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Italy Under Mussolini

BY PROFESSOR W. A. MACKINTOSH.

COL. BISHOP:—Fellow members of the Canadian Club, may I congratulate the Club today upon the very excellent turn-out. It is a great compliment to our distinguished speaker and the subject he has chosen. For your information I may tell you that the Canadian Club started its fiscal year on October 1, with more members than we finished with last year by a substantial amount. At our head table today is a galaxy of brilliant stars in the educational world, the world of art and the world of culture.

Two weeks ago we had a most brilliant exposition of the picture regarding Italy's entanglement or misunderstanding, whatever you may care to call it. Today we propose to ask Professor Mackintosh, who occupies the chair of political economy and economic history at Queens, to give a picture of Italy under Mussolini, the economic viewpoint. It gives me great pleasure to extend a very hearty welcome to Professor Mackintosh and ask him to take the microphone.

PROFESSOR MACKINTOSH:—Mr. President and gentlemen, I am a little diffident about speaking to you of Italy, although I spent some months there, for a traveller's eyes are notoriously undependable. Only in part, however, do I wish to tell you what I saw; the part I want also to try and offer some slight analysis of, is the regime of Mussolini in Italy.

A recent commentator on the Fascist regime has said the Italian Fascism is the result of the impact of Mussolini's character on the original weakness of parliamentary institutions, enfeebled by the war and its aftermath and that is substantially, I should say, a correct description. Parliamentary institutions are familiar to us and they spread from

England to many countries of the world. But they are not easy to transplant. There is an amusing story told of the Turkish dictator Kemal, who decided he ought to have a government on the English model and called in his subordinates. He explained to one, who was to be the Prime Minister, and to another, who should be the leader of the opposition; that they should attack each other violently in the chamber, but outside they should be close personal friends, and whatever else they did, they should always leave the chamber, after making violent attacks, arm in arm. He even attempted to hold an election on that basis, but it didn't work. The local police authorities said, anybody who attacks the government is to be arrested, and instead of setting up constitutional government, Kemal found he had plunged direct into a series of riots, arrests and drunken brawls, and so he went back to the comfortable regime of dictatorship.

Something like this was true of Italy in the days before the war. They had parliamentary institutions but they had never taken root. Italy was not a united country. They tell you the unification of Italy took place in the 60's; but what took place was the ousting of the foreign power of Austria and the ending of the dominion of the papal authorities in the Papal States. Italy was not unified. The north was separated from the south. The north was relatively rich and industrial; the south, poor and agricultural, and the greatest Italian statesman said there was greater difficulty to harmonize north and south than in the struggle with Austria or the Church. And the struggle between church and state in Italy was peculiarly difficult, for in Italy alone among all the nations the church had been for centuries not only a religious but a great secular power, exercising sovereign rights in the states. But more important than that, the individual Italian had no national identity. He was concerned with his local and familiar loyalties but though he could tell you all about his cousins to the 14th and 15th degree, he knew nothing about Italy as a nation.

The Italian Government was a shifting government. There were no national parties, not even national groups. The Prime Minister formed a government by taking half

of this group and three of another and managing to balance most precariously on the top. It was perfectly plain that a system of that sort would be quite incapacitated for standing the strains of the war, and even more, of the peace. It broke down almost completely in the years following the war. It had no plans for demobilization and no preparation for re-employment of the demobilized men. It sat impotently by while D'Annunzio made an expedition to Fiume. It could not deal with the Bolsheviks when the workers occupied factories and began to operate them while the government stood impotently by. The Government could never make up its mind; and out of that set of circumstances arose what followed. If you ask anybody about the Italian part in the war they will tell you about that vast retreat in 1917 when the Italian army retired in wild disorder from the Alps after defeat by the Austrians at Caporetto. In Italy you will find various streets and Boulevards called Vittorio Veneto. N.B. That was the victory which preceded the signing of the Austrian armistice. People outside remember nothing of that.

