

THE SOCIAL CRISIS
OF OUR TIME

by

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itself, in the mere "libido dominiandi" (Sallust, *Bellum Catilinae*, 2), and to link this absence of a positive program with the general dissolution of values and disintegration of standards.

Political Structure and Economic Structure

Let us now return to our comforting assumption that regarding the ultimate ends of society, we may presuppose essential unanimity. However, we are probably right in saying that agreement on fundamental political aims is far greater than on economic and social programs for the future. Only a few wish to tamper with the liberal-democratic structure of the political system, but many think that they are therefore free to re-fashion the economic system. If they find that a radical transformation of the economic system entails substantial changes in the political constitution, then they believe at least that in the final analysis only what one might term administrative changes are involved, leaving the liberal-democratic core of the constitution intact. To put it bluntly: many people believe that it is no longer possible to resist the trend of the times towards economic collectivism, socialism, the planned economy or whatever one wants to call it, and if that trend necessitates changes in the constitution these can be carried through without any serious risk of copying patterns which have been condemned. It would be false piety—thus one might interpret the thoughts of these people—to maintain a political structure which developed in the age of the stage coach; it should be adapted to the age of the high powered electro-locomotive.

It needs to be said, and said plainly, that people who think along these lines are victims of a calamitous self-deception. There always exists a definite, more or less fixed relationship between a political and an economic system which makes it impossible to combine just any political system with just any economic system, and vice versa. Society is always and in all aspects a whole—politically, economically and culturally—and one would indeed have to believe in miracles if one would expect socialism to be an exception. That is precisely the spiritual tragedy of socialism, which anyone could experience who was its adherent at one time or other and which does not cease to torment every intelligent and upright socialist: the tragedy of a movement which suffers from an incurable contradiction, wanting to complete man's liberation—initiated by liberalism and democratism—by radical means, it is forced to turn the state into a Leviathan. Socialism can be nothing but destructive of freedom in the widest sense of the word. It wants to crown the work of emancipation, yet can result in nothing but the most abject subjugation of the individual. Experience and reflection confirm the

truth of these remarks in so overwhelming a manner that for an honest socialist of whatever shade there should be no other choice than either frankly to take upon himself all the political and cultural consequences of his economic ideals, or to seek other paths of economic and social reform. The reasons for this have only recently been demonstrated so frequently and thoroughly that we can deal with them here in a few brief sentences.

Socialism—it must be agreed—means that the “autonomy of the economic will,” with which we are going to deal later on, is suspended and replaced by the order from above. Since decisions regarding the use of the economy’s productive forces are no longer made through the market but in the office of a government agency, they become politicalized. It is this politicalization of the entire economic process which provides an almost complete definition of every kind of socialism and quasi-socialism (statism), and one can hardly claim any understanding of the great questions of our time if one does not persistently and at all times keep this in mind. Everything which heretofore belonged to the “economic” sphere of private enterprise and private law, is now transformed into something “political”; the market becomes a government agency; every purchase becomes a state transaction; private law becomes public law; “being served” in store is replaced by “being dealt with” by civil servants; the price mechanism is controlled by decrees; competition becomes the struggle for influence and power in the state, for party offices and government jobs; the supply of raw materials becomes a question of political spheres of influence; property becomes a concept of state sovereignty; business decisions are turned into governmental acts sanctioned by penal law; foreign currency transactions become capital offences. Henceforward the population has to use its productive capacities in a manner deemed suitable by the group dominating the state. Does anyone seriously believe that not only the election of this group but also the millions of individual decisions which it has to make every day can be based on democratic principles and that the sphere of individual liberty can still be safeguarded? It should be clear at once that the process of public voting cannot be extended to questions regarding the production of blotting paper and gramophone records, but whether such, and millions of other goods, and how many of them, should be manufactured is precisely the decision which has to be made anew every moment because it is the essence of collectivist economic planning.

