

Corporatism

Corporatism involves political attitudes and representative mechanisms necessary to create formal nexus between organised associations in the society and State structures. It is a political arrangement where the State regulates social classes in functional, vertical and non-conflictive organisations.

As a doctrine, Corporatism is rooted in different sources, such as Aristotle's philosophy, the Roman Law and the Catholic philosophic production, from St. Tomas Aquinas to the Papal Encyclicals. All of them have the same normative starting point, stressing the importance of political community as the mean for individual realisation, and emphasising the role of the State in the achievement of the common good.

Corporatism is also named organic-statism since the State is considered to have a moral aim or *telos* and clearly conceived as strong and interventionist. As a government model, Corporatism combines state interventionism with the principle of subsidiarity. According to this principle, an important role must be played by quasi-autonomous functional groups assuming public responsibilities.

In contemporary political science Corporatism is considered as a kind of interest representative system requiring a particular institutional arrangement in order to link associative organised interest with state decision-making structures.

According to Schmitter (1974) in this system of interest representation the associations are organised into a limited number of singular, compulsory, non-competitive, ideologically selective, functionally differentiated, hierarchically ordered, subsidised, authorised and/or controlled by the State.

As a political arrangement, Corporatism is opposed to pluralism since it requires State intervention and control over associations, while pluralism presupposes individual liberty and competition among organised interests. Nonetheless, Corporatism is compatible with different types of political regimes and political party systems.

Corporatism contests liberalism but not capitalism. Instead, Corporatism is related to needs of capitalism reproduction. It is seen as a mechanism to balance the crescent power of entrepreneurs through state intervention in order to avoid conflicts and conciliate capital and labour interests. It is remarked as a product of industrial capitalism's evolution along with the concurrent phenomena of the working class organisation, the growing union strength, the increasing development of bureaucracy and state intervention in regulating the market.

The strengthening of such structures was also the basis of the Welfare State formation process. Therefore, the Welfare State is perceived as a corporatist structure itself.

The relationship between Corporatism and democracy is controversial. Some authors associate Corporatism with the Iberian political culture and the prevalence of authoritarian ideologies that gave rise to fascism. Corporatism is identified as the government and the traditional elite's conservative response to

the emergence of the working classes in the political arena, in a context of delayed industrialisation. After the Second World War, Corporatism loomed in Latin America as part of the modernisation process. At this time in a context of accelerated industrialisation and urbanisation, involving the mobilisation of popular classes.

In both cases, Corporatism was associated to authoritarian regimes.

But Corporatism is also present in Nordic countries - where a pattern of intertwining state-society relationship exists - although they are characterised as stable and highly distributive democracies.

To explain these differences it is necessary to take into account the Corporatism subtypes: Societal and State Corporatism.

Societal Corporatism indicates a movement of a strongly organised society towards the state decision-making structures. In this case, working class and entrepreneurs functional associations share policies' responsibility, negotiating them with the state bureaucracy. This tripartite arrangement results in distributive pacts based on the existence of an institutional and solid network of highly organised and controlled representative organisations. It requires the balance of power among state bureaucracy, workers and entrepreneurs. The development of a political arena where those actors can negotiate their interest and come to a consensual policy is also demanded.

Societal Corporatism is found imbedded in institutional political systems with relatively autonomous territorial units, and open and competitive electoral political party systems organised in broadened coalitions. These institutional arrangements were responsible for remarkably democratic societies in terms of political participation and wealth distribution. The development of the Welfare State in Continental Europe fits also the Societal Corporatism subtype.

State Corporatism is associated with political systems where civil society is barely organised and the democratic mechanism are absent or very fragile. Instead, the State apparatus and bureaucracy are prematurely powerful and able to control and regulate the society organisation process.

In both cases, we have an intertwined institutional structure involving state and organised society. Nonetheless, while Societal Corporatism produces democratic societies, State Corporatism results in enforcing authoritarian societies, in spite of the political regime.

Philippe C. Schmitter, 'Still the Century of Corporatism?' *The Review of Politics*, 36(1), January 1974

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