

## ON FASCISM AND CAPITALISM

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*But whoever is not willing to talk about capitalism should also keep quiet about fascism.*  
Horkheimer, *The Jews and Europe*

### Fascism and Fascisms

One of the fundamental problems with writing about fascism is that before we consider any specific issue it is paramount to agree on its more general definition. However, no such definition exists, or rather there are too many of them, which makes it impossible to discuss them comprehensively in early-stage research and make an informed choice. If every text about fascism were to begin with a reliable consideration of arguments in favour of or against this or that definition, probably none would be written.

However, it is possible to hold that despite not adopting a proper definition, the many published analyses of fascism do have merit. Moreover, it seems dubious whether the strenuous efforts to capture the phenomenon of fascism in some ultimate and unambiguous definition really serve best to enhance our understanding of it. Do all historical forms of fascism display a certain set of core features, related for example to ideology or political organization? It seems that these forms share a family resemblance of sorts, while the ambiguity of the very word “fascism” stems precisely from the fact that it relates to a certain group of characteristics that are unevenly distributed in particular incarnations of fascism. Finally, it is of course a term that has both an analytical and a political dimension.

Our political position is reflected in our decisions to call someone a fascist or not. All of these issues are deeply entangled, forming a knot that cannot be severed with a single theoretical stroke. The concept of capitalism is equally complicated. Although it is perhaps possible to agree on a certain basic understanding of capitalism, for example, by referring to the category of wage labour, such basic definitions are of little use when we try to grasp how the capitalist mode of production has operated and – even more importantly – how it has evolved over the centuries (and how many centuries we are in fact talking about).

Wherever necessary, I refer here to certain more elaborate concepts of capitalism developed by Marx and others, whereas my understanding of fascism is both abstract and particular. It is particular because my analysis focuses on one historical incarnation of fascism, namely German Nazism. It is abstract because the very gesture of considering Nazism as an example of fascism demands that we think about the latter in a way that goes beyond any narrowing approach that would demand we differentiate Italian fascism from German Nazism or Spanish Falange, and so on. The point is to discern elements of family resemblance among many fascisms, past and present, at a more abstract level

and regardless of nomenclature. German Nazism and Mussolini's fascism are instances or variants of fascism understood in the more abstract sense. It needs to be noted that distinguishing the Third Reich, although understandable due to the consequences of its criminal policies, is not that obvious from an analytical perspective. Indeed, I discuss a particular kind of fascism – one that rose to power and took control of a large, modern state. How many fascist or fascistic movements have come close to this? Are they any less fascist because of that? It seems that, particularly today, we observe many dispersed fascisms that penetrate power structures or remain on its margins, but so far have little chance of overtaking them completely. This does not make them any less ominous and efficient. In other words, fascistization can proceed even if no “modern-day Hitler” looms on the horizons. Nazism is a specific case also in the light of the relationship between fascism and capitalism. Nevertheless, its study can be highly instructive. After all, before the Nazis rose to power in Germany they were an insignificant or even grotesque movement bordering on political folklore. Its history can thus provide us with hints on how to study and understand today's lingering fascism.

### **Fascism and Class**

If we agree – taking Marx's theses as our point of departure – to consider capitalism as a system based on the private ownership of the means of production and on wage labour, thus accepting the view that society is basically divided and marked by class conflict, we will have to ask, sooner or later, whose class interest is represented by fascism and what social class do fascists actually originate from. The fact that the answers to the above two questions do not have to be identical, or even that these answers have to differ, seems to be one of the hallmarks of fascism. As its countless researchers have pointed out, the essence of fascism, or at least one of its most prominent features consists precisely in the fact that it conceals and distorts the class conflict itself, causing the masses to act against their own interest, unknowingly serving the few who in fact benefit from the dominant economico-political order. Even in places where fascists do not hold any power, they are capable of efficiently dissuading people from fighting their real adversary, beguiling them with visions of national or

racial homogeneity, antagonizing them against imagined enemies like Jews or migrants. Wherever they win power this becomes even clearer. Fascism is a mode of redirecting class anger or even hatred to various other, substitute objects, thus enabling the predominant class structure and supremacy to thrive.

