist strategy of a single world economic system and a single government was supported by European and American technology. The goal of selling American technology was construction of a strong military power USSR, which later included the atomic bomb (1943). Factories for production of tractors during the twenties and thirties were constructed by American companies (several dozens of companies). For example, the factories Gorki and ZIL were constructed in the thirties by H. Ford. Actually, the factories produced military tools and weapons. The biggest Russian steel plants were built by American corporations. The USA built a military state through the Soviet industrialization, ready for a Big Conflict at the territory of Europe<sup>12</sup>.

Since the sixties, Soviet space achievements (for example, rockets and navigation systems) had as a support the American technology. Compared to Kennedy, President R. Nixon approved in 1972 a cheap sale of machines for production of ball bearings ('non-strategic trade'), vital for the industry of projectiles and rockets – for navigation, or for increasing accuracy of the Soviet intercontinental ballistic projectiles. An American corporation from Chicago helped the Soviets in 1975 to build a factory (of big capacity) of car bearings. The engine of the combat plane MIG-15 was a replica of the Rolls-Royce jet engine.

Support of the American war industry (Rockefellers) was most obvious in the Vietnam War, when products of the Soviet war industry, supported by the Americans, were used by the Vietnamese, i.e. Ho Shi Min, an agent of the American intelligence, in the conflicts against Americans. During the Vietnam War, the American Government actively supported American corporations to sell goods to the USSR, which was a direct support to the party that killed American soldiers (Epperson, 1990, p. 390-391). Despite the fact that Americans controlled all sea waterways, transport of vital war materials to the Northern Vietnam was not prevented, which increased the number of victims on the American side<sup>13</sup>.

At the end of the sixties, the International Basic Corporation (the Rockefellers and the Rothschilds) was established to enhance Soviet-American trade. Financial support to the USSR and China<sup>14</sup> was given by a bank under control of Rockefeller – Chase Manhattan, which opened its branches in these countries at the beginning of the seventies. Services of this bank to the Soviets date back to 1933. American government also provided support to the USSR in the projects of studying electro-magnetic radiation. Actually, it was a joint project on 'regulating weather

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<sup>10</sup> We note here that the Empire, before the so-called Revolution in 1917, was a country with the highest rate of industrial growth in the world. The period before the coup was characterized by the development of the middle class and a powerful industrial basis.

<sup>11</sup> Without the support of Americans (Council for Foreign Relations, CFR), Castro's regime would not have been established.

<sup>12</sup> The USA supported the Soviet nuclear industry after World War II (uranium – oxide), engine for MIG-15, aluminum-oxide, navigation equipment, electronic computers, information and technical data, accelerometers and many other things.

<sup>13</sup> More than 50% of American victims in Vietnam were killed by the pressure-activated mines whose detonator was made of glycerol; the USA sent the USSR technical plans for its production in 1966.

<sup>14</sup> In 1974, D. Rockefeller established the National Council for Trade Links of the USA and China, and then China got credits of the American Export-Import Bank and bought American radars, helicopters and transport planes. The money from drugs (Chinese opium), sold to the West, was used for paying for American technology.

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conditions', with a possibility of weakening the power of a state by manipulating weather conditions.

### 5. European fascist economic-political project

The idea of creating a European super state was developed by W. Churchill in 1930 ("United States of Europe"). Several years later, the US Congress adopted seven resolutions on the political union of Europe, concluding the following in one of them: Creating a united Europe must be considered an essentially important step towards creating a united world (world government). The Committee for the United States of Europe, led by J. Monet, set itself the same goal. EEC was planned to mark an end of the centralized fascist state and the draft plan was offered in the book "Jean Monet and the United States of Europe"<sup>15</sup>.

