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Abstract

The manuals of economics during the Fascist regime: were they really corporatist?

The purpose of this essay is to investigate the contribution of the manuals of political economy and related disciplines used in Italian universities during the Ventennio to the Bottai and Gentile's project of creating the 'new Italian' (cf. Barucci, Misiani, Mosca 2015, p. 13). More specifically, we ask whether these textbooks really aimed at forging the homo corporativus in much the same way as the corresponding manuals of the early decades of the Kingdom of Italy aimed at creating the classical *homo œconomicus*, i.e., the "agent and facilitator of the self-government of society through economic mechanisms and economic motives" (Augello & Guidi 2012, p. 3). As we also explained above, we will evaluate the content of the handbooks per se, in terms of what an average university student of political economy in the 1930s and early 1940s could draw from those pages, without inquiring into the specific political ideas of the author. This entails that, regardless of an author's own commitment to Fascism, it is only the characterization of individuals qua economic agents – and the related one of economics qua science – which his textbook proposed to readers that matters for our purposes. In short, the protagonists of our story are the manuals, not the economists who wrote them.

Building on Fauci (1990; 2014)'s characterization of the various approaches to the economic analysis of corporatism, and in view of our goal in this essay, we will classify textbooks into four categories: *supporters*, *experimenters*, *adapters* and *neglecters*. Though largely self-explaining, these labels deserve a few words of comment. As is well known, the Fascist regime had ordered that the adjective 'corporative' be added to the name of subject 'Political Economy' in university courses. Given the new name of the subject (Corporative Political Economy), authors had to modify their manuals' titles and, above all, content. Yet, as our labels suggest, in some (indeed, many) cases the change was either purely superficial or did not entail a commitment to corporatist principles, let alone to the project of building the 'new Italians'.

We call 'supporters' those textbooks that openly endorsed the idea of corporatism and corporatist economics as radically different from, respectively, previous socio-economic orders and standard economic theory. Some common traits of those manuals can be identified. First, the image of corporatism as a brand new economic order, not just a 'third way' between socialism and laissez faire. Students were taught that corporatism was something 'beyond and above', and, for this reason, irreducible in its essence to the principles underlying old socio-economic arrangements. Second the idea that the individuals populating a corporatist economy are no usual economic agents, but, again, something truly different. The *homo corporativus* is modeled as a new kind of economic agent, whose goals are – or at least would

programmatically become – identical to those of the State. Third, the notion of an ‘immanent’ State, whose goals pervade the whole economy and prevail over – or, more exactly, coincide with, and so eventually replace – those of the individuals. Finally, the rejection of economics as a pure and separate science. In its stead, ‘supporting’ manuals offered readers a holistic approach to social sciences that mixed economics with politics, sociology and the law. The eventual goal was to create new epistemological foundations for the social sciences and, with them, spread the new corporatist culture.

The label ‘experimenters’ is used in this essay for those manuals that, in a nutshell, depicted corporatism as some form or the other of a third way – both historically and analytically – between socialism and laissez faire. Building on this premise, and on the related acknowledgment of the failure of the free market system to deliver maximum efficiency, the typical ‘experimenting’ textbook presented readers with an interesting, and often innovative, analysis of the way standard economic theory had to be modified in order to exploit the advantages of a corporatist order vis-à-vis capitalism’s and socialism’s defects. “Overcome without reneging” orthodox economics was the catchword of those manuals. By recognizing the active role of the State in the price system – beginning with the most fundamental price of all, that of labor – and in the centralization of the social conflict, those texts often undertook unexplored theoretical paths. Regardless of the author’s personal commitment to Fascism, this elegant way out from the regime’s diktat to change the way economics was taught had one additional benefit, in that it helped to maintain the prominent status of Italian economists on themes, such as the analysis of imperfect competition or of State intervention in the economy, which occupied centerstage in 1930s economics debates worldwide. Indeed, this group of textbooks vindicates one more time the appeal one of us made long ago against adopting a dismissive attitude towards interwar Italian economics (Faucci 1990, p. 186).