This intellectual formula rests at the foundation of critical analyses of fascism developed already at the moment of its historical nascence by authors associated with Marxism and the workers' movement. By employing perverse propaganda, which would even intercept and utilise elements of communist discourse as figures of anti-capitalism, fascism set out to seduce the proletarian masses that abandoned the idea of revolution and turned to that of a *Führer*, thus giving up class conflict in favour of a war between races.<sup>1</sup> Naturally, these anti-capitalist figures were employed for purely rhetorical reasons in order to delude people and secure the interest of the ruling class. This line of reasoning echoes in today's discussions of the “excluded” as ones who would be most prone to fall under the spell of fascistic ideologies and join far-right organizations in mass numbers. Regardless of the kind of paternalism that accompanies such “attention” to the fate of the manipulated and the excluded, who are supposedly unable to identify their own economic and political interest, the case of the Third Reich demonstrates that the matter at hand is far more complex.

The policy of Nazi Germany can be certainly understood as one of deterring and charming the proletarian revolution that broke out after the First World War and was later contained by social democrats Ebert and Noske with significant support from the Freikorps, from which many later Nazis originated. August Thalheimer was right to argue in his classic essay on fascism as Bonapartism, alluding to Marx's analyses from *The eighteenth Brumaire*, that the working class “contributes to the emergence of Bonapartism when it has launched a revolutionary assault on bourgeois society, has driven it into a state of fear and horror, but has proved not yet capable of seizing and holding power itself. A serious defeat for the proletariat in a deep social crisis is thus one of the preconditions of Bonapartism” (Thalheimer 1979, 110). More precisely, it is born when the proletariat is weakened to an extent that it

<sup>1</sup> See Sohn-Rethel 1987, 133, 138; Guerin 1979, 105–38

does not put up any radical resistance but simultaneously endangers the class status quo to the extent that it needs to be fully pacified if the phantom of rebellion is to be effectively banished. The question remains, however, how this pacification occurs. Is the working class really mass recruited in the Movement, fooled and converted to its doctrine? Or, in other words, was it really the proletariat that constituted the class base for the Nazi “workers’ party”? The point is not to clear the tarnished name of the proletariat, relieve it of the burden of moral political responsibility for fascism, or prove that the working class is in fact never wrong (and cannot be deceived), but rather to understand the actual class dynamic of fascism.

Indeed, there is another figure of fascism, equally classic and rooted (perhaps even more strongly) in Marxist theory: one describing fascism as a movement and phenomenon of basically petty bourgeois origin. According to this concept, fascist ideas prove seductive not to the masses of those people who are most underprivileged in social and economic terms (the excluded), but to the constantly growing – at least under certain circumstances – group of people who face the danger of being declassed, e.g. the lower strata of the middle class, who are threatened with pauperization or “proletarianization.” It is not so much about those who have been irrevocably declassed – as regarded by Thalheimer, who juxtaposes fascist hit squads with the Band of December 10, that is the militant arm of Louis Bonaparte – but precisely those who are at risk of losing their current status, or – as is often the case today, those who might be experiencing insufficient improvement.<sup>2</sup> This is the account provided by Alfred Sohn-Rethel in his studies on the class structure of German fascism. Strictly speaking, he distinguished two phases: in the first one fascism would recruit followers among the petty bourgeois masses who have been undergoing proletarianization; in the second, it would already create a sort of new intelligentsia, partially basing it on its petty bourgeois base. This new group would consist of people whose real economic fate, not just their fears and hopes, was related to the operation of the fascist machine, primarily in its technical and logistical dimension: “the engineers and technicians of the new order employed in the installation, operation, supervision and servicing

of these large-scale modern plants and their comprehensively rationalised labour-processes” (Sohn-Rethel 1987, 135). They would be preoccupied mainly with “their functional position in the production process” and not with the ends to which that process was oriented, which made them focus solely on one purpose: “that production was maintained and did not stand still” (Sohn-Rethel 1987, 135). The most loyal and fanatical supporters of the new order were recruited among these new personnel: office workers, technicians, middle- and low-level managers, petty bourgeois – people who were indebted to the new order as far as their social survival and advancement were concerned.