Italian prestige won little from the peace treaty. Unable to achieve his ends, Orlando withdrew from Versailles. The conference went on without him. Failure of Italy to get colonies was another of the indications of her lack of prestige, of her lack of position as a power in Europe. And that latter was bitten deeply not only into the soul of Mussolini but of the majority of Italians. And into that picture came the striking figure of Mussolini. There is not time here to say much about his life. He was born 52 years ago in the rather turbulent Province of Romagna and came of peasant family, his father an inn-keeper and blacksmith. Mussolini became a school teacher and a revolutionary socialist. He spent a term in Switzerland, but was expelled from the country for revolutionary agitation. He spent another term across the border in Austria in the town of Trento, and he was expelled from there as a revolutionary. He became in 1912 the editor of a Milanese socialist paper, *Avanti*, and carried on a campaign in favor of Socialism of violence. He said, "It is no good to go talking and debating amendments; go out and make a riot. You must use force."

When the war broke out Mussolini put himself at the head of an important movement in favor of intervention on the part of the Allies and for so doing he was expelled from the Socialist party which was anti-war. But he and his followers won their point and Italy entered the war in 1915, Mussolini had a few weeks' experience as a soldier on the Austrian front and became a corporal, but we have no evidence that Corporal Mussolini on the Austrian front knew of Corporal Hitler who was on the Western front. When he came back he was sent home wounded—wounded as the Italians say with forty wounds. He turned to propaganda, not only in favor of the Nationalists of Italy, but attempted a proper reception for the returned soldier when he came back; and when the armistice was signed, he organized a corps of returned soldiers known as Fascist Combattimento, or bands of returned soldiers who were at that time professedly Socialist. Mussolini remained Socialist, although the Socialists would not admit him. It was only in 1920 when the violent Bolshevik trouble broke out in Milan, where workers occupied factories and took private property, that Mussolini's Fascist movement turned definitely anti-Socialist.

A significant change came upon the movement then, because, frightened by the Socialist excesses, the middle classes, which are particularly large in Italy, turned into the Fascist camp and the Fascist movement ceased to be a working class movement and became predominantly a middle class movement.

Next year Mussolini got into parliament. He transformed his movement into a party. He made an alliance with the Nationalist anti-Socialist party, which favored private property but private property dominated by the state. Faced with this rising and ruthless power of Fascism the Premier fumbled impotently with the problem. He made a half-hearted effort to disarm the Fascist squads, and then attempted to use them to put his old enemies, the Socialists, out of power. The result was Fascists met with no serious opposition and they increased their demands until they reached their pinnacle of their requirements. But Mussolini demanded nothing less than that he should be

Prime Minister and ordered the great Fascist march on Rome. There is an impression that Mussolini marched at the head of his Black Shirted bands into Rome and demanded the Prime Ministership of the King. That is not true. The Fascist squads drew in on Rome, but Mussolini himself was in Milan and when the King finally took a hand in the situation and telegraphed for Mussolini to come and accept the office of Prime Minister, Mussolini left in a perfectly respectable manner to become Prime Minister of Italy, in Rome.

There is no time to speak of the long period in which Mussolini attempted to consolidate his power. He had many lieutenants who were insubordinate. And one of the chief occupations was to force these lieutenants into subordination to himself and force them to admit Mussolini himself was the man.

One asks what is Fascism? You can read Mussolini's long article and not be quite sure. But there are three or four characteristics which can be easily discerned. Fascism believes in the complete dominance of the State. The individual is to be completely absorbed by the state and outside of the state he is of no importance. It is all set forth in quasi philosophical language, but in practice it means extreme nationalism and a dictatorship. Fascism implied more than that. In the field of government and organization of affairs Fascism is the direct denial of democracy. In place of democratic organization, Fascism would believe in hierarchical organization, that is the organization of the episcopal churches and the middle ages. He has a vast contempt for the majority. He is never tired of poking fun at those systems of government which count on fifty-one per cent. of the people. He denies that fifty-one per cent. of the people have any right to rule. The able man is more fit to rule, he has more right to rule, than have fifty-one per cent. of the masses. But he has, it is fair to say, no answer to the fundamental inquiry, who is to be selected? or by what means are they chosen? He is to select the *élite* who are to rule. The hierarchy is built up like a pyramid and like a pyramid has a point. It must culminate in a pin-point, says Mussolini, and Mussolini is the pin-point. As far as I can make out the king is above the pin-point.

