



PALGRAVE STUDIES IN THE HISTORY OF ECONOMIC THOUGHT

An Institutional History of Italian Economics in the Interwar Period — Volume II

The Economics Profession and Fascist Institutions

Edited by Massimo M. Augello
Marco E. L. Guidi · Fabrizio Bientinesi



palgrave
macmillan

Palgrave Studies in the History of Economic Thought

Series Editors

Avi J. Cohen
Department of Economics
York University & University of Toronto
Toronto, ON, Canada

G. C. Harcourt
School of Economics
University of New South Wales
Sydney, NSW, Australia

Peter Kriesler
School of Economics
University of New South Wales
Sydney, NSW, Australia

Jan Toporowski
Economics Department
School of Oriental & African Studies
University of London
London, UK

Palgrave Studies in the History of Economic Thought publishes contributions by leading scholars, illuminating key events, theories and individuals that have had a lasting impact on the development of modern-day economics. The topics covered include the development of economies, institutions and theories.

More information about this series at
<http://www.palgrave.com/gp/series/14585>

Massimo M. Augello · Marco E. L. Guidi ·
Fabrizio Bientinesi
Editors

An Institutional History of Italian Economics in the Interwar Period — Volume II

The Economics Profession and Fascist
Institutions

palgrave
macmillan

Editors

Massimo M. Augello
University of Pisa
Pisa, Italy

Marco E. L. Guidi
University of Pisa
Pisa, Italy

Fabrizio Bientinesi
University of Pisa
Pisa, Italy

ISSN 2662-6578

ISSN 2662-6586 (electronic)

Palgrave Studies in the History of Economic Thought

ISBN 978-3-030-38330-5

ISBN 978-3-030-38331-2 (eBook)

<https://doi.org/10.1007/978-3-030-38331-2>

© The Editor(s) (if applicable) and The Author(s), under exclusive license to Springer Nature Switzerland AG 2020

This work is subject to copyright. All rights are solely and exclusively licensed by the Publisher, whether the whole or part of the material is concerned, specifically the rights of translation, reprinting, reuse of illustrations, recitation, broadcasting, reproduction on microfilms or in any other physical way, and transmission or information storage and retrieval, electronic adaptation, computer software, or by similar or dissimilar methodology now known or hereafter developed.

The use of general descriptive names, registered names, trademarks, service marks, etc. in this publication does not imply, even in the absence of a specific statement, that such names are exempt from the relevant protective laws and regulations and therefore free for general use.

The publisher, the authors and the editors are safe to assume that the advice and information in this book are believed to be true and accurate at the date of publication. Neither the publisher nor the authors or the editors give a warranty, expressed or implied, with respect to the material contained herein or for any errors or omissions that may have been made. The publisher remains neutral with regard to jurisdictional claims in published maps and institutional affiliations.

Cover illustration: © Photo 12/Alamy Stock Photo

This Palgrave Macmillan imprint is published by the registered company Springer Nature Switzerland AG

The registered company address is: Gewerbestrasse 11, 6330 Cham, Switzerland

Contents

Economic Expertise and Political Militancy Under Fascism: An Introduction	1
<i>Massimo M. Augello, Marco E. L. Guidi and Fabrizio Bientinesi</i>	
From Nationalism to Fascism: Protagonists and Journals	21
<i>Luca Michelini</i>	
Planning and Discussing Corporatism and the “New International Order”	59
<i>Fabrizio Bientinesi and Marco Cini</i>	
“Breaking Down the Ivory Tower”: Economic Culture in the Italian Academies Under Fascism	99
<i>Rosario Patalano and Marco E. L. Guidi</i>	
The Italian Economists as Legislators and Policymakers During the Fascist Regime	143
<i>Giovanni Pavanelli and Giulia Bianchi</i>	