However, what about the proletariat, on the one hand, and the high bourgeoisie on the other, the latter supposedly using the former in order to preserve its privileged position? Let us begin with the former. Even if the proletariat was not entirely seduced and manipulated by fascist propaganda, they could not put up the kind of resistance that we would expect given the adversity on both sides of this political conflict. What were the reasons for this? First of all, it needs to be clarified that the workers’ movement did put up resistance, both by committing acts of sabotage in factories and – until a certain moment – by organizing its own hit squads that would clash with fascist ones, especially in the streets and districts of large cities.<sup>3</sup> However, the workers’ resistance was crushed. Many factors contributed to this, including the internal division of the workers’ movement (in Germany it was especially the division into supporters of SPD (Sozialdemokratische Partei Deutschlands) and KPD (Kommunistische Partei Deutschlands); these two parties also had different strategies of combating Nazism) and certainly the famed political naivety that would lead people to believe that the farcical figure of Hitler must soon leave the stage, making it possible to convert his followers to the right cause. Yet, this naivety was not just a leftist fallacy. Similar illusions were harboured by conservatives, who believed for too long that they would be somehow able to bring Hitler under control and use him to achieve their own goals. It seems that something else was of key importance as well, namely the brutal and consistent anti-union policy adopted

2 It is one of the forms of the so-called relative deprivation.

3 See Bologna 2005 (especially the passages on the workers’ skirmishes in Berlin’s districts)

by the Nazis, their violence-based actions meant to destroy the workers' movement, or perhaps overtake it and forcibly make it part of their own organizations, which were supporting workers only by name, in reality remaining entirely subordinated to the party. And although the party never removed the word "socialism" from its name, it was very far from implementing any socialist policies. In fact, not even the Nazi "battle for work" during the relatively short period until December 1933 can be regarded as socialist.<sup>4</sup> Hitler's economic vision was predicated, from the very beginning, on conquest. It was only the acquisition of living space and resources to the east that would boost the prosperity of Germany. Until then it was necessary to make sacrifices, which included the need for workers to renounce any aspirations that would hurt the nation's unity and hinder ultimate victory. One can wonder how the national-socialist heaven would look like had Germany won the war. However, this is alternative history. In real life, the Nazis opposed workers' solidarity on all fronts, hampering any efforts to promote their interests, repressing them, and subjecting them to tyrannical discipline.

And yet there are authors who regard the historical Third Reich as a paradise of this sort, or at least as an actual welfare state. As Götz Aly remarks in one of his well-known works, "Nazi leaders were constantly handing out benefits to ordinary Germans, keeping them remarkably well fed and well supplied" (Aly 2005, 314). Regardless whether these calculations are precise (this matter was, to a large extent, at the heart of the debate between Aly and Tooze, namely what portion of expenses arising from military campaigns was covered by the German society, and what portion was paid for using spoils of war or means acquired thanks to the exploitation of conquered areas), referring to the Nazi state as a welfare state *avant la lettre* or – even more so – as a socialist state is a misuse of the term in the most fundamental way. There is a great difference between a state geared towards the well-being of its citizens and one that distributes benefits in exchange for political support, serving leftovers to the people in order to realise its criminal goals. There is also another great difference between receiving arbitrary help from the government and enjoying social and work rights

that one had fought for, as was the goal in socialism and the reality of post-war welfare state created as a compromise between capital and work. In the Third Reich, workers' organizations fighting to improve their members' well-being were first brutally destroyed and only then compensated with any "provisions." Finally, we should keep in mind that the distribution of benefits had a compensatory character, while the core of Nazi policy towards workers involved freezing wages, removing the right to strike, and striving to impose absolute work discipline that did not differ much from forced labour.<sup>5</sup>

In one of his books, Enzo Traverso presents a convincing analogy between the death camps' mode of operation and the Taylorist model of organizing work in capitalist factories.<sup>6</sup> Like many before and after him, he noticed the irremovable tension existing between the imperative to kill and the imperative to produce, between extermination and work.<sup>7</sup> Despite the accuracy of this analogy at the structural level, one should not forget that in the Third Reich both would take place, namely both production and extermination. Although they would often come into conflict, they basically ran parallel to each other. This is why one should keep in mind that factories operated in the Third Reich next to camps and alongside them. Did they differ from production plants operating in other, non-fascist capitalist states? Traverso indicates another intriguing contradiction that marks Nazi ideas of work and workers. As a regime of soulless, mechanical, mass, standardised work, Taylorism could not be, at least officially, the main doctrine of Nazi managers. It would only be applicable in the exploitation of enslaved workforce in labour camps: prisoners of war and forced labourers. Although a vision of such factories functioning in the conquered eastern territories and using an army of "subhumans" as a source of energy would not raise anyone's concern, the matter would be regarded differently in the case of racially pure German workers. They would have an entirely different work ethos, one derived from Ernst Jünger rather than Charles Taylor. This is why the fact that – before the ultimate victory – the German *Arbeiter* would work under conditions not

<sup>5</sup> See Neumann 2009, 337–48, 400–58

<sup>6</sup> See Traverso 2003, 37–41

<sup>7</sup> See Traverso 2003, 34

<sup>4</sup> See Tooze 2008, 44, 61

much different from forced labour had to be compensated with various actions, not only propagandist ones.