Basic social and economic characteristics of fascism became also immanent to the countries in which originally recognized fascists were not in power. The essence of the social-economic stage of fascism was again recognized by giving priority to a collective over an individual (the so-called collectivistic imperialism), campaign over investors and producers over consumers. Imposing the fascist social-economic model on Europe was supported by J. Delors, member of the Vichy version of Hitlerjugend and F. Mitterrand, Vichy collaborator. The rise of the postwar fascism in Europe was certainly prevented by creating a state, collectivist economy, through collectivization which was under state and supra-state control.

The newly created Europe of the fifties represented a favorable ground for Hitler's long-term strategy. The European Coal and Steel Community took over the concept of Sper French-German model. There was almost no aspect of the European Union that was not drafted by the Nazis in 1942. Eleven principles that the European super-state is based on were taken from the Hitler's plan for unification of Europe under German control. The European Union is fully based on the social and economic structures of the European Economic Community whose creation was proposed by Nazis in 1941. The methods used for the purpose of undermining national states are the same as the methods of introducing Hitler's extraordinary laws aimed at avoiding people and the parliament.

Thus, the idea of creating a new super-state called Europe is recognized in Hitler's plan 'for federal system of Europe', based on the German system from 1914, which allowed different levels of connecting European states and the Reich. It seems that the European Coal and Steel Community, initially Hitler's idea from the thirties, was the first step towards political unification and creating a Single World Government. The decision of the European unification was made in 1954, at the first meeting of the conspiratorial and probably the most influential world organization - Bilderberg Group. It resulted in the Roma Treaties from 1957 and the European Economic Community as a customs union and a free trade zone.

The alliance of the state (politics) and powerful corporations (i.e. corporatism) was obvious immediately after World War II through the Marshall Plan<sup>16</sup> that enabled the USA to allow the oil companies of the American magnates (e.g. Rockefeller's Standard Oil) an influence in Europe at extremely high prices (in dollars), with prior isolation of the Soviet Union. The postwar plans of the powerful American system meant that the "*attention must be focused everywhere on our immediate goals*". As a lasting commitment, there was the goal: "*As the biggest world source of capital and the country that invests most money into the world economic mechanism, we must*

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<sup>15</sup> It reads: "Gradually, as it was expected, supranational authorities, supervised by the European Council of Minister in Brussels and the Parliament from Strasbourg, would administer all the activities of the Continent. There will be a day when individual governments will be forced to recognize that a united Europe is a confirmed fact and they will not have a say in the establishment on the principles on which it was established. All that will have to do is to merge all the existing autonomous institutions into a single federal administration and then to proclaim the emergence of the United States of Europe". (see D. Icke, 1999, p.313).

<sup>16</sup> Conditions for getting support from the Marshall Plan were export of American industrial products in Europe, sale of oil from the Standard Oil reserves, as well as presence of financial institutions.

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*impose a pace and take over the responsibility of the majority shareholders of this corporation known as the World*". (L. D. Welch, 1946).

**Table 1: Hitler's project of creating the European Economic Community and the institutions of modern Europe.**

<i>Hitler's Europe</i>	<i>European Community</i>
Environment	European area
'Collective approach' to basic areas	Joint fisheries, energy and agrarian policy
European currency system	European monetary system
European Bank in Berlin	European Central Bank in Frankfurt
Economic and trade agreements	Single market
Common strategy of using labor force	'Social Chapter' – legislation on the protection of worker's rights
European industry	Common industrial policy
'Modification' of the supply and demand law	Resistance of GATT
Replacement of capital by organized labor force	European Works Council

Source: Adapted from Atkinson, 1997, pp. 114-115

'Consistency' of the Western economic systems after World War II was still characterized by state interventionism – the so-called regulated market economy, with a strong state sector in economy, often in combination with planning. It was possible to recognize predominantly private economy with a partial state ownership (mixed), also with state planning that the state-owned companies observed. Planning was imposed as a condition for functioning. Compared to the 'economic conducting' between the wars, dominantly by the dictate of the fascist-authoritarian dictatorship, the postwar conducting was characterized by the fascist-conspiratorial particular machinery.