To bring about such a decision all the time in an even imperfectly democratic manner is impossible. This follows also from another reflection. Everyone knows that a democracy can function properly only if in all the essential questions of communal life there exists practical unanimity: *in necessariis unitas*. Even majority

decisions remain unsatisfactory here, because it is hard to see why the rule of 51 per cent. of the voters over 49 per cent. should be much more reputable than that of 49 per cent. over 51 per cent., and even the possibility characterizing every genuine democracy, that the majority decision of today can be replaced by the opposite decision of the majority tomorrow, must, in view of the almost irrevocable character of far-reaching decisions, remain often enough nothing but theory. In such cases, therefore, we can hardly say that it is the "will of the people," the "volonté générale," that decides. How far even the model democracies are removed from this ideal is proved by the mere fact that the financial maintenance of the state always requires more or less irksome compulsion and that taxes are everywhere a form of private expense which affords least pleasure; this would not be the case if the national budget rested on genuinely unanimous acceptance. An ideal democracy therefore presupposes that the people are in almost complete agreement on questions of government. However unattainable this ideal may appear, the problem as such must be clearly discerned and the nearer a country approaches the solution, the better for its democracy. Three essential conditions must be fulfilled in order to come closer to such a solution: first, a certain minimum of national community spirit and uniformity in thinking and feeling (a uniformity which is probably the ultimate secret of English democracy); second, the greatest possible decentralization of government (federalism in Switzerland and in the United States, English local government); and third, and this is perhaps the most important point, a limitation of government interference to those tasks where a maximum of unity can be expected and whose extent coincides with the legitimate sphere of governmental functions, legitimate because they are inherent in the concept of the state. This last observation brings us to the crux of the matter. Unity can only be expected, even in the most favorable circumstances, when national problems of a most general and elementary nature are under discussion. But how would it be possible to effect even a tolerable agreement on all those questions of detail which are the essence of economic processes and which affect individual interests most directly and acutely? The decisions which the state would have to make here are always decisions in favor of this and to the detriment of that group. How can a satisfactory democratic compromise be achieved here? Such decisions can only be made in an authoritarian way; ultimately and essentially they will always be arbitrary and too often they will be made under the pressure of an interested minority.

To this we have to add yet another and even decisive reason. The non-socialist market economy is a process which is made up of innumerable voluntary economic actions of individuals. The market

regulates these actions and gives all participants directives for the adjustment of production to the wants of the consumers. Obedience to these directives of the market is rewarded, disobedience is punished in the most extreme case with bankruptcy (that is, compulsory withdrawal from the ranks of the entrepreneurs responsible for the production process) and by destruction of the economic basis of existence. Now socialism means (if it is to mean anything at all), that the democratic ruler "Market" is replaced by the autocratic ruler "State," a further example of how socialism "politicalizes" the economy. It is in keeping with this politicalization that the new ruler of the economy, the state, enforces respect by means which are in accordance with its political nature: orders sanctioned by criminal law. To express it in the starkest manner possible, which will only be found incomprehensible by those not schooled in fundamental thinking: if formerly the bailiff had the final word, it is now the executioner. It should really be no longer open to doubt that socialism goes hand in hand with a thoroughly authoritarian system of government. Whether a state begins with anti-tyrannic socialism or with anti-socialist tyranny, logical development will always see to it that both states finally reach the same point: a perfect tyranny and a collectivism which permeates all spheres of social life. In the long run economic dictatorship can as little exclude political and intellectual control as, conversely, political and intellectual dictatorship can exclude economic control. It is hardly forgivable naiveté to believe that a state can be all powerful in the economic sphere without also being autocratic in the political and intellectual domain and vice versa. "If there are Governments armed with economic power, if in a word we are to have Industrial Tyrannies, then the last stage of man will be worse than the first" (Oscar Wilde). Thus the saying of Hölderlin of a hundred years ago would then come true: what turned the state into hell was precisely that men wanted to make it their heaven. It therefore makes no sense to reject collectivism politically if one does not at the same time propose a decidedly non-socialist solution of the problems of economic and social reform. If we are not in earnest with this relentless logic, we have vainly gone through a unique and costly historical object lesson.

Now it is possible to raise a very serious objection here. Does not the present-day war economy (1940), where even in democratic countries governmental powers are increased so tremendously, prove that socialist centralization and control of the economy are possible without harming the democratic core of the political structure? Do we not see how entire nations all around us willingly put the paramount interests of the community first? In order properly to understand this process which everyone has experienced personally, we must interpolate here a reflection of fundamental signi-

ficance, which is likely to deepen our understanding of the biology of society and state.