From a proletarian perspective, however, this difference could not have been great, just like the difference between national “socialism” and what they knew from past experience. If socialism were to entail the socialization of the means of production and the abolishing of wage labour, the Third Reich was far from it and certainly did not aspire to this. Nor would Nazi plans include ending the alienation of work. In fact, Nazi Germany can appear to be a socialist state only to someone who does not assume a worker’s perspective but that of a capitalist, or more precisely that of a proponent of a certain vision of capitalism, which – as I hope to demonstrate – did not match the reality of capitalism already in the 1930s. This vision had its supporters then and has them today, but at least since a certain moment it comprises only the ideology of capitalism, and an outdated one at that. In this conception, capitalist society is organised primarily around the principle of free competition among enterprising individuals, with minimal contribution from the state and with few factors limiting the free exchange of goods and services. It seems justified to ask whether capitalism ever functioned in this way or, to put it differently, whether we are not dealing here only with its ideology, that is a distorted representation meant to legitimise it. One could easily argue that this was the ideology of nineteenth-century capitalism and although it mystified reality already in that period, it was at least an ideology of that society – an ideology that society needed in order to reproduce itself. This is exactly what changed with the rise of fascism. I shall return to this later.

Let us now turn to the capitalists who lived and operated their big businesses in the Third Reich. From their perspective, the new regime did not appear to be socialist insofar as it allowed them to retain a significant portion of their former privileges. This does not mean that business was carried on as usual. There were important, often radical changes. However, they would be connected with the transformations of the capitalist model itself, forcing businessmen to adapt to it. And adapt they did because their practical and flexible approach made them less attached to free competition than those who specialised in capitalist ideology. This

is especially true because the Nazis left most businesses in private hands, at least as far as their sole ownership was concerned. As Daniel Guerin puts it, “No sooner is fascism installed in power than it hastens to give evidence of its good will. It restores to private capitalism a number of monopolies held or controlled by the state. ... As soon as the National Socialists came in, they announced that there will be an end to all the attempts of recent years at nationalization. State enterprises will again be transformed into private enterprises” (Guerin 1979, 361). It does not mean that relations between the authorities and business were unproblematic from the very start, or that – as engaged Marxists would often claim – fascism was simply at the service of great business. One great favour that the German industrialists certainly appreciated was the Nazi pacification of trade unions, workers’ organizations, and the more broadly understood left. Without these obstacles in the way, their businesses could flourish much more freely. This favour, however, came at a certain price. Firstly, as Adam Tooze observes (in his account of the meeting held on 20 February 1933 between representatives of the highest authorities and the industrialists’ cream of the crop, evidently testifying to “the willingness of German big business to assist Hitler in establishing his dictatorial regime”; Tooze 2008, 101), German entrepreneurs may have agreed with the anti-union policy of the new regime, but would not readily support the idea of a national economic autocracy. Even more, this idea was fundamentally at odds, if not with their worldview (which would be often tainted by nationalism), then (more importantly) with their usual practice of doing business in a world characterised by the international flow of goods and capital. It is possible to say that they naturally welcomed a certain kind of cosmopolitanism involving the ease of movement in the international sphere as well as in the complex system of political and economic dependencies at a global scale. Meanwhile, Hitler’s plan assumed the destruction of this order through war and conquest. The second difficulty consisted in the fact that – especially when the economy was readjusted to support war – this plan demanded that production be subordinated to the government agenda, depriving entrepreneurs of the ability to make decisions in many areas crucial to the functioning of their own companies. Thus, although they were not

expropriated – which could smack of “socialism,” even if expropriation as nationalization has little to do with the socialization of the means of production discussed by Marx and his continuators – they faced the situation in which they remained the (co)owners, but had to accept that people appointed by the party would from now on participate in managing their companies alongside the aforementioned new intelligentsia, new types of managers, and so on.

