

FASCISM AND THE
ENDURING PROBLEM OF
THE LIBERAL INDIVIDUAL
IN POLANYI

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People often did not feel sure whether a political speech or a play, a sermon or a public parade, a metaphysics or an artistic fashion, a poem or a party program was fascist or not. There were no accepted criteria of fascism, nor did it possess conventional tenets. Yet one significant feature of all its organized forms was the abruptness with which they appeared and faded out again, only to burst forth with violence after an indefinite period of latency.

These are words Karl Polanyi wrote in 1944, reflecting on the experience of fascism in Europe and the paranoia and mystification it provoked.

Fascism has catapulted back into popular usage as a descriptor for everything from the rise of right-wing ‘populist’ governments and authoritarian strongmen to the threat of racist and xenophobic vigilante groups and the recent storming of the U.S. Capitol by supporters of Donald Trump.

Despite its avid use, it is not always clear what the term ‘fascism’ intends to capture. The fascism studies canon does not offer many clues into its present relevance,

preferring to catalogue the outward characteristics of fascist movements (i.e., Paxton 2004) over providing insight into their motives or ideological character. It is apparent that fears over fascism's return speak to a sense of deep crisis within liberal democracy (as the theme of this special issue confirms). Building on these assumptions, how are we to understand the relevance of the concept of fascism to contemporary political developments?

Turning to Polanyi to Understand Fascism

In the past few years, scholars have begun applying Karl Polanyi's writings to understand the political and economic dimensions of neo-fascist and right-wing populist movements. Much of this centres on Polanyi's account in *The Great Transformation* of fascism serving as a political solution during the collapse of the market-based economic system in the 1930s (e.g., Yarrow 2017; Morton 2018; Atzmüller and Décieux 2019). Ominous parallels are drawn between Polanyi's analysis and conditions under post-financial crisis neoliberalism, with both scenarios witnessing the coexistence of market-driven social and

economic insecurity, liberal democracies beholden to the dictates of transnational financial bodies, and palpable nationalist, authoritarian and populist discontent. It is enough to lead commenters to suggest that the stage has been set for fascism's "second time around" (e.g., Sandbrook 2017).¹

This application of Polanyi to the question of fascism's resurgence provides an important corrective to mainstream liberal explanations (e.g., Albright 2018), inviting the reader to "look up rather than down" (Lim 2021) by tying fascism's significance to the functioning of the capitalist system rather than to the personalities of fascist politicians or their degree of mass support. The merits of this notwithstanding, I argue that current Polanyian treatments have neglected to engage with a core aspect of Polanyi's theory, which is that fascism, at its roots, is a fundamentally anti-individualist ideology that aims to address a moral and social crisis of the individual subject in liberal capitalism. Omitting this risks obfuscating what

¹ For a full summary of Polanyi's explanation of fascism in *The Great Transformation* and its take-up by current authors, see Millett (2021).

makes fascism distinctive as well as why its ideas have retained their appeal.

Individual Life and Pseudo-reality

This problem of the individual that fascism addresses is perhaps best captured by Polanyi in an unfinished text from the 1930s entitled “Fascism and Socialism”. In discussing fascism’s societal underpinnings, Polanyi (n.d.) states:

There is also a moral crisis which runs parallel to the political and economic. The meaning of individual life and the freedom of personality, has become a problem [...] We cannot link up the effects of our life and actions. Fullness of individual life is impossible.

To unpack this, one must acknowledge Polanyi’s ‘thick’ conception of the individual (Macmurray 1935; Sterenberg 2019), which is influenced by the Judeo-Christian idea that the capacity to be morally answerable for our actions gives meaning to individual life. Polanyi also emphasizes the impulse to develop and maintain community, which is

thought to precede coordinated political and economic activity, as well as the non-gainful motives individuals have for engaging in productive labour (Polanyi 2014a; 1977). Under liberal capitalism, the individual becomes estranged from these needs and motives due to the coordination of social relations and economic production around the principle of the market. As Polanyi explains, the social effects of individual choices become less legible and controllable, with the market system acting as “an invisible boundary isolating all individuals in their day to day activities, as producers and consumers” (Polanyi 2018: 147). The prevalent conception in market liberalism of *homo economicus* further denies the depth of human experience by reducing all wants, needs, and motivations to that which is rational, individualized, gain-based, and available for purchase through the market (Polanyi 1977: 29). Elsewhere, Polanyi uses Marx’s theory of alienation to indicate how social relations become less direct and immediate under capitalist production, while commodities begin to follow their own laws and take on a semblance of life. The result, as Polanyi puts it, is “a condition of affairs in which man has

been estranged from himself. Part of his self is embodied in these commodities which now possess a strange self-hood of their own” (1935: 375).