The United States of America rigidly positioned itself politically and financially as the centre of the world fascist order, Western Europe was pushed to the level of periphery and most countries of Eastern Europe were in the semi-colonial position in relation to the USSR. The largest part of the Asian, African and South-American continent represented a base for raw materials and experiments. Still, the fascist regime had different forms of functioning: North-American, Western-European, Soviet, Yugoslav, Chinese, Latin-American, Asian etc. Formally, it was possible to recognize capitalism ('democracy'), communism, socialism and right and left oriented, centrist systems and similar constructions.

Different forms of 'democratic corporate systems' represented the so-called new role of the state. Institutions for coordination of mechanisms of setting salaries and prices and fighting inflation were organized around the links between the state on the one hand and trade unions and employers organizations on the other. According to I. Berend, there emerged an economic system based on social solidarity and powerful state interventionism, within the integration process in Western Europe. The contribution of a 'successful Keynesian revolution in the postwar Europe' was especially pointed out. At the same time, significant parts of the budget were allocated for 'defense', including military research and development projects<sup>17</sup>.

Further imposing influence of the state on the technological and structural modernization was another indicator of a complete derogation of the capitalist economy, with a permanent state interventionism and widely spread nationalization. This referred to Britain, a cradle of the private ownership, France in which eleven main private companies and all the remaining private banks were nationalized at the beginning of eighties, as well as Germany, Austria and Spain,

<sup>17</sup> In the sixties and seventies, nearly half of the American and British budgets went to defense and one third in France.

where three leading state-owned conglomerates controlled the key field of economy. The generally accepted British model of a state-owned company was based on a board of directors appointed by the government or the parliament.

In accordance with the theories on stages of capitalism development (F. Mandel, 1972), liberal capitalism of the 19<sup>th</sup> century was followed by imperialistic capitalism from the end of the 19<sup>th</sup> to mid 20<sup>th</sup> century. After World War II it was replaced by 'social capitalism'. Theoreticians of the Western 'democracy' proclaimed these countries states of 'general wellbeing'. Accordingly, Western postwar capitalism turned into a new 'capitalism with a human face'. Fascist dictatorship of Franco<sup>18</sup>, direct Hitler's associate, was financially supported by the USA (a third of its investments) and banks, IMF and OEE. The European integration of Spain, 'an 'economic wonder', was achieved with minor economic concessions.

Globalization meant imposing the rules of the centre, which would be obediently accepted by the weak states (regions). Western theoreticians considered anti-globalization concepts much more extreme (Berend, 2007). Inter-regional inequalities or differences in income in the 'era of globalization' deepened from January 13, 1973 to January 1, 1998. Opening of the markets of Central and Eastern Europe during the nineties brought to a breakdown of industry (25/35%) and agriculture (50%). State of general wellbeing was represented as a guarantee of safety; it served the social peace and offered citizens, especially in the USA, consumerism as a specific egoistic consumer habitat.

### **6. Corporatism as a tool of fascist ideology**

After the Big Crisis, a corporate state built a corporate system that was formally a populist concept of replacement parliamentary democracy by corporate bodies, joint institutions of workers, employers and state. It was stressed that this "hybrid form will be after a time liberated from capitalistic elements and become integral corporativism". Market rules gave way to a planned mechanism of economic policy. A. Lyttelton (1976) wrote that the thirties were marked by a loss of borderline between the role of private ownership and state, and mixed economy was determined (through public control) by agreements among powerful oligarch-political groups.

H. Guthmann and H. Dougall (1948) defined corporation as association of physical persons into one autonomous legal entity that has its own legal personality, which enables it to do business, have property and contract debts. This pretty normative image shows what a corporation should be and not what it really is. The problem of studying deviation of one's own legal and formal image includes not only taking away the right of vote to shareholder, growing up to the mega level, expansion of the activities that are not linked with the original purpose or behaviour, or as a monopson when it comes to purchase and as a monopoly in terms of selling. The array of problems has a much wider, dominantly destructive character.