Philosophers of all ages are agreed that man's relationship to the community has always been two-sided. Two souls dwell in his breast, of which the one is gregarious while the other would be alone. There exists an "antagonism between the anti-social and social instincts of man" (Kant), which keeps society at a constant polar tension, the tension between the desire for social unity (integration) and the opposing desire for individual segregation (differentiation). Man is neither an ant nor a raving beast; he has chosen the more difficult path of twofoldedness which is full of tension, the path of "unsociable sociability" (Kant), and only thereby has culture been made possible. It is a clear and unalterable fact of which one must not lose sight in all topical discussions of political, economic or constitutional questions: man seeks the golden mean in his contact with society, not too much, but also not too little, and this normal degree of integration—the feeling of "belonging," the desire to fulfil the social duties of sacrifice and devotion, temperate patriotism, the natural subjection to the elementary duties of community life, the feeling of being at one with the others, of being part of the great whole and having a place therein—is precisely what neither the individual nor the aggregate of society can miss for any length of time without becoming "socially sick." But since we happen to be as we are, we have, on the other hand, no intention of letting ourselves be walled in alive by society as were the unhappy victims of Tamerlane. We are willing to give unto Cæsar what is Cæsar's on the condition that we can keep the rest for God, our family, our neighbors and ourselves, for otherwise we would become "socially sick" in the opposite sense. While in the previous case of "insufficient integration" we suffered from social malnutrition, so now in the case of "hyper-integration" we suffer from social overfeeding, and we can bear the one as little as the other, and this is also true of society as a whole. "*La multitude qui ne se réduit pas à l'unité est confusion; l'unité qui ne dépend pas de la multitude est tyrannie*" (Pascal).

Social malnutrition is the typical disease of a society which is disintegrating into isolated individuals, where there is no longer that warmth which solidarity generates, where the feeling that with our rights as well as with our duties we occupy a definite place in society, in other words, the feeling of being embedded in the small and in the large community vanishes more and more. Society appears dissolved into a mass of individuals adrift, whose relationship to each other becomes increasingly mechanical and anonymous, based on the market, competition, the division of labor, technology and the law: precisely the pattern that has

developed everywhere in the course of the last century. In all countries, in some less, in others more, society has been ground into a mass of individuals, who have never been so closely herded together and so dependent on each other and yet at the same time they are more rootless, more isolated and more like grains of sand than ever before. Whatever one wants to call it—spiritual collectivization, atomization or social disintegration—it is always the same pathological process, viewed from different sides. All the misery, all the problems of our time have their ultimate roots here, and all the new blueprints of our social architects are worthless if they do not take this ultimate and greatest infirmity of our time as their starting point. The individual driven into isolation and suffering from social malnutrition feels forlorn and there exists even a theory, meriting serious attention, which attributes suicide, as a mass phenomenon of our civilization, to the individual “losing his place” (“*désencadrement*”) in society. In their yearning for social integration men finally grasp at everything that is offered to them, and here they may easily and understandably suffer the same fate as the frogs in the fable who asked for a king and got a crane.

Now to turn to the other extreme, namely, hyper-integration: this phenomenon appears, like a fever in the human body, in an entirely normal and beneficent manner when a sudden emergency, an earthquake, for instance, or a vast fire, summons all the defensive forces of society. Instantly the temperature of society leaps up, and entirely of our own accord we sacrifice our privacy in order to be one with society and to lend a hand where we are needed. We subject ourselves without reflection and argument to the most far reaching control from above, and think it perfectly in order for martial law to be declared in an area visited by an earthquake. The same holds good on a larger scale in the case of war. It, too, leads immediately to “feverish” degrees of integration, and then it is possible not only for civil liberties which safeguard the individual’s privacy to be extensively suspended, but also for socialist measures to be carried out, measures which represent nothing but the economic side of hyper-integration. All this is completely natural and is no cause for alarm. But it is something entirely different to retain socialism as a permanent peace-time institution; for this would mean that social hyper-integration which socialism presupposes, would be accepted as the normal, permanent state of affairs. This, however, is an altogether gigantic task, because it runs counter to man’s very nature, and it can only be performed to a certain degree and for limited periods by artificially keeping the population in that abnormal feverish state which is caused by earthquakes or wars. While for the normal degree of social integration the positive feelings of unpretentious patriotism and a genial liking for one’s neighbors suffice, it seems that this is not enough