Polanyi is not the only theorist to reach this conclusion on the fate of the individual. A decade later, Horkheimer and Adorno would decry the illusory quality of the free individual in ‘late’ capitalism, whose character as a subject is eliminated by the “unleashed colossi” of industrial production and consumption (2002: 205). Anti-humanist critiques such as by Foucault would further dislodge the premise of individual subject as being the central agent of modernity (Callinicos 2007). What is unique in Polanyi is how he located an early diagnosis of this problem in fascism, in addition to finding within fascist ideology comprehensive methods for its resolution.

Fascist Anti-Individualism as a Solution

Elucidating fascism's relation to the individual is Polanyi's task in "The Essence of Fascism" (1935). In it, he presents the original argument that fascism is based on an extreme form of anti-individualism that denies both the integrity of the individual and their equality in society, striving instead to create a society "that is not a relationship of persons". In Polanyi's interpretation, this is achieved through a combination of *vitalist* and *totalitarian* ideas. On the vitalist side, non-conscious and non-rational qualities of human life are privileged in an organic state of harmony where life is "immediate" and "untroubled by moral conscience" (Polanyi 1935: 385). In totalitarianism (marking one of the first published uses of the term), individual subjectivity is subsumed entirely within outside phenomena such as state, religion, or capital. These entities are seen as the basic units of society, and persons are not related to one another except through them. This becomes realized via a 'corporative capitalism' where major branches of industry are endowed with political responsibilities and "neither the ideas and

values nor the numbers of human beings involved” find societal expression (1935: 393).

Fascist philosophy can thus be seen as direct response to the problem of the ‘liberal individual’ in capitalism, succeeding to produce a vision of society, in Polanyi’s words, where “there are either no conscious human beings or their consciousness has no reference to the existence and functioning of society” (1935: 370). In either case, members of society are relieved of the burden of trying to achieve a sense of moral autonomy or genuine sociality under conditions that do not support it. In vitalism, a degraded state of social personality and moral freedom does not matter since no conscious persons ought to exist. In totalitarianism, the existing problem of depersonalized social relations in a market society is carried to its logical endpoint, where all aspects of social life become fully mediated through outside phenomena. In other words, fascism solves the question of what kind of subject is supposed to exist in liberal capitalism by abolishing subjectivity altogether.

A Democratic Alternative?

Taken as a whole, fascism has served as a political tool to organize societies during systemic crises, as articulated by Polanyi in *The Great Transformation* and reinterpreted by current authors examining the rise of neo-fascist movements. Yet, Polanyi also provides inroads for understanding how fascist ideology addresses more enduring and implacable problems at the level of the individual subject. For Polanyi, the only alternative to fascism's negation of the liberal individual was to extend the principle beyond its legal and political boundaries, enshrining individual rights in the economic sphere by embedding economic activity within a politics of democratic egalitarianism. This is what Polanyi saw as the chief role of socialism, as a democratizing force to reform society's institutions to facilitate "the conscious and responsible participation of the people" (2014b: 201). The closest example from Polanyi's lifetime was in the municipal socialist achievements of 'Red' Vienna in the 1920s (Polanyi-Levitt 2013).

Moving to present-day circumstances, identifying what is or is not 'fascist' remains as challenging as it was in Polanyi's time. However, the meaning of fascist thinking ought to be decipherable. Taking Polanyi's cue, the best way to counter fascism's relevance is to work to *deepen democracy beyond its formal representative institutions*. This involves addressing difficult questions such as how a technologically advanced society can be made "a relationship of persons", how the needs of the individual for moral autonomy and community can be met, and how to build institutions that empower individuals to participate in the affairs affecting their communities and the planet.

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