From the point of view of the American business world, according to P. Baran and P. Sweezy, nothing is as sinful and impermissible as meddling of the authorities in the internal operations of corporations. W. Sombart, leading German economist in the second half of the 19<sup>th</sup> and the first half of the 20<sup>th</sup> centuries, the 'deepest' theoretician of capitalism, advocated the idea that modern state creates institutions that enable improvements in the production and distribution. Also, state creates incitements in such a way that the interests of entrepreneurs, who are founders and take initiatives, overlap with the interests of the society. The mentioned institutions include everything, starting from laws and rights to infrastructure, patents, schools, universities, standardization.

The analysis of management and control in a big company can be found in the work<sup>19</sup> of G. Means and A. Berle (1932). The concentration in the American industry of the time resulted in

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<sup>18</sup> Fascist Spain represented an open indicator of the world political and economic system, on the one hand, and served to cover up the real nature and ideological character of the 'democratic society', on the other.

<sup>19</sup> Study *The Modern Corporation and Private Property*. New York: Macmillan.

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ownership of nearly half of the non-banking economic wealth (one fourth of the total wealth of the state) by two hundred leading non-banking corporations. Shareholders did not have any significant role in half of the companies, while practical power was irreversibly transferred to management ('power without ownership'), which may have been favorable to boards of directors. The norm was an oligopoly, not competition, while the trend, based on bureaucracy instead of entrepreneurship, continued without obstruction.

In the theories of imperfect competition, which appeared in the thirties and forties, oligopoly and limited (imperfect) competition among several big sellers were increasingly seen as an essential and significant limitation of free game of market forces and mechanistic marginalization. Model (theory) of power in determining prices has been increasingly present in literature, empirical research of monopoly conditions in numerous economic sectors. Modern economists promote the attitude on creating conditions similar to full monopoly, in the branches of modern industry 'based on science' which demand huge amounts of capital accessible to experienced giants.

Therefore, the idea of oligopoly in the big modern corporate sector, which would demand 'intelligence and restraint', i.e. the idea of E. H. Chamberlain and J. Robinson on competition in the big sector of modern (concentrated) economy, was replaced by the idea of monopoly or something close to monopoly (crypto-monopoly). Socially optimal price and production of the competitive market did not represent a realistic option. Although 'socially unjust', oligopoly was accepted in practice due to its 'real effects'. Corporate sector was based on the rule of oligopoly and that is why it functioned as a dominant sector of economy.

Concentration led to: creation of monopolies and oligopolies by eliminating competition by defining all aspects of the market – promoting limitation and controlling industry by vertical integration, along with strong rationalization. Corporate gigantism is not a product of pure modern obsession with size. Heavily indebted giants are, without any specific purpose, a consequence of the approach of convergence, despite the advantage in size and power. On the one hand, oligopolies took the form of multinational companies, apparently international, and, on the other hand, the one of regional monopolies and oligopolies. In both cases, there was no competition of free market based on permanent tension of prices, quality and continuity.

Starting from 100 biggest gross national products in 1969, it is possible to notice positioning of 54 corporations and only 46 states. For example, business turnover of General Motors of 24 billion dollars made it the fifteenth economic power in the world. Relative significance of corporations in comparison to states increased for the benefit of the former ones, because the growth of multinational investments was two to three times faster than the economic growth. Multinational corporations gained an inherent international characteristic and global mobility. It is difficult to accept the claim that managing corporations was without determining links with the states and liability to them, that is, they did not pay attention to the structure of the regime<sup>20</sup>.

Multinational companies established an increasing domination over national economies and positioned themselves as a political actor. Annual revenue of individual companies in the amounts of several hundred billion American dollars surpasses the revenue of most developing countries or small national states, establishing rules in the world trade and gaining power without responsibility<sup>21</sup>, although the total revenue was not a crucial indication for the assessment of power and significance. It was stressed that these companies were a product and instrument of

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<sup>20</sup> For example. Ch. Levinson believed that a multinational company would ask for a neutral position and avoid engagement, or that it would take the position of benignant disinterestedness towards political and social values of civil rights, personal freedoms, democracy and economic justice.