The third feature of Fascism is discipline. The duty of the people is discipline. Discipline, he says, is the keystone of power. The past century was the century of an independence. The present century must be the century of our power. What is the magic key that opens the door to power? The disciplined will. And he would enforce on Italy a disciplined will. He tells the Italian people, "Believe, obey, work, fight." And so great is his prestige, so great is his dominance that the Italians reply "*Viva Il Duce.*" The answer you will inevitably find to the question, "What is Fascism?" is, "Fascism is Mussolini." Action and power are necessities of life to him. He radiates energy and self-confidence. This man of dominant ruling personality confronted a nation that was not yet a nation; a people who were centered, not in Italy, but in the parish pump; a people whose politics were unbelievably corrupt and utterly lacking in national point of view, shot through with intrigue cutting across intrigue; and he decided he would do nothing less than remake the Italian people.

The story goes that he decided if he could use the power of the myths of Italian heroes he would remake the Italian people. A myth is not a falsehood. It is a half truth. It exercises power over a people and ultimately becomes more true than it was at the beginning. John Bull is a British myth. He uses the myth of the greatness of Rome; he tells the Italians they are the descendants of the Romans. On the wall near the Coliseum you will see a series of six or eight maps, great wooden maps done in colors, depicting the beginnings of the city, of Roman expansion, extension of the Empire, dissolution of the Roman Empire, the expansion of Italy, and so on; and then he suggests steps for the next stage. He is enforcing these myths to convince the people that they are the inheritors of the Roman tradition. He tells them that all history is merely the introduction to Fascism, that all great Italians were the forerunners of Fascism, Dante and the great artists and the sculptors of the fifteenth and sixteenth centuries, these men were Fascists before their time. Garibaldi was in the forefront. The vision has included St. Francis of Assisi and historians have been misled in presenting him as a meek and mild man in their record.

One naturally asks what Fascism has done for Italy? Demonstrably it has done a very great deal. Corruption and petty graft have been entirely eliminated. General slackness has disappeared. Efficiency has greatly increased. It has become an orderly, busy, tidy country. That is what the tourist sees. He is justifiably impressed. You have probably heard that Italian trains now run on time. Mussolini has done a great deal. Life has become for the Italian a much more serious business than it was. Even the Neapolitans and Socialists have become less spontaneous than they were, say fifteen years ago. Much of it has been accomplished by means of a vast army of officials. There are in the government about a million officials, nearly all of them paid, and the total electorate of Italy is only ten million. Possibly the people of Toronto know what kind of a political machine can be made, if you had a million paid jobs in an electorate of ten million.

Socially the Fascist regime also has done much, primarily perhaps because organizations are necessary to their propaganda and discipline of the people. They have been extremely active in developing organizations for the education of the youth, for the education of adults, the youth organizations, and the little fellows six to ten years of age are called Wolf Clubs. All their organizations are in uniforms and march here and there visiting national monuments, and for athletic contests. There has been a vast amount of work done to enable the worker to acquire some education and recreation in his leisure time. They, too, go about visiting national monuments. They have travelling amateur theatres which go about the country enlisting the support of workers. Thursday afternoon is set aside for the school children and Saturday afternoon is set aside for Fascist demonstrations. And in maternity care and preparation of facilities for maternal cases the regime also has substantial achievements to its credit. Opinions will differ as to what its achievement is. Politically it has attempted to substitute the hierarchy for the democratic organization. The chamber of deputies has been completely changed itself in the representation of the various industrial categories. It is a very restricted basis of selection. The association names

three members, the Grand Council of Fascism selects one and the people have no choice; they must accept or reject, they cannot nominate. The Senate is left as it was. The important part is: in each organization there is a key-man, official or secretary. He must be a member of the Fascist party. He must be a Mussolini man. The system is built up on a pattern not dissimilar to a vast political machine. The key-man in every organization is the sworn servant of the head of the government, in whom all power centers.

Economically Fascists have made great claims to setting up a new system, which was capitalistic and recognized private property and was not socialism. It recognized private property; but they say private property must be directed to the objects of the state, not to the objectives of the people who own it. It is private property modified by the actions of the state. But when you investigate the new system you find it is completely overshadowed by one economic problem which is running through almost the whole Mussolini regime, the problem of defending the *lira* against the forces of the depression. It is probably unfair to attempt to assess the economic achievements of Fascism because it has been almost entirely occupied with this one problem. You may recall that in a fit of ambition Mussolini stabilized the *lira* at ninety-two. Next year the French stabilized the franc at twenty-four to the pound. On the average the Fascist regime has made quite remarkable achievement in holding down prices and costs, but it is almost impossible to formulate a decree sufficiently intricate to reach all prices and all through the Italian system you come upon prices completely out of line with the general average. As a result the decreases in prices have been greatest in exports. They have been lowest in imports; and the Italian regime is experiencing what they would naturally experience under depreciated currency, namely, that they are getting fewer imports for their larger quantities of exports. And the national income has decreased. That cannot be imputed to the Fascist regime because nearly all national incomes during depression have decreased. But through it all there has been concentration of attention on the necessity of defending the *lira* and they

have adopted extra devices such as exchange restrictions, quotas and so forth. And that is laid naturally to the endeavor of Italy to become relatively self-sufficient.