Banks, Firms and Economic Culture: Economists and Research Centres in Interwar Italy	179
<i>Pier Francesco Asso, Fabio Lavista and Sebastiano Nerozzi</i>	
The Diaspora of Italian Economists: Intellectual Migration Between Politics and Racial Laws	211
<i>Daniela Giaconi</i>	
The Purging of Fascist Economists in Post-war Italy	243
<i>Daniela Giaconi</i>	
Italian Economists of the Interwar Period: Academic, Political and Professional Biographies	277
<i>Massimo M. Augello</i>	
Name Index	295
Subject Index	309

Notes on Contributors

Pier Francesco Asso is Full Professor of History of Economic Thought at the University of Palermo. He acted as co-editor of *History of Economic Thought and Policy* and as chief director of the RES (Istituto di Ricerca Economia e Società in Sicilia) Research Institute.

Massimo M. Augello is Full Professor of History of Economic Thought at the University of Pisa. He is founder and co-director of *Il Pensiero economico italiano* and chair of CIPEI (Centro interuniversitario di documentazione sul pensiero economico italiano). He is a member of the editorial board of *History of Economic Thought and Policy* and of the executive committee of AISPE (Associazione Italiana per la Storia del pensiero economico).

Giulia Bianchi is Associate Professor of History of Economic Thought at the University of Genoa. She is a member of the editorial committee of *History of Economic Ideas*.

Fabrizio Bientinesi is Full Professor of History of Economic Thought at the University of Pisa. He is chief editor of *Il Pensiero economico italiano* and a member of the executive committee of AISPE (Associazione Italiana per la Storia del pensiero economico).

Marco Cini is Assistant Professor of Economic History at the University of Pisa. He is a member of the editorial committee of *Il Pensiero economico italiano*.

Daniela Giaconi is Research Fellow in History of Economic Thought at the University of Pisa and teaches Economic History at the University of Macerata. She is a member of the editorial committee of *Il Pensiero economico italiano*.

Marco E. L. Guidi is Full professor of History of Economic Thought at the University of Pisa. He is managing co-editor of *Il Pensiero economico italiano*. He is a member of the editorial board of *The European Journal of the History of Economic Thought*, *CEconomia* and *The Iberian Journal of the History of Economic Thought*, and of the executive committee of CIPEI (Centro interuniversitario di documentazione sul pensiero economico italiano).

Fabio Lavista is Research Fellow at the University of Pisa.

Luca Michelini is Full Professor of History of Economic Thought at the University of Pisa. He is managing co-editor of *Il Pensiero economico italiano*.

Sebastiano Nerozzi is Associate Professor of History of Economic Thought and Business History at the Catholic University of Milan. He is a member of the editorial board of *History of Economic Thought and Policy*. He is the current secretary of AISPE (Associazione Italiana per la Storia del pensiero economico).

Rosario Patalano is Full Professor of History of Economic Thought at the University of Naples “Federico II”. He is a member of the editorial board of *Il Pensiero economico italiano*.

Giovanni Pavanelli is Full Professor of History of Economic Thought at the University of Turin. He is a member of the editorial board of *Il Pensiero economico italiano*.

List of Tables

Planning and Discussing Corporatism and the “New International Order”

Table 1	Conferences on corporatism and planning	62
Table 2	The various “economic areas” hypothesised under Italian control	77
Table 3	The various “economic areas” hypothesised under German control	78

“Breaking Down the Ivory Tower”: Economic Culture in the Italian Academies Under Fascism

Table 1	Economists members of Italian academies during the fascist regime (1922–1943)	122
---------	---	-----

The Purging of Fascist Economists in Post-war Italy

Table 1	Breakdown by university and discipline	255
Table 2	Charges	256
Table 3	Sentences	259

Italian Economists of the Interwar Period: Academic, Political and Professional Biographies

Table 1	Italian academic economists of the interwar period	281
---------	--	-----



Economic Expertise and Political Militancy Under Fascism: An Introduction

Massimo M. Augello, Marco E. L. Guidi
and Fabrizio Bientinesi

Volume II of the *Institutional History of Italian Economics in the Interwar Period* completes the fresco outlined in the first volume on the condition of economic science and its protagonists, the economists, under the fascist dictatorship, in the twenty years running from the 1922 March on Rome—after which Benito Mussolini became head of the Italian government and started a process that in a short time led to an authoritarian and totalitarian regime—to the liberation between 1943 and 1945 by the Allied army and the partisan war.