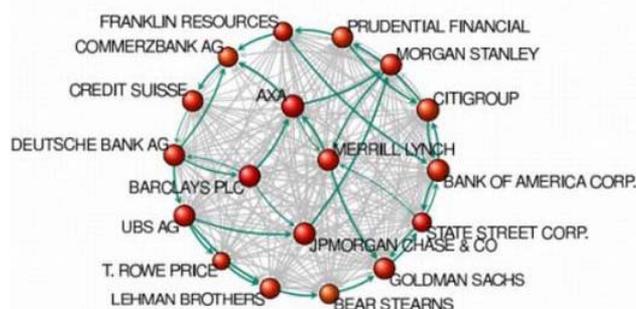
<sup>21</sup> In 2004, it was published that two thirds of American corporations did not pay the revenue tax from the mid nineties, although their profit continuously grew. 25% of companies paid less than 5% from their total profit.

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the West, without effective international rules and with a reduced competence of the states<sup>22</sup>. Still, a more precise determination points to specific creators and organizers of the consolidation process.

Territorial determination (limitation) of the state was overcome by the operative mechanism of global corporation, with a sophisticated coordination of the superior ideological (semi)conspiratorial factor. In such a way, static position of the state (nation) got the characteristics of a dynamic and globalized corporatism. Corporative world (corporatism) represents a union of corporative predominance and state power, by directing economic trend starting from the same center of decision-making. At the end of seventies, 5 transnational corporations controlled more than 80% of the turnover, processing, transport and placement of each of the 20 most important raw materials. The power of these corporations gradually officially surpassed the competence and power of states in international economic relations.

At the end of the eighties, out of 130 most powerful economic entities in the world, 65 were transnational corporation and 65 sovereign states. It is estimated that at the end of the nineties these corporations covered more than 60% of international exchange and over 80% of financial flows and technological transfers in the world. Basically, the system of protectionism for some and discrimination for others was established through the system of customs, preferential and other forms of regulation of international economic relations. International capital, transposed through the IMF and the World Bank, served the purpose of multinational companies, financial magnates and anonymous capital owners and was placed in the big world projects along with imposing strict conditions and solutions<sup>23</sup>.



In the corporatist system, wealth and power is mainly concentrated in the hands of gigantic corporations, whose domination and supremacy curtailed the power of individuals and small companies. The tools for further consolidation of wealth and power of predatory corporations are big governments, which enable corporations to dominate practically all the aspects of society by building the economic system which is contrary to egalitarianism. In the conditional comparison with socialism and communism, corporatism is characterized by a bigger concentration of wealth and power. Corporatism is defined (Merriam-Webster dictionary) as an organization of society into industrial and professional corporations that act as bodies of political representation and control over people and activities within their jurisdiction.

However, corporations do not fully dominate individual economies, but on a global level. Recently, a study of the University of Zurich was published and it is based on 43,060 multinational corporations. It shows that a colossal network of inter-connected ownership is controlled by

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<sup>22</sup> According to D. Jergon, governments lost control over managements of national economies, i.e. the ability to promote economic development, protect sovereignty and project national identity. K. Ohmae calls national states dying dinosaurs.

<sup>23</sup> Within a certain period of time, the Fund played the role of 'policeman' of New York banks for collecting debts of the 'third world' states.

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1,318 gigantic corporations<sup>24</sup>. The core of the super-entities includes 147 firmly united monolithic corporations, mainly international banks and big financial institutions that control more than 40% of the overall wealth of the network. The biggest corporations (top 25) include Barclays Bank, JP Morgan Chase & Co, Goldman Sachs Group, Morgan Stanley and Bank of America. Domination of corporations over global economy ensures a staggering concentration of the global wealth.