for the spastic degree of integration which the collectivist state requires. In order to achieve that social molecular density which is a prerequisite of collectivism, it is apparently always necessary to incite negative feelings, that is feelings directed against someone or against something, and when no real targets of hate or sources of fear are present they have to be invented. If, then, socialism is to be made the normal, permanent state, it presupposes a political system which manages to maintain the necessary hyper-integration of society by these artificial means, even without war, earthquakes or floods.

Yet perhaps there is some way of jumping into the water without getting wet. Instead of transferring the direction of the economy to the state, could one not confidently entrust it to the professional and business associations, made up of non-political experts, the trusts, co-operatives, labor unions and production groups, in short is it not possible to make use of the magic formula of "corporativism"? It seems indeed as if this idea presents a last refuge for many people who are too clever to indulge in any illusions regarding the political consequences of collectivism, and yet believe collectivism to be ineluctable, who resort to it out of perplexity, out of fatalism, or out of a secret desire which clothes itself in the sacerdotal garb of the philosophy of history. We fear that we have to be so impolite as to term this a very unfortunate idea, however difficult we may find it to be discourteous in this particular case. It is the pet idea of all those whose speech is neither yea nor nay, who would like to express freely their aversion to "liberalism" and "individualism" without acknowledging collectivism as the logical consequence, who are looking for a third way, without much understanding of the details of economic life and the biology of society, and who then adopt the formula of the guild state which appeals more to the emotions than to the mind—unhappily without paying the least attention to the plainly discouraging experiences which were made with economic "self-administration" under the Weimar Republic and finally with the veritable farce of the guild state in Austria. And lastly, in the case of some people this idea of a guild constitution is nothing but economic obscurantism.

The professional and business associations offer promising possibilities and, properly integrated into the entity of state and economy, they produce much that is good; however, one cannot render them a worse service than to assign them functions which are bound to corrupt them as well as the whole body politic. For, either the final decision rests with the state after all, and then there is no change in the political outcome of collectivism except that now the all-powerful state creates for itself outer bastions in the form of corporative organizations which serve to carry its will deep into the

private economy; or—and this is the only possibility we are concerned with here—final decisions in the planned economy really rest with the corporative organizations and then we have something which corresponds to what mob rule represents in criminal law. If the regulation of the economic process is no longer left to the market, it becomes dependent on conscious political decisions which cannot be delegated to authorities alien to the state without dissolving it. Genuine corporativism in the democratic state, then, means that the state renounces great portions of its sovereignty in favor of economic groups. The “capitalist” market economy has often been reproached with “anarchy of the productive process”—a very unjust reproach as everyone familiar with economics realizes. But what we have described just now would lead to real and grave economic anarchy. Suppose a secret anarchist society should announce a competition for the best solution to the problem: how can the cohesion of the state be dissolved in the safest and most unobtrusive manner—then this answer: “genuine (democratic) corporativism” would deserve the first prize. Seriously speaking there should really be no difference of opinion regarding the fact that once we decide on the course of collectivism the helm should rest only in the hands of the state and one can only hope that its agencies can muster the greatest possible independence, expert knowledge and resolution in guiding the ship, and the utmost lack of consideration for the whisperings of group interests and lobbyists. Let us adapt a sentence from the Bible: “Justice raises a people, but pluralism (that is, the splitting up of the state into spheres of influence for group interests) is a people’s undoing.” The anarchy of pluralism, as all examples teach us, can never be more than a brief interlude.