Since the reader who is particularly interested in the subjects dealt with in this volume may decide to start from it, it seems correct to make two

M. M. Augello (✉) · M. E. L. Guidi · F. Bientinesi
University of Pisa, Pisa, Italy
e-mail: massimo.augello@unipi.it

M. E. L. Guidi
e-mail: marco.guidi@unipi.it

F. Bientinesi
e-mail: fabrizio.bientinesi@unipi.it

© The Author(s) 2020

M. M. Augello et al. (eds.), *An Institutional History of Italian Economics in the Interwar Period — Volume II*, Palgrave Studies in the History of Economic Thought, https://doi.org/10.1007/978-3-030-38331-2_1

important points: to explain the general design of our work, the method followed and the main interpretative theses we have tested (Sect. 2); and to illustrate how this Volume II relates to Volume I and in what aspects it differs from it (Sect. 3).

1 Italian Economics and Fascism: An Institutional Approach

A point we would like to stress is that the two volumes that compose this book must be considered a single work. They represent the main result of a research project on Italian economics during fascism: an institutional profile, which has involved a large part of the community of Italian historians of economics over the past two years.¹ The main aim of this research has been to study the relationships between the economics profession and fascism through a systematic analysis of all the institutional loci that governed the production, reproduction and circulation of the economic science. The book has been designed in order to cover the main fields of activity of the economics community in the interwar period, and all chapters have been originally committed to specialists in the field with a view to obtaining this result.

As we wrote in the introductory chapter of Volume I, this book represents an attempt to apply to the period between the two World Wars, an approach that we gradually elaborated and refined in our former research projects on the history of Italian economic thought in the nineteenth and early twentieth century. This approach is now known as “institutional history of economics”, a complex toolbox of epistemological, sociological and linguistic notions which places at the centre of research the institutional framework, both material and immaterial, within which economics has developed both as scientific and professional knowledge and as a patrimony of notions and languages that have circulated outside the economics profession, permeating public opinion, becoming the object of dissemination and education, as well as providing the political class with guidelines for government (Augello et al. 2019a).

¹The project has been generously funded by the University of Pisa in the framework of the action “Progetti di ricerca di Ateneo (PRA), 2017–2019”.

Taking inspirations from Michel Foucault, we have defined the institutional history of economics as a history of the *order* of the economic discourse, which aims to understand how the latter is socially constituted, how its rules and “rites” (Foucault 1971, 41) of qualification and access have been defined, the distinctions between scientific practice and common opinion, the ways of transforming science into a discipline and possibly a doctrine (Foucault 1971, 31–35) and its dissemination through education and popularisation. It is a study of the institutional devices that have been selected over time to delimit and regiment the discourse on economics and make it a powerful tool for intervention in the public sphere and in the social construction of reality. The painstaking study of the institutional setting within which economics has evolved—educational institutions, public chairs, textbooks, associations, academies and other cultural organisations, journals, dictionaries, encyclopaedias, book series and finally political and administrative institutions—which took most of our energies in the research projects we promoted in the last thirty years,² was only the necessary premise to the study of the conditions of possibility of the economic discourse, and of the ways in which it was constituted as a formal system of knowledge and social practice of communication. The aim of institutional history, therefore, is not to understand what economics is about (history of economic analysis), nor its models and practices of scientificity (history of science), nor even how it interprets and represents the problems of contemporary individuals and society and its interactions with other spheres of thought (intellectual history), but, after all, what economics *is* as a formal knowledge typical of modernity, how it has been organised and articulated, and what are its intellectual and practical ends.³

²See, among other works, Augello et al. (1988), Bianchini (1996), Augello and Guidi (2001, 2005), Augello and Guidi (2012), Carpi and Guidi (2014), Augello et al. (2016). For more references see Augello et al. (2019b).