We label ‘adapters’ those textbooks that made room for corporatism in a minimal way, without changing neither the traditional presentation of the subject nor – quite often – the author’s belief in the virtues of a free market system. It was not unusual to abide by the Fascist command to change the discipline’s title by... just changing its title, and with it – and not even in all cases – that of the manual used in the course, while leaving its actual content untouched. The same label we assign to those manuals that were made conforming to fascist diktats by the mere addition of a few pages on the legal and institutional details of corporatism – in particular, on the founding document of Italian corporatism, the 1927 *Carta del Lavoro*. A smart reader could in those cases appreciate the author’s willingness to signal that the forced modification of the volume’s content was somehow relegated to the separate field of law, while leaving the core, and the soul, of economics unaffected. We also wish to underline that, in their own way, even ‘adapted’ textbooks that denied any theoretical relevance to corporatist ideas contributed to international debates on how to cope with, say, the rising concentration of economic power or labor market issues.

Finally, the label ‘neglecters’ is assigned to the manuals that carried no (or minimal) traces of corporatism, or that even openly criticized it. In our sample this is almost exclusively the case of textbooks published in the early years of the regime, including those few pre-dating the change in the subject’s name. ‘Neglecting’ volumes feature in our sample for three reasons. First, in order to meet an obvious requirement of completeness. Second, precisely because a few of them displayed an express denial of the scientific validity of corporatist ideas. Third, because some others are a good benchmark to understand

what the teaching of economics looked like in Italian universities before corporatist ideas had to be willy-nilly included into the subject. Indeed, in view of the latter point, we have corroborated our attribution of the label by looking more specifically at how a given manual dealt with a hot policy issue of the time, international trade – more specifically, with the debate between free trade and protectionism/autarky. Unsurprisingly, all ‘neglecters’ (as well as most ‘adapters’) offered pretty standard treatments of international trade. Exemplar in this sense, if only for the scientific status of the author, is G. Del Vecchio’s 1930 manual, which contained a wholehearted defense of the benefits of free trade.

We examined 40 manuals, 27 of which were textbooks of political economy, 8 of public finance and 5 of economic policy. In three cases (the manuals by M. Fanno, U. Papi and A. De’ Stefani) we considered two editions of the same text, in view of the prominence of the author and, above all, of the changed attitude towards corporatism displayed in the different versions. With the single exception of the reprint of Barone’s 1922-23 manual, our sample covers academic courses taught in Italian Universities and High Institutes of Business Studies (*Istituti Superiori di Studi Commerciali*, the forerunners of the modern Faculties of Economics) between 1927 and 1943. Our list is therefore highly representative of the universe of academic textbooks used across the country during Fascism.

Of the 27 manuals of political economy, 7 were ‘neglecters’ that de facto ignored corporatism (including Barone’s benchmark textbook, which actually predated corporatism itself); 8 were more or less opportunistic ‘adapters’ that merely accommodated corporatism without altering in any significant way neither the structure of the argument, nor the way the subject was taught, nor the specific theoretical conclusions; 7 were fully-fledged ‘supporters’ of corporatist catchwords and underlying ideology. We classified only 2 manuals as pure ‘experimenters’, i.e., as textbooks that, regardless of their support, or lack thereof, for corporatism, accepted the challenge to take its economic rationale seriously and endeavoured into a thorough examination of the changes required to standard economics to encompass it. Indeed, both were new versions of textbooks that in previous editions had been just ‘adapters’ – as if a few more years of experience with the fascist regime had eventually persuaded their authors (Fanno and Papi) to propose their students a more systematic analysis of corporatism. The 3 remaining manuals (by Amoroso, Chessa and Masci) belonged to the supporter/experimenter category we examined before.

Significantly, over 55% our sample consisted of ‘neglecters’ or mere ‘adapters’ (15 manuals out of 27), while for only 10 of them (37%) the label ‘supporters’ seems adequate. These data confirm what we argued in the Introduction about the lukewarm reception of corporatism by many Italian economists. Regardless of the orders coming from the regime, the majority of economics professors either did not change the way the discipline was taught or, when they did, they did so without necessarily endorsing the project of exploiting their academic position to form the ‘new Italians’ or uphold corporatist institutions.