A grave error is being committed by to-day’s professional organizations in that they are unable to make a clear distinction between the legitimate and the illegitimate tasks of the professional associations, and jumble together things which should be kept strictly apart. The great danger of such efforts lies in the fact that through the positive and legitimate parts of their program they tend to attract well meaning people intent on the public weal, whom they then turn into representatives and tools of the most negative and destructive ideas. In order not to be confused we must realize that whenever we speak of “profession,” or “vocation,” or “occupation” we may mean one of two quite different things. First of all, we mean that men apply themselves to the production of goods or the rendering of services with devotion, specialized ability and joyful pride in creation and work, and that they share the professional interests which result from their similar position in life and the same technical working processes, without in the least impairing public interests (aspect A). Secondly, however, we mean that these specialized producers within the market economy

are at the same time sellers of their products and abilities, and that for reasons which we will explain later they have interests which by their very nature conflict with those of the public and which can only be assimilated by means of competition (aspect B). The doctor is not only the helpful friend at the sick bed (aspect A), but at the same time the man who later on sends us his bill and who has an interest (in his case curbed by a high standard of professional ethics), in making his bills as many and as high as possible (aspect B), and by the same token, we must not forget, in spite of all our esteem for the peasantry and all our interest in the technical questions of agriculture (aspect A), that the farmer, as the soberly calculating seller of his products, has an interest in the highest possible tariffs and subsidies and the lowest possible import quotas (aspect B). It is nothing but romantic obfuscation of the facts not to keep these two aspects apart and to allow the positive feelings created by aspect A, benefit pure group interests by keeping silent about aspect B. Nothing is more desirable than to aid the professional interests in the first sense (A) by raising professional pride and self-confidence and to further it by mutual aid within each occupation (professional training, welfare funds, &c.), and as long as these occupational associations remain within this "A sphere" they deserve our benevolent support. But it is, on the other hand, equally undesirable for them to trespass into the domain characterized by aspect B. In the sense of "B" the professions serve indeed no useful purpose in the integration of man in an orderly political life—they are a disintegrative, not a constructive element.

We must, therefore, adhere to our view: socialism as a permanent peace time institution is an economic system which we can only obtain at the price of the corresponding political system. The political and the economic structure of collectivism are merely two aspects of one and the same thing; they both are the ultimate result and the most radical manifestation of that spiritual collectivization, agglomeration, mechanization, atomization and proletarianization which have become the curse of the Western world. If we want to escape this curse, we must, after first ridding ourselves of the inevitable wartime socialism, travel new roads in economic policy which are completely opposed to socialism of any kind. The nature of these new roads will be discussed in detail later on. There remains one thing to be emphasized here, namely, that the correlation between economic and political systems also holds good for the market economy. The market economy as an economic system which depends on the confidence and the enterprise of the individual and on his readiness to save and to take risks, cannot be maintained without certain protective measures and legal principles which offer security and protection to the individual not only in the face of the encroachments of other individuals, but also against

the arbitrary interference of the state, and which add up to what we call the constitutional state. The much reviled and frequently misunderstood "human and civil rights" (and we once more want to draw attention to their Christiano-Germanic origin), contain precisely that which, for instance, the old Ottoman Turkey notoriously lacked for developing a flourishing economy: the inviolability of certain laws and rules for the protection of persons and property—the basis of that confidence without which private enterprise cannot continue for long and without which even the peasant dare no longer sow his wheat. The development of the last hundred and fifty years has led us to adopt many dangerous courses and has brought much misery over the world which is crying out for restitution, but we would scarcely want to be responsible for sacrificing lightheartedly its truly greatest achievement: the conquest of arbitrary might through right.

PART ONE—NOTES TO CHAPTER II

Note No. 1 (page 84). The new and unexpected—an essential element in the collectivist state:

On this the chapter concerning "die charismatische Herrschaft" in Max Weber's *Wirtschaft und Gesellschaft*, Grundriss der Sozialökonomie, III, Tübingen, 1921, page 140 ff., is the primary source of reference. Note also the following remarkable passage from the classic work *De l'esprit de conquête et de l'usurpation*, which Benjamin Constant published immediately after the battle of Leipzig in 1813: "Un usurpateur est exposé à toutes les comparaisons que suggèrent les regrets, les jalousies ou les espérances; il est obligé de justifier son élévation: il a contracté l'engagement tacite d'attacher de grands résultats à une si grande fortune; il doit craindre de tromper l'attente du public, qu'il a si puissamment éveillée. L'inaction la plus raisonnable, la mieux motivée, lui devient un danger. Il faut donner aux Français tous les trois mois, disait un homme qui s'entend bien, quelque chose de nouveau: il a tenu sa parole" (II, 2). On the other hand a statesman like Salazar could not have expressed the non-collectivist character of his regime better than by saying (from Henri Massis, *Les idées restent*, Lyons, 1941, page 20 ff.): "Pour moi je n'ai qu'un but. Ce que je me propose, c'est de faire vivre le Portugal habituellement."

Note No. 2 (page 85). The anti-liberal tendency of pure democracy:

Machiavelli was, according to G. Ritter (*Machtstaat und Utopie*, Munich, 1940, page 87), perhaps the first to recognize clearly that the demon of power is not only to be found in despotic rulers but also in the people and can easily be released by any demagogue, a fact which neither the mediaeval theories of tyranny nor Erasmus seem to have realized. After the French Revolution it is Benjamin Constant in particular who discovers the tyrannical possibilities inherent in democracy and concludes from this "qu'il faut tracer un domaine des libertés et des droits personnels dont le limites soient infranchissables et au souverain et à la nation, et à la loi même" (E. Faguet,

Politiques et moralistes du dix-neuvième siècle, 1ère série, 16e éd., Paris, page 220). Apart from Tocqueville's well known works, whose main theme is precisely this inherent danger of democracy, and those of John Stuart Mill (particularly his essay *On Liberty*), we find the same idea discussed by the American writer John C. Calhoun in *A Disquisition on Government*, 1849, and in *Democracy and Liberty*, 1896, by the English writer, Lecky. It speaks once more for the wisdom of the fathers of the American Constitution that they clearly foresaw the danger of democratic tyranny by the majority and were guided by this consideration in writing the Constitution. It is impossible to understand the American Constitution with its complicated system of "checks and balances" unless one knows that its originators feared the tyranny of a democratic majority quite as much as that of an absolutist monarch from which they had just freed themselves. Theirs is an excellent example of how, with some intelligence, one can avoid jumping from the frying pan into the fire. It is well known how much the Swiss constitution has been influenced by the American, particularly in this respect. To the extent to which one departs in the United States from the spirit of the Constitution, though not from the letter, and reduces the liberal and federal counter-balances, the danger of a totalitarian development within the democracy grows, and this applies also elsewhere.

Once it is realized that neither the state, with its natural tendency towards despotism, nor the masses as such can be expected to produce anything but a tyrannical government, it becomes clear that other supports for freedom have to be found, anti-collectivist counter-balances which neither the state nor the masses can supply. Only those can be the guardians of freedom who really love it: the elite which, with instinctive authority, leads society and all genuine communities below, above and outside the state, the "corps intermédiaires" (Montesquieu). In this respect, where we find the liberal principle differing so sharply from the democratic, it seems related to the aristocratic, but only if we interpret the concept of genuine aristocracy correctly. "Tout groupement organisé d'une manière durable dans la nation, possédant une pensée commune, des traditions, une direction, une vie propre, est un fait historique qui s'est créé un droit. Il tend au maintien de lui-même et à la sauvegarde de ce droit; il est élément aristocratique et élément libéral, libéral parce qu'il est aristocratique, aristocratique au point de devenir libéral. . . . Un système libéral qui prétend être pratique est forcé d'être aristocratique pour ne pas être illusoire, comme le système aristocratique le plus étroit est forcé d'être libéral pour ne pas tendre simplement à la guerre civile" (E. Faguet, op. cit., page 228 f.). It is typical that both J. de Maistre, the apostle of pure despotism, and Rousseau, the apostle of pure democracy, rejected the aristocratic as well as the liberal principle.

