



Volume 4. Forging an Empire: Bismarckian Germany, 1866-1890
Franz Hitze, *The Quintessence of the Social Question* (1880)

A number of Catholic thinkers also focused on the social question. This excerpt is from *The Quintessence of the Social Question* (1880), written by the Catholic theologian and social reformer Franz Hitze (1851-1921). Hitze advocated a type of corporative socialism that differed from the program of Social Democracy in many ways. One of the most important points of divergence was Hitze's argument that the state should not take the lead in propping up or reforming the existing social order. That task, in his view, should be undertaken by self-regulated occupational estates similar to traditional guilds. In this way, he believed, civil society could in essence heal itself. In a footnote Hitze also argued that parliamentary representation of competing social interests should also be refashioned on a corporatist basis by means of a new electoral law.

“Socialism” intends to level and mechanize everything. The state is supposed to be supreme and to take exclusive charge of all production and distribution. With this, socialism is taken to the extreme. This is not justifiable as an ideal, or in keeping with justice (the existing right of ownership), or practically feasible, or finally correct in terms of factual prerequisites (the generally prevalent large-scale operations).

Socialism must exist because and insofar as the production method is socialistic. Not all branches of production are equally socialistic; therefore, neither is the legal socialism that is to be introduced. The result of this is that, strictly according to “socialistic” principles, socialism has to become associated with the special large-scale branches of production. In other words, socialism can only assume a corporative structure.

The socialistic organization of occupational groups seems to us to be the solution to the social question. Such a structure is nothing new: the Middle Ages had it. The guilds were socialistic organizations whose socialism vis-à-vis personal liberty, as well as personal property and occupational rights, went much too far in many cases (in the later period), just as liberalism, on the other end of the scale, goes much too far with its absolute personal freedom and its absolute personal property and occupational rights. In their essence, however, the guilds were a model of property and labor organization. Thus, a guild-like organization of all our occupational categories appears to us as the goal of the future, as the only way to break the supremacy of capital and the machine, so as to utilize the advances in production for the general public. And to repeat: this should of course occur on an extended economic and democratic basis.

With respect to the trades, there have long been demands for such a guild-like socialistic reorganization. Little serious effort has been made, however. People still wish to sneak in the “free guild.” As if some compulsion did not constitute the very essence of a guild! A guild without compulsion is like a knife without a blade. You will not curtail the supremacy of capital with that; but that after all is our purpose. Moreover, without compulsion one also cannot secure an order of labor relations (regarding an apprentice and journeyman system, etc.), for order requires compulsion. All attempts made by common undertakings to appropriate the advantages of the capitalist production method will fail in the face of resistance from big-capital’s cronies, because they are sufficient unto themselves and prefer to keep all the benefits for themselves. What is a guild good for if a factory, a department store can turn the entire guild upside down? The trades demand the “compulsory guild,” a type of organization really modeled after the guilds and equipped with comprehensive powers to protect their labor rights; they demand that all economic arrangements for which “individual self-help” does not suffice be set up jointly by way of guilds. And we also demand such a guild-like organization for the farming class, for large-scale industry and large landed estates, for big and small trading firms, and for the class of paid laborers.

In order to make this reorganization possible, it is above all essential to create “organs” from which this reorganization can proceed or with which it can associate. Here, the best and most plausible means would seem to be a corporative interest group. This proposal, too, is not very new; yet we emphasize not so much the interest group’s political importance, but rather the socioeconomic significance it could and should have for the future in the course of its further development.

There are justified corporative interests, but these also have to find expression in the law. This results in a corporative law code. The law is supposed to be established through the participation of everyone involved. That is a stipulation of natural law, and our – democratic – times also recognize this participatory requirement. Thus, any corporative legislation also requires corporative representation to create this law. So in the process the individual members of the individual estates would have to elect deputies, commissions in the municipality, province, and country in order to discuss their corporative interests and shape them into legislation, whether in the “economics chamber” or in the political chamber. We leave it open whether this corporative representation should operate side by side with today’s political chambers or whether the existing ones ought to be transformed into corporative ones.¹ The main point is this:

¹ The corporative electoral system seems to us to be the only proper mediation between the census and the democratic voting systems. “Equality of the occupational groups” is the democratic element; “only within and for the occupational group” is the conservative, truly social element. The current electoral systems result in the rule of “class” – of the bourgeoisie or the proletariat. Societal differences and opposites will always make themselves felt in politics, too. Why not recognize that openly and factor it into the equation? The struggle of interests exists; you can ignore but not eliminate it. Why not fight openly and above board? Why not create legitimate organs for reconciling interests? Struggle is life; but the struggle itself is not yet a calamity. But it has to be fought on a legitimate basis; the central authority has to be strong enough to keep it within bounds. Thus the central power (“monarchy”) can only win, because everyone involved is interested in its preservation. None of the occupational groups desires a conflict

once more we would have “representatives of the people,” as they live and breathe and work; we would have suitable organs for the creation of corporative legislation that would protect against the outside, vis-à-vis the other estates, and also against the inside, i.e., against malicious, egotistical cronies. These organs would increasingly establish their activity firmly in the public trust, at the top and the bottom of society, and would soon be given both legal jurisdiction and powers of administration. They would also have to be vested with sweeping powers for joint economic reforms. In short, an impulse would have to be created for a movement whose ultimate destination we could not foresee.