³The introduction to Volume I provides more details on this definition, as well as a brief summary of the sources of inspiration of the institutional approach to the history of economics. A more descriptive discussion of these sources can be found in ch. 1.1. of Augello and Guidi (2019, 3–19). An English translation of this chapter is available online at: https://www.researchgate.net/publication/333671196_THE_INSTITUTIONAL_HISTORY_OF_ECONOMICS.

Applying this methodology to the study of Italian economics in the period between the two wars implied a series of interrogations, which were exactly the research questions that inspired our collective work: in which ways can the institutional approach contribute to clarify the attitude of Italian economists towards fascism? How did a generation of academic and professional economists that had been educated between the closing of the nineteenth century and the early decades of the twentieth century react to the fascist dictatorship? Did they resist the attempts of the regime to transform them into the spokesmen and propagators of the fascist *political* ideology and of the official corporatist *economic* doctrine? Did they try to adapt to the illiberal context, searching a more or less honourable compromise, and which strategies did they adopt to this end? What was the intellectual, scientific and political profile of those who adhered to the National Fascist Party and collaborated with the regime in implementing its economic, social, cultural and educational policies? Who were those who sincerely believed in the corporatist alternative, in many cases lending their professional skills to the construction of the, indeed very blurred, theoretical framework that sustained it? Was there room for the exercise of technical expertise independent of political commitment? And on the theoretical side, does institutional analysis as above described help to understand the relationship between the basic marginalist (sometimes eclectic) culture of the Italian economists, the official corporatist doctrine and the economists' active contribution, if any, to fascist legislation and policy?

Piero Barucci's chapter in Volume I offers a general interpretation of the overall process of institutional change that involved the economists and endeavoured to make their work functional to the goals of the fascist regime. The authoritarian control imposed by Mussolini on the economics profession put an end to the traditional "circuit" between economic policy and economic theory, in which the economists had played the role of expert commentators and advisors, if not direct protagonists, of the choices of the government. Between 1925 (when the body of measures known as the *leggi fascistissime* [very fascist laws] was introduced) and 1943, when the fascist regime was removed at least in the part of Italy liberated by the Allies, "this circuit was broken, or

rather it became mutilated, functioning only in the downward phase, or more precisely in the direction that went from Mussolini's decisions to the economists. The latter, having to explain and comment on them, were faced with the unpleasant alternative of either approving them or facing some kind of limit on their personal freedom. The majority chose, opportunistically, some cautious form of assent" (Barucci 2019, 37). The most important point was not that professional economists were obliged to write eulogies of corporatism or to contribute to the construction of a solid corporatist theory. After all, there is an almost universal consensus among historians that Mussolini very soon understood that the corporative organisation of the economy—in which the coordination of economic decisions and policy goals was to be entrusted to sectoral organisms jointly managed by capitalists and workers under the vigilant eye and direction of the totalitarian state—was either utopian or politically dangerous (Castronovo 1995, 300–301).

The Great Depression of 1929 represented a serious challenge for the stability of the fascist regime, and it required a quick and effective policy of stabilisation, which was eventually obtained by rescuing from bankruptcy, with public money, the main Italian banks and strategic companies, which were "too big to fail". This ended up in the creation of an original system of "mixed economy" in which private companies, protected by anti-competitive regulations, lived side by side with state-owned companies, a system that survived to fascism and was dismantled only by the wave of privatisation and deregulation of the 1980s and 1990s. It was exactly this kind of policy choices that the economists were not free to comment with technical arguments and warnings. Only eulogistic overtones were allowed and the ordinary narrative was that actual fascist economic policies were the real fulfilment of an economy regulated by a corporative system. The same had happened some years earlier, in 1926, when Mussolini decided to peg the Italian lira to the pound sterling (the so-called *Quota 90*, because the aim was an exchange rate of 90 liras to the pound), and happened again in 1935 with the application of an autarkic policy as a response to the sanctions imposed by the League of Nations to Italy for the invasion of Ethiopia.