Domination of corporations is one of the main reasons of the rapid growth of inequality of revenues in the leading industrial states such as the USA. The analysis of the Economic Policy Institute shows that the revenues, corrected for the inflation of the leading 1% of households in the USA, increased by 224% from 1979 to 2007, while the revenues of those at the bottom (90%) grew by only 5% in the observed period. The competitive position and survival of small companies whose number is still decreasing has aggravated. Contrary to the capitalist system, the number of the self-employed in the countries such as the USA is going down<sup>25</sup>. The group of people that represent less than 0.5% of the global population controls more than 40% of the total wealth, while two thirds of the global population control only 3.3% of the overall wealth.

Schiedel and Friesen recently proved that the economic inequality in the USA is the second biggest in the world, along with the one in Uganda. In this way they showed how big is the split in earning and the earnings in the USA in the last three decades. Their research has shown that inequality in America is worse than the inequality in the old Rome – slave-holding society based on the strictly defined class structure. Rome elite – 1% of the society controlled 16% of the total wealth of the country. That is less than the half controlled by 1% of the richest Americans in the USA. The elite of 1% controls 40% of the nation's wealth. The analysis of T. De Shant ("Per square mile") is an additional proof of the control of the nation's wealth by those who have positioned themselves as elite.

The presented data are an additional confirmation that corporatism is not capitalism. USA is the most obvious example of corporatism, as a collectivist system that enables 'elite' to accumulate enormous amounts of wealth and power. While the unemployment rate is high and the number of those who are in the program of stamps for foodstuffs has increased by 70% since 2007, the profits of corporations have increased. During 2010, big banks evicted more than a million of American families from their homes<sup>26</sup>. In 2002, the leading 10 banks controlled 55% of all the bank assets in the USA. Nowadays, the leading 10 banks control 77% of assets. Six biggest banks in the USA have the assets equivalent to nearly 60% of American GDP.

Corporatism is defined as a component of fascism within which all the sectors of society (companies, churches, farmers, schools, etc.) cooperate in order to achieve their goals defined by the central national government. Accordingly, corporatism is an affirmative activity. Definitions of corporatism are wrong and lead to a wrong conclusion. A precise definition should start from the enormous minority of individuals (elite) that control property (assets) of the world, thus achieving their financial goals. The liberal system of free company is far from reality. During the last several decades, the size of the federal government and big corporations in the USA has 'exploded'. As collectivist institutions, states and corporations worldwide are becoming bigger, with an obvious domination of corporations over states.

Capitalist system may have allowed the freedom of competition and progress of individuals and small companies. In the initial stages of America there were significant limitations regar-

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<sup>24</sup> These companies have a linked or overlapping ownership. Although they have 20% of the global profit, through their shares they possess most of world companies and 60% of the world's revenues. That means that they manage 80% of the world revenues.

<sup>25</sup> According to the Bureau of Labor Statistics, 16.6 million of Americans was self-employed in December 2006, while that figure is 14.5 million now.

<sup>26</sup> T. Jefferson concluded once: "If American people ever allow private banks to control the emission of money, first by inflation and then deflation, banks and corporations that will come to the surface will take property from people until their children become homeless on the continent their fathers conquered".

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ding the activities of corporations. The reality lies in the following: the bigger the gigantic corporations are, the faster the middle class sinks<sup>27</sup>. Big corporations fully dominate political systems by having an increasing influence over political processes in relation to citizens. Also, these corporations and the ultra-rich become specialists by avoiding taxes no matter what the rates are. Average Americans have less power compared to monolithic corporations and state institutions that dominate the system more than in any period in the American history.

### 7. Concluding remarks

Fascism is not a social engineering and historical mission of Hitler, Mussolini or Lenin, nor is a state based on terror far from the idea and practicism of 'very democratically developed societies' and perfidious manifestation of widening '*modern and just society*'. Concentration of political power in the hands of just a few people and its rise into terror was promoted and supported in the 'scientific opus' of the leading American ideologists and propagandists, such as E. Bernays, W. Lippmann, H. Lasswell. Also, it represented an instruction as to how totalitarianism can become a synonym for a hundred percent state authority.