Large-scale industry in particular requires the structure and legal protection of this organization most urgently. The “anarchy of production” can only be eliminated by means of an overarching and radical – authoritative – organization. Ordering production in a way necessitated by societal needs: this constitutes an absolute demand that society and the state should insist on at all costs; but so should the individual producer, who after all risks his neck in the process. There is no better proof of the unpractical, blind, doctrinarian stance of the “educated bourgeoisie” than the fact that they have learned nothing and done nothing in this respect. The ever-increasing crises, however, will manage to “drum the dialectics into their heads.”

Let’s turn to the opposite end of the spectrum – the paid laborers. The necessity of corporative organization has prompted the foundation of workers’ associations. Unfortunately, on the one hand, these are political partisan creations; on the other hand, they lack the solid structure that they require and that can only be secured through legislation. If workers should and wish to achieve an improvement of the situation, if they wish to escape from their proletarian existence, then they have to get organized. Factory workers already enjoy such corporative (protective) legislation, but it still requires significant extension. If that extension is supposed to be radical and practical, the workers themselves have to take care of it, and this necessitates organization. Being organized is even more important if we consider the future goal – overcoming the pure wage system and transforming it into a system of fixed salaries. Surely in the long run our “humane” and “democratic” age cannot ignore the fact that the relationship between entrepreneur and worker has to assume more steadiness, more mutuality. The paid laborer is more than a “commodity” that simply needs to be purchased where and when it serves to earn a profit. The working class has a “right to work,” a right to share in the enjoyment of (national) capital and its fruits, however ideal, abstract, and general that right may be. What follows from this as well, however, is the right of the working class to order the system of production.

The most individualistic occupational group appears to be the farmers. Farmers' pride and farmers' obstinacy still have little use for a “guild-like,” cooperative, and corporative organization. However, the increasingly industrial arrangement of production methods, the growing importance of science, of machines (agricultural chemistry), and of capital are forcing farmers to

leading to a coup d'état – with the exception perhaps of the proletariat. A “party” is quite prepared for an all-out battle, because it is dominated by personal views and interests; an “estate” – or even less likely, the majority of estates – is not, because in them the individual assumes secondary importance, personal ambition and passions are kept in check by the estates. [Original footnote]

organize in a socialistic way if they intend to hold their ground against large-scale operations. Joint establishment of agricultural schools, test stations, industrial facilities (for employing laborers in wintertime, for preserving the waste from manufactured goods, for better exploitation of products on the market), joint use of machines, joint improvements (expanding fields, drainage, etc.), merging of operations, joint purchase and sales, joint building projects (roads, sheds, etc.) – all of these things require solid organization, and, farmers being what they are, this can only be achieved by way of a compulsory cooperative. But this is made all the easier, because all of these endeavors do not go beyond the (rural) community.

The necessity of corporative legislation for the farming class is already being acknowledged. Freedom from usury, the right to change employment, and the equal division of inheritance are not suitable for farmers. The ordering of inheritance laws and mortgage laws constitute extremely vital questions for our farmers. And yet, a general, hackneyed discussion is not possible here; one has to consider the local, even personal situation. Only another member of the same occupational class can decide on the question of indebtedness, as well as the division of inheritance according to the specific and respective conditions. If some regulation is supposed to take place, is supposed to be instituted in this respect – and this has to happen – then organs that will ultimately achieve this must first be established: the farming class has to organize.

Anyway, a corporative structure is the basic prerequisite for the solution of all social questions. Let's take, for instance, the issue of credit: if centralization, the squandering of credit to fraudulent, unprofitable enterprises, if the choking and absorption of independence is to be ended, if credit arrangements are really supposed to assume a more democratic form, become "organized," this can only happen in conjunction with a corporative organization. By way of the corporative organs, borrowed capital will spread to all parts of the social organism, and thus really fulfill a social mission.² Let's look at another point: fraud and counterfeiting. Here, too, only peers in the same occupational category can effectively monitor each other. And it is they who have the greatest interest in doing so. You only have to provide them with organs of self-governance equipped with sweeping powers, and no doubt they will take care. These organs will oversee the business code of honor, and also re-awaken the appreciation of "honor" in the broadest sense: moral honor ("professional tribunal"). A corporative type of organization will also revive corporative moral standards and that is a wonderful gain.

We estimate the effects of corporative organization to be just as substantial in terms of politics. Not the "phrase," not the party, but the real needs of life would come to the fore again. We would once again become conservative in our politics. The serious working person, trained in practical life, would once more get a chance to speak; our professional politicians would be paralyzed. Then we would be able to speak of freedom and self-governance, the tyranny of bureaucracy would be finished. Then we would have an effective counterweight against the

² Something similar applies to the reorganization of care for the poor, the tax reform, and the insurance system, etc. [Original footnote]

tendencies toward political centralization and against the despotism of party and princely power. Then we would have gained guarantees for the expansion of state and municipal socialism. There is a whole range of production fields that should be assigned to the state, and even more so, to the municipality, both in the interest of production but especially in the interest of distribution – so that it benefits everyone. It is merely political reservations and the lack of suitable administrative organs that urge caution. Organized occupational classes would eliminate these difficulties.

The factually existing and continuously expanding socialistic method of production requires expression in the shape of laws, that is, a more or less socialistic legal system. The individualism prevailing to this day – liberalism – constitutes merely a hidden form of despotism; it satisfies neither the needs of the community nor the interests of production. Socialism will come anyway, either the absolute, Social Democratic one of the state, or the relative, conservative, and healthy one of the occupational classes: that is the solution of the social question.

Source: Franz Hitze, *Die Quintessenz der sozialen Frage* [*The Quintessence of the Social Question*]. Paderborn: Bonifacius-Druckerei, 1880, pp. 24-32.

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