Fascism in Germany would be thus akin to the Bonapartism described by Marx in *The eighteenth Brumaire* had the great German bourgeoisie retained its economic position and thwarted all attempts at revolution or expropriation for the price of transferring political power into the alien hands of Hitler and his petty bourgeois supporters. According to a widely shared view on the specificity of the “German way,” however, this state’s bourgeoisie never had power and was politically “impaired,” at least in comparison with France or the British Empire. Perhaps it would be then better to say that it saved its shares and the title to exploitation by supporting the petty bourgeois ambitions of those challenging the old elites represented by the Junkers and the aristocracy. If the bourgeoisie had to renounce something in exchange, it would not be its political influence (of which it had relatively little) but rather its influence on the very process of production. To a certain extent, it waived that which – in accordance with the ideology of free competition – constitutes the core of the bourgeois-capitalist ethos: its function as entrepreneurs. Decisions related to what particular firms are to produce and in what quantity were to be now made elsewhere. Renouncing this power alongside participation in the international system of interdependencies and flows, and embracing an alien vision of economic self-sufficiency were of course bought by the Nazis. Apart from the gift of shattering the left, there was also the guarantee of government commissions related primarily to militarization, and of course the chance to partake in the profits. In this way, capitalists transformed from entrepreneurs into quasi-rentiers. The question that needs to be asked at this point regards the broader logic that stood behind this shift. It is the logic of twentieth-century transformations of capitalism, not just some more or less random deal struck between a group of German industrialists and the new authorities.

### **The Old New Spirit of Capitalism**

If some people really wish to regard the economy in Nazi Germany as socialist in a deeper sense, or at least as a kind of economy that – mainly thanks to planning and state interventionism – breaks away from the basic principles of capitalism, then this may arise from the fact that they are attached to a specific, narrow understanding of capitalism. However, this problem cannot be grasped by applying the already discussed formula of an “ideological” dispute, that is by indicating that the understanding of capitalism as a system of free competition is simply an ideological distortion of reality (especially of today’s reality, and perhaps even in the entire history of this mode of production). If this indeed is an ideological distortion, we should still demonstrate what kinds of real processes are being obfuscated, and consider their significance in the context of questions about fascism and its connections with capitalism.

In their famous study, Luc Boltanski and Eve Chiapello analyse the three phases of capitalism’s development and the three corresponding forms of its “spirit,” or – to somewhat simplify this – the three strategies of legitimizing it at these respective stages.<sup>8</sup> They were primarily concerned with the “new spirit of capitalism” or the phase that was still strong in the late 1990s and in a sense still continues today though it is now certainly nothing new. Although Boltanski and Chiapello avoid using this term, neoliberalism – the form in question – is still the dominant economic order, even if the discourse legitimizing it appears to be losing credibility. In the present context, however, something else merits our attention, namely the somewhat transitory phase preceding neoliberalism. Boltanski and Chiapello claim that it began in the 1930s and ended in the mid-1970s, in accordance with the widely embraced view about the neoliberal steamroller passing through the world already in the period directly following the oil crisis in 1973. What are the characteristics of capitalism in its second, transitory phase? In the preceding period, which peaked in the second half of the nineteenth century during the classic era of the middle class, one symbolic figure prevailed in theory and to some extent in practice, namely that of an entrepreneur-conqueror or industrial knight who calculates possible profits and

<sup>8</sup> See Boltanski and Chiapello 2005.

real risks, firmly standing at the company's helm. Such companies would usually have a family character, with the entrepreneur being the family's head and the father who wields paternal power over his subordinates. This system was legitimised by concepts of fair exchange and free competition, as well as by belief in progress and technology. Whatever the famed, invisible hand of the market failed to turn into universal benefit for all could and had to be rectified through acts of charity, by means of which the entrepreneur would show a different, merciful face of paternal authority. All of this slowly began to fade into history – or, as it were, into the realm of outdated images that are not even suitable for sustaining the illusion among the ruled – along with the birth of the society marked by mass production and consumption. Individuals, including entrepreneurs, were being supplanted by gigantic production companies, while the family character of relations inside a company – by an ever-growing bureaucratic apparatus. As for the actual control over the production process, it was a capitalism of directors and supervisory boards rather than owners. Moreover, the employees' expectations were evolving too. In more general terms, what changed was the strategy of legitimizing the system in the face of the inequalities it produced. Redistribution through charity was obviously insufficient.<sup>9</sup> Large-scale social programmes were developed and implemented by the state, though in cooperation and agreement with capital, which abandoned the vision of state as merely a “night-watchman,” opening the path towards ever more intense interpenetration of the spheres in which business and government are active.

The account of this transformation can bring to mind the post-war history of Europe, including the birth of the so-called welfare state, or possibly the American New Deal. Such associations are correct, though this does not change that fact that the Third Reich was also part of this historical tendency. We are touching upon a delicate issue here. Columnists and historians like Götz Aly were too keen to use the analogy between Nazi economy and the welfare state in order to discredit the latter. However, as is demonstrated above, the vision of the Third Reich as a paradise for (German) workers as beneficiaries of an overdeveloped social policy does not really reflect the historical reality.