On the academic side, as Barucci (2019, 40–43) demonstrates, the attempts of the fascist regime to interfere with the mechanisms of recruitment of professors, to promote a more loyal generation of lecturers and researchers directly coming from political activity, was only partially successful and limited to the new specialised courses that were introduced in this period, such as those on the economics of cooperative firms, transport, labour, tourism, etc. On the whole, academic economists strove to impose scientific originality and proficiency as the only valid criteria for the selection of new recruits. The influence of the older generation of academics successfully “permeated the new generation of economists, urging them to defend the analytical level of the discipline” (ibid., 42).

Another aspect that a study focused on institutions and the economic profession has highlighted is that the defence of a high and rigorous scientific level of economic studies and the effort to keep them out of the direct interference of politics did not in any way cost Italian economists isolation from the international economic debate. A historiography more internal to the analytical developments of economics has seen, for example, in the scarce circulation of Keynes’s writings a sign of isolation from the “high theory” that was triumphant on the international scene in those same years (Università degli studi Firenze, Facoltà di economia e commercio 1984; Faucci 1990; Zagari 1990, 462–464). However, as Barucci (2019, 51–53) pointed out, personalities such as Luigi Einaudi acted as intermediaries between the community of Italian economists and important international foundations, while—besides the best-known cases of Piero Sraffa, Costantino Bresciani Turrone and Antonio De Viti de Marco—many others were the economists who published in qualified foreign journals and with prestigious international publishers. Many were the translations into Italian of books on economics and also the *Nuova collana di economisti stranieri e italiani* (New Series of Foreign and Italian Economists, Utet, 1932–1936), in twelve volumes, entrusted to the editorship of two economists fully integrated in the fascist economic ideology, Giuseppe Bottai and Celestino Arena, was in fact scientifically guided by a leading economist such as Gustavo Del Vecchio and opened up to the new international currents of economic thought, apparently without any ideological preclusion. The series soon became,

as Barucci (2019, 52) points out, “an up-to-date (and unbiased) resource for those who wished to dedicate themselves to the study of economics”.

2 The General Design of Our Work and the Present Volume

In accordance with the concept of our work, Volume I is devoted to the choices made by Italian economists to adapt to the new political and cultural climate determined by the fascist dictatorship. The economists were compelled to respond to the normative changes and political decisions that the fascist regime had adopted to bend to its objectives the educational and cultural institutions inherited from previous decades, especially those in which, since the liberal age, room for economics had been created. In the faculties of law, for example, where the teaching of economics had a long-standing tradition,⁴ it was the academic professionalisation of economics, with its internal logic, that guaranteed a certain independence to this discipline. Their content and methods did not change substantially, despite the imposition, as of 1932, of the name “corporate political economy” to replace the traditional term “political economy”. Even textbooks, which often mirrored the composition of courses, did not change their approach, apart from the addition of a few pages that bluntly explained the principles of corporatism.⁵ Even more accurate interpretations of corporatism that were sometimes introduced in the textbooks were conducted from the orthodox point of view of the neoclassical theory of economic equilibrium.

Volume I then takes into consideration another important institutional coordinate of the economics profession: publications of both a scientific and popular nature. The chapters dedicated to these themes have also shown the existence of a similar *cliché*: the main specialised journals of economics—*Giornale degli Economisti*, *Annali di economia*, *Riforma*

⁴See the chapter by Manuela Mosca and Simone Misiani, “The Persistence of Tradition: The Economists in the Law Faculties and in the Higher Institutes of Business Studies”, in Augello et al. (2019a, 65–87).