One object is dear to Mussolini. Because he idealizes the Italian peasant, he expects to make Italy independent of the rest of the world in wheat. He has been successful but at a very substantial cost and he has been successful at a time when it would have paid him better to be unsuccessful. He went into the wheat market in 1928 and 1929 and drew his supplies of wheat from the labor of Italy. And he drew them at high cost from that labor of Italy at a time when the cost of wheat in foreign markets was going down, down, down. The Italian regime would be vastly better off if they were buying cheap wheat instead of growing expensive wheat on the unsuitable soil of Italy under adverse climatic conditions. Another project dear to his heart is the land reclamation of the Pontine marshes. South from Rome along the coast the territory fell into desolation in the late Roman period because the sea threw up sand dunes, and you had a marshy area from which people departed. Time after time attempts were made even by da Vinci to make them inhabitable. The Pontine marshes having been successfully drained they employed the Rockefeller institute to see they were rid of malaria and he now has 2,500 or more ready-made farms and two shining new cities. That he has accomplished at great cost.

Overshadowing the Italian regime is the great debt which has increased fifty per cent since the beginning of the Fascist era and that debt is almost wholly occasioned by these vast public works. Last summer Mussolini said his pressure of taxation had attained the limit. Italians cannot pay more. The total of the tax would not seem much to you but you must remember Italy is a poor nation and the average Italian has a small income. A great deal of the economic circumstances of Italy centres in Mussolini's defense of the *lira*. This summer in the Chamber the remarkable statement was made by the Minister of Finance that the government to defend the *lira* had not hesitated to pursue a policy of deflation which was rendered only possibly by the won-

derful discipline of which the Italian people have once more given example. I know of no other country where such a statement would be greeted with loud cheers. Loud cheers have not in any democratic country greeted such drastic policies of deflation.

The Fascist system then has been remarkable efficient in attaining its ends, but a great many people would not agree its ends have been worth while. Through the centre runs the question of national prestige. The average individual is interested in the question where does Italy rank in Europe? She has known that she was a second or third rate power. The conference did not depend on her. Austria even, though beaten, despised her. She was not taken seriously. She was attempting something in East Africa and until January of this year the French completely out-manoeuvred her. Hitler had reduced France to a state of frantic fear. The French came asking the Italians for aid. They seemed for the first time to think the Italians worth while. And in 1935 Italy and France drew together. France would cease blocking the aims of Italy in East Africa. Then came the Stresa conference and the Italian newspapers had nothing to say of what was being discussed. Only one thing, here was France of the great powers of Europe, and Mussolini at the head table. Italy had at last arrived at the table of the great powers. She proceeded to go ahead with her disputes with Abyssinia and expansion. Italy requires land and the tropical hills of Abyssinia are apparently worth colonizing. It is not raw materials, for Italy can buy them; it is fundamentally a matter of prestige. A great power is one with colonies. It is the sort of thing a great power does. The Italian has read his history; he is acting historically as a great power. Mussolini excels in everything, in physical prowess; he drives his motor car and aeroplanes, goes into the heaviest fields in the Pontine marshes stripped to the waist and typifies the peasant. He has a great capacity for work; everything the Italian hopes to do, Mussolini can do better. Always and everywhere he dominates. He rules the Italian people by myth and he is the greatest of all myths. But remember the myth is not a falsehood. It is a half-truth overset by emotion. He is

engaged in the great experiment of remaking the Italian people by dominating them, by discipline. As the average Italian looks at Mussolini, as he stands with his jaw thrust out, the Italian too squares his shoulders and says, "I, too, am an Italian."

THE CHAIRMAN:—I can only say, Professor Mackintosh, that we are deeply grateful to you for coming here today and I think that the rapt attention from all members of this club present, listening to you, was a real tribute to the excellent manner in which you have presented the substance of your address and also the manner in which you have delivered it. Thank you very much.