9 See Boltanski, Chiapello 2005 17–18.

Benefits for workers are only a part, or a certain aspect of the transformations of the spirit of capitalism. One could say that the democratic welfare state is a version of the new type of society that emerged in the 1930s, a version whose birth was preceded – some would say necessarily – not only by the tragic outbreak of another world war, but also by the rise of a different society: one that was undemocratic and regarded the question of well-being as secondary or postponed this issue for a later period after achieving the ultimate victory. In the Nazi version of the new spirit of capitalism the state would intervene in the economy to such an extent that people started to speak of the birth of state capitalism;<sup>10</sup> however, the goal of this was not to ensure that wealth is redistributed, and to guard the compromise struck between capital and work, but to erect a terribly efficient capitalist war machine: a totalitarian monopoly capitalism as Franz Neumann has termed it.

Reflecting on the operation of the Third Reich's economy and on the connections between Nazi economy and state/party constitutes a theoretical exercise that allows us to rethink the very concept of capitalism. What are the essential characteristics of this concept, and which features are only relevant in individual phases of the development of the capitalist mode of production? If capitalism is not necessarily tied to free competition or the principle of *laissez-faire*, what is it that actually defines it? A classic Marxist answer would be: capitalism is defined by the private ownership of the means of production. Still, the function of ownership can change significantly. The owner can be the entrepreneur, but can also renounce this role, more or less willingly, in order to obtain a “rent” on the basis of formal ownership, and not much more. In the Third Reich, no mass-scale nationalization of companies took place. It is possible to ask, however, whether in this case we could speak of a certain type of capitalism, a type that in fact deserves to be called “state capitalism” because the state would emerge in it as the new and only capitalist.<sup>11</sup> The second component of a classic definition of capitalism is wage labour, which is opposed to forced labour determined by the feudal relation of personal dependence. Nonetheless, as Karl Marx

10 See Pollock 1990. Pollock distinguished two forms of state capitalism: democratic and totalitarian.

11 This was the meaning behind the use of the term ‘state capitalism’ in relation to the USSR, a tendency common among the unorthodox left.

pointed out, the freedom assumed in work contracts was from the very beginning only figurative, in fact consisting in freedom from the “burden” of any ownership except for one’s ability to work, which workers sell as commodity. In this sense, from the perspective of capitalist wage labour it is not crucial for labourers to be “free,” but to be expropriated. Anyway, workers’ freedom was severely limited in the Third Reich at least due to “work books” and top-down directives shifting masses of workers from one branch of the economy to another depending on where the workforce was necessary. The means of production can be owned by private capitalists or the state, but under no circumstances by workers themselves. The same goes for any real control over the process of production as well as its management, both in shorter and longer perspective. Capitalism is a system opposed not only by the historical form of feudalism, but also by a possible system of worker self-government and self-organization, in which the workers would be granted not only property rights but also a subjectivity, thus ceasing to be merely an object for discipline and management.

If we shift our perspective from that of owners or entrepreneurs to that of the expropriated and alienated “free” wage labourers, who were never even considered to have their own point of view, it ceases to be strange or paradoxical to call Nazi Germany a capitalist state or a totalitarian monopoly capitalism as Neumann put it. This may seem paradoxical or contradictory only if we associate capitalism with democracy, by definition opposing it to any totalitarianism, and with free competition, which out of principle excludes the possibility of creating monopolies. However, neither of the two associations are strictly necessary. What is more, they are contravened, if not by capitalist theory, then certainly by capitalist practice. The Third Reich is only one example of an order in which capitalism does not go hand in hand with democracy. A modern-day example of this is offered by China. Probably those who strongly believe in an organic connection between capitalism, democracy, and liberalism (or liberal democracy) will not be convinced by any arguments or examples. They may not consider Nazi Germany and especially Xi Jinping’s China to be really capitalist states. However, let us stick to the kind of capitalism that actually exists, not to the “real” one that exists