Note No. 3 (page 87). The collectivist state has no program:

This gives us an opportunity to demonstrate how the collectivist state is the last step in that moral and intellectual dissolution of which we have frequently spoken in this book, particularly in the introduction, i.e., that process which has resulted from the general development of Western civilization and can be traced in all countries, though some have more reserves with which to combat it than others. It is here that two phenomena in the history of thought, nihilism (Nietzsche) and pragmatism (William James) become of political moment. Concerning the connection with philosophical pragmatism, see W. Y. Elliot's article in "Political Science Quarterly," volume XLI, 1926, page 161 ff.

Note No. 4 (page 88). The totalitarian character of socialism:

I first dealt with this problem in my article "Sozialismus und politische

Diktator," "Neue Züricher Zeitung," 18th and 19th January, 1937; subsequently I received welcome support from Walter Lippmann, *The Good Society*, Boston, 1937, and F. A. von Hayek, *Freedom and the Economic System*, Chicago, 1939, who, later on summarized and perfected these views, in his well known book *The Road to Serfdom* (London, 1944, and Chicago, 1945). (Cf. also my study, *Zur Theorie des Kollektivismus*, "Kyklos" (Berne), 1949). The following passage should also be remembered in this connection: "The probability of the people in power being individuals who would dislike the possession and exercise of power is on a level with the probability that an extremely tender-hearted person would get the job of whipping master on a slave plantation" (Frank H. Knight in his review of Lippmann's book, "Journal of Political Economy," December, 1939, page 869). See also Elie Halévy, *L'ère des tyrannies*, Paris, 1938; William E. Rappard, *L'individu et l'état dans l'évolution constitutionnelle de la Suisse*, Zürich, and Gaetano Mosca, *The Ruling Class* (the American translation of his standard work, *Elementi di Scienza Politica*), New York, 1939, pages 271-328. No one should pronounce a final opinion on this problem without having read this classic chapter of the great Italian sociologist on the political character of collectivism.

Note No. 5 (page 90). The executioner has the last word in the socialist state:

This macabre characterization which many, who lack the proper understanding of the issues involved, choose to ridicule, we find already in the second section of Jacob Burckhardt's *The Age of Constantine the Great*, London, 1939. To those who are still not convinced we point out that the economic control exercised by mercantilism led to the execution of great numbers of offenders. In the important book by the Swedish economic historian E. Heckscher, *Mercantilism*, London, 1935, we find the following concerning French mercantilism during the seventeenth and eighteenth centuries: "It is estimated that the economic measures taken in this connection cost the lives of some 16,000 people, partly through executions and partly through armed affrays, without reckoning the unknown but certainly much larger number of people who were sent to the galleys or punished in other ways. On one occasion in Valence, 77 were sentenced to be hanged, 58 were to be broken upon the wheel, 631 were sent to the galleys, one was set free and none were pardoned. But even this vigorous action did not help to attain the desired end. Printed calicoes spread more and more widely among all classes of the population, in France as everywhere else" (page 173).

Note No. 6 (page 92). Suicide statistics as an indication of insufficient integration:

The theory of "desencadrement" as the cause of suicide in our time (at least as a mass phenomenon), was developed mainly by the French sociologist, M. Halbwachs (*Les causes du suicide*). It is supported by the decline in the suicide rate during times of war, which we know are periods of hyper-integration.

Note No. 7 (page 95). Occupation cannot serve as a means of national integration:

The English sociologist Ernest Barker (*National Character and the Factors in its Formation*, 3rd edition, London, 1939, page 276), says the following concerning this question: "The nation is not to be discredited because there is much false nationalism abroad. I have sometimes thought that there are three sovereigns which dispute our allegiance. One is blood—

or the idea of a nation as a group of kinsfolk, united by an intimate consanguinity within their gates, but divided from the stranger without by an impassable barrier of difference. That is false nationalism. Another is contiguity—the sweet ties of neighbourliness, strengthened by old and common tradition, which unite the racial blend that inhabits a given territory, and which make it a nation of the spirit—which is reality, and not a nation of the body—which is a simulacrum. That is true nationalism. A third is occupation—the bond of a common profession, which unites its members by the daily and homely ties of common work and interest. This may be, and tends to be, though it need not be, a principle which we may call by the name of anti-nationalism.” This idea would obviously have gained in precision if our distinction between the A sphere and the B sphere in the occupational field had been applied.