Strategy of the dictatorship of proletariat is a copy of the concept of Western parliamentary democracy – parliament can exert essential political and economic influence to the extent it is enabled to proletariat. The heritage of Leninism is Stalinism but not higher than the level at which decline of capitalism positioned fascism as a logical alternative. Merciless conspirators of the Soviet state caused human suffering to the population in the scope that it was made possible by the organizational, financial and logistic support of the creators of the 'merciful' conspiracy from the other side of the Ocean. Stalinist regime committed probably the largest number of mass murders in the human history on behalf of the history of demons in the face of Uncle Sam.

Stalinism was not a monstrous error of the communist experience, but a project of establishing violence that a state organizes against its own society. "A big mistake" corresponds to the big idea whose ideological pattern is totalitarian lack of ideas to the level of nihilism, while the spiritual and material construction progress is worth of the true colossal characteristics of Nimrod. 'Communist phenomenon' is a simultaneous reflection of fascism, an instrument of political tyranny with the dimension of a historical tragedy. The fact is that no totalitarian regime, not only communist, ever came to power through a freely expressed will of people, but it did exist shorter or longer owing to the senseless will and support of the same people.

Some authors wrongly (unnecessarily) compare fascist regimes as pre-war dictatorships with postwar European military regimes as 'modern authoritarian systems'. They find the basis for this in: economic conditions of establishing fascist and military dictatorships – difference in relative economic prosperity, as well as in the support (internal and external) for the primary accumulation of capital; strength of the support – middle class, big capital, banking and financial sector, workers, agrarian classes; organization of power – basic elements of organization, basis and fundamental principles. Modern authoritarian systems are a logical economic and political consequence of pre-war dictatorships.

However, the following crucial differences are mentioned: dictatorships have never gained the support among people the way fascist regimes did; during dictatorships, compared to fascist regimes, there has always been a resistance of people against them; in military dictatorships the pillar of the regime was army, while in the fascist regimes it was a single and homogenous centralized party; in military regimes nationalism had a progressive character, while in the fascist ones it resulted in promoting one's own nation at the expense of others, as well as in the external aggression. It has been also pointed out that both types of regimes originate from the societies in

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<sup>27</sup> Promotion of corporations and a big state by the political elite of both parties, together with the NAFTA group, destroyed the middle class and a possibility of the low class to rise.

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which there was no balance of powers of different social forces, i.e. that one social group gained almost excessive and instant power.

Still, in practice, characteristics immanent to any form of fascism – totalitarian norms of behavior – are: monopolistic parties and political unanimity; promotion of the full social disciplining and doctrinal homogeneity; rigged trials and mass intimidation; spiritual emptiness, cynicism and ruthlessness; abuse of political power and bias in distribution of economic resources; political and police cruelty (repression) and imprisonment or persecution; liquidations of political opponents and collective executions; mental consequences, the situation of fear and paranoia; ideologically alienated masses and continuous awe; morally perverted understanding of social justice.

Modern technological progress and economic flows in the international context resulted in a concentration of power: industrial – industrial corporations; and financial – industrial-financial conglomerations. Industrial concerns, banks and the state established a homogenous mechanism of power. Big corporations made a definite split with the old stockholding – capitalist relations. A part of the social product was a subject of interest of real managers of big corporations, instead of the dividend paid to the shareholders. Multinational corporations became new national states, while old national states, less and less powerful, began to follow the market rules.

Fascism is obviously not one of the alternatives within a democratic system, but an alternative to the democratic system itself. Keeping the worst characteristics of socialism and capitalism, fascism creates a powerful collectivist state, in which individuals have only the role of subjects of official parties – or corporations. The right that has turned left and the left that is turning right, according to Atkinson, have found a common language in those areas of social and economic manipulation that are characteristic of fascism. Domination of collectives and patronage of big capital are in the function of the program of sabotage of citizens' interests. The described process is getting an accelerating pace as the world fascist order undergoes economic and political fall.

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