only in certain people’s imagination. The former does not always promote democracy, nor does it really have to fight monopolist practices as long as they do not interfere with its mode of operation in a given historical context. Laws forbidding the creation of cartels and monopolies aptly express the spirit of early capitalism, in which individual owners-entrepreneurs would compete with one another on (theoretically) equal ground.<sup>12</sup> However, in the phase that coincided with the birth of fascism, and especially with the rise of Nazism in Germany – the phase of gigantic companies and a greatly increased economic role of the state – monopolies could have appeared to entirely conform to principles of capitalism; what is more, monopoly could be regarded as the fullest realization of these principles. Max Horkheimer already suggested this. In his understanding, economic liberalism is a system that adheres to social Darwinism, which sentences the weaker to be devoured by the stronger. This is what real capitalist competition consists of, not one that is ideal and imaginary. The stronger, of course, do not have to be individuals. Only the strong survive, so if it turns out that cartels and monopolists have the upper hand, everyone should recognise their right to triumph. It is only a matter of consistency – everything is already contained in the very principle of competition as the right of the stronger.<sup>13</sup>

Doubts about the claim regarding the capitalist character of economy in the Third Reich can be also raised by endorsing certain findings of Pollock and Neumann as well as a general, Marxist understanding of capitalism. Is capitalism not primarily a mode of producing goods, a form of commodity economy in which work itself becomes a commodity after being transformed into labour power? Is it not true that the main principle organizing the capitalist system is the imperative to profit? However, by placing the Third Reich – as “state capitalism” or “totalitarian monopoly capitalism” – within the historical dynamic of capitalism, both Pollock and Neumann (as well as Horkheimer) seem to acknowledge that Nazism involved the primacy of politics, or rather power, over

12 In today’s European law there are naturally still legal provisions limiting monopolies and forbidding creation of cartels, but is the sense of “competition” that these laws protect the same thing it was in the nineteenth century?

13 See Horkheimer 1989, 91.



the economy. Though the principle of purely economic profit was not abolished, it was incorporated in a broader logic of domination. This is not limited to the sense that – in line with Hitler’s doctrine – the conquest of Slavic territories to the east was to guarantee German well-being, but primarily involved subordinating the economy not merely to the state but to the Nazi party, which made any title to profits and managing production depend on the position one occupies in the hierarchy of power. What is basically characteristic of the Third Reich regime is not the total dominance of the state, but rather its interception and subordination, including the economy, by the party and the *Führer*. Following this path, it is possible to argue that this power, which took over the economy, may not have expropriated capitalist owners, but set before itself goals that were fundamentally extra- or in some way even anti-economic. Is there anything more opposed to the logic of production, or even exploitation, than death and extermination? Was the Shoah not the essence of Nazism? It consumed unbelievable amounts of resources and energy, “producing” only masses of useless dead bodies. A detailed account of this goes a long way beyond the scope of this text, where emphasis is placed on a more narrowly understood economic aspect of fascism. Perhaps Deleuze and Guattari were right when they noted that capitalism is simultaneously a machine of production and anti-production, propelled by a certain kind of death drive. Still, this anti-productive aspect was identified by Deleuze and Guattari in every historically formed social machine. They seem to have regarded this aspect as the link between capitalism and Nazism – something they called the “war machine,” which captures a state and leads it to suicide.<sup>14</sup> Perhaps no economic order can be reduced to production in the common sense of the word, that is the production of goods. Perhaps each of them is, at least to some shared extent, an economy of anti-production, destruction, and death. If this is true, capitalism can be no exception. We might find it easier to believe this if we realise that the fetishization

of economic growth causes capitalism to be potentially the last form of human economy, one that might annihilate life on earth.

### **Fascism and the Present Time**

Presenting fascism, particularly German Nazism, as a phenomenon inscribed in the historical logic of the capitalist mode of production is not aimed to demote the latter. There are sufficient other reasons for a radical criticism of capitalism. Nor am I advancing the thesis that fascism is the ultimate form of capitalism or that there is a necessary relation between them, if such necessity were meant to denote some essential, metaphysical affinity. Neither fascism nor capitalism have essences in the stronger sense; thus, they are not co-essential. Still, it is a fact that they had a historical connection, which may be as contingent as anything else in history, but is not any less real because of that. At a certain time, the fascist state constituted a form compatible with capitalist economy. It was not the only form of this kind, and their compatibility does not indicate some metaphysical affinity or identity. And yet, the very fact that this connection existed should provide food for thought today when we are witnessing the rise of the far right, which has already penetrated mainstream politics, while capitalism is undergoing another deep crisis. Fascism may not be our destiny but it nevertheless seems to be a spectre haunting modern capitalism throughout its history and thus looming on our horizon as a certain possibility. The lesson we can draw from history involves identifying this possibility (precisely as a possibility), which is inscribed in the historical dynamic of capitalism (though not in the indomitable laws of its historical development).

Leaving aside the otherwise important question about which of these movements deserve to be called fascist (or possibly, as Enzo Traverso argues, post-fascist<sup>15</sup>), a more general yet no less urgent issue needs to be considered, namely today’s conditions of the possibility of fascism. New fascisms do not have to be similar to any of the old ones as far as forms of expression are concerned (imitating historical forms is rather the domain of neo-fascists). However, its possibility

<sup>14</sup> The question of capitalist anti-production and its relation to the death drive is addressed in: Deleuze and Guattari 1983, 234–35, 346. Further, the question of the Nazi state as a form that is not so much totalitarian as “suicidal,” alongside the concept of fascism as a ‘war machine’ that overtakes the state is discussed in Deleuze and Guattari 1987, 230–31.

<sup>15</sup> See the chapter “Definitions” in Traverso 2019. One could argue whether the prefix “post” is really necessary here, especially because Traverso rightly calls fascism a ‘transhistorical’ phenomenon.

is related, just like in the past, to certain structural conditions, many of which are discussed above and connected with the dynamic of capitalism. Firstly, it is important to closely trace any signs of radicalization and populist mobilization among the lower middle classes. Just like a century ago, this group is the main source of new followers joining the far right. Just like then, this mobilization occurs under the banners of a revolutionary, anti-systemic and sometimes even anti-capitalist rhetoric, although it does not really endanger capitalist relations, venting all social frustration on aliens, who are today typically migrants from Arab countries. The danger of a social, anti-capitalist revolution of the exploited and the excluded may have loomed for a while over Wall Street itself in the form of the Occupy movement, but it receded due to radically disadvantageous configuration of power, pacification of movements striving for change, as well as political and organizational impotence on the left. At the same time, its memory is so fresh that there does emerge a need for some counterbalance in the form of fascist or fascistic movements.

We have been dealing with something of this sort for a long time now, both in Europe and the USA. This seems to characterise the class dynamic of fascism. On a structural level, the matter appears more complex though. There are many indicators that the 2008 economic crisis was merely a prelude to a deeper recession that possibly awaits us in the near future. Bearing in mind the role that the economic crisis of the late 1920s played in the birth of fascism, we ought to prepare ourselves for the worst. “Crisis” also has a different sense than the purely economic one, indicating a turning point, a time of transition, though not in the classical sense, derived from Greek philosophy and medicine, of progressing from sickness to health (or death), but in the sense of one historical form or formation replacing another. If we were correct to characterise Nazism as a phenomenon accompanying the transition from the stage in which capitalism involved free competition among relatively small companies to the stage in which gigantic mass production plants were creating cartels and monopolies, while the functions of owner and entrepreneur were split and taken by other subjects, the question today is whether contemporary capitalism is in a transitory stage too, mutating into something

else, and if so, what this transformation involves and what risks it entails as far as the possibility of fascism is concerned. Are we still defined by the birth of neoliberalism and the dismantling of the welfare state, which led to the peculiar figure of an entrepreneur of the self, a self-employed worker desperately trying to manage his or her so-called capital, a figure that is so much different from the nineteenth-century knight of the industry? Or maybe neoliberalism was only an introduction, a way to prepare the ground for another kind of capitalism, not just the network or cognitive one (the former already identified by Boltanski and Chiapello, while the latter diagnosed by post-operaismo authors), but primarily one based on the biotechnological revolution whose meaning and consequences still elude us and cannot be predicted?

At this stage, it seems to be of little probability that (post)fascist movements could establish, entirely on their own, some new order even in a single state, not to speak of a global scale. Nonetheless, history has been notably accelerating in recent years, regardless of any claims that it has come to an end. There is in fact no guarantee that the new oligarchic, biotechnological capitalism, in which – due to broad implementation of artificial intelligence – great masses of people will become literally redundant (even as cheap workforce), will be able to sustain itself without introducing a regime that would be fascist in character and based on some principle of eliminating or at least segregating and separating the degraded, superfluous biological mass from the new, technologically enhanced race of masters. This, however, is just a possibility whose horror can be measured only against a different kind of possibility, one whose realization has to be fought for. “Fascism,” Max Horkheimer wrote, “is retrograde not in comparison to the bankrupt principle of *laissez-faire*, but in terms of what could be attained.”<sup>16</sup>

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<sup>16</sup> Horkheimer 1989, 81.

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