⁵See Riccardo Faucci and Nicola Giocoli, “Textbooks of Economics During the Ventennio: Forging the *Homo corporativus*?” (ibid., 65–87).

sociale, *Rivista Internazionale di Scienze Sociali* and *Rivista Italiana di Statistica Economia e Finanza*—thanks to their decade-long tradition of scientific periodicals, succeeded for a long time, at the price perhaps of some silence on burning issues, to maintain an orthodox approach, close to Hayek and Röpke's theories, both when dealing with the national and international economic situation and the regime's policy choices, and when analysing aspects of the corporative economy.⁶ The “generalist” and multidisciplinary journals also followed a similar path, at least to a certain extent.⁷ They had hosted since the nineteenth century contributions by economists interested in disseminating their ideas outside the circle of specialists, with the main aim of influencing the educated middle classes and public opinion. The “institutional stickiness”, as we have defined it, deriving from their consolidated tradition, allowed these journals to continue for some time, at least until the mid-1930s, to maintain a prudent independence, while only with the Ethiopian War and the approach of the Second World War were they transformed by the fascist regime into rhetoric and empty propaganda organs, particularly on the economic choices of the government.

A similar fate had initiatives taken by the fascist regime with the explicit goals of both creating a political and administrative staff convinced of the superiority of fascist institutions and policies, and of forcing scholars and intellectuals to promote the totalitarian ideology of fascism. Examples of this are the newly created faculties of political sciences, one of which, that of Perugia, was called the “Fascist Faculty of Political Sciences”. Numerous economic teachings found a place in them, but the project to give them a precise ideological identity and a coherent cultural mission failed substantially and, with the limits indicated above, they were far from becoming a doorway for a new generation of enthusiasts of the corporative economy. Not even élite institutions such as the Higher Schools of Corporative Studies were substantially successful.⁸

⁶See Antonio Magliulo and Gianfranco Tusset, “The Economic Culture of Academic Journals During Fascism” (ibid., 119–142).

⁷See Francesca Dal Degan and Fabrizio Simon, “‘Generalist’ Journals Between Dissemination of Economics and Regime Propaganda” (ibid., 143–169).

⁸See Fabrizio Bientinesi and Marco Cini, “The Faculties of Political Sciences and Schools for Advanced Corporative Studies” (ibid., 89–118).

Finally, the *Enciclopedia italiana*, an official initiative entrusted to Giovanni Gentile and Giovanni Treccani (35 volumes plus one of the indexes published between 1929 and 1937), which was to represent the monument of fascist culture, also promoted the latter only to a limited extent.⁹ On the whole, the community of scholars tackled the various entries with methodological rigour and critical acrimony, and even in the choice of entries, apologetic intentions did not prevail. Thus in the field of economics, on the one hand some leading economists initially involved, such as Luigi Einaudi and Costantino Bresciani Turrone, very soon left the editorial board, and the most important entry, “Political economy”, was entrusted to a philosopher like Ugo Spirito, a fervent believer in the most radical version of the corporatist doctrine. However, on the other hand, the entries dedicated to corporatism were scarce and only appeared in the first appendix volume.

In a nutshell, Volume I aimed to analyse the creeping resistance, the defence of academic prerogatives, the strategies of adaptation, the compromises that the community of economists adopted in response to the totalitarian strategies of the fascist regime. The present volume adopts a different and in some ways opposite perspective, putting under the lens those institutions within which, in different ways and for different reasons, economists—or rather, groups of economists with well-defined characteristics—collaborated with the policies and institutions promoted and hegemonised by Mussolini’s government: the economic periodicals organic to fascism, to which the different souls of the economic science more linked to the regime contributed; the congresses that sanctioned the official doctrine of fascism on the corporative organisation of society, and subsequently those on autarky and the “new international order”; the story of the fascistisation of the most prestigious Italian academy, the Accademia dei Lincei, and the creation of the Accademia d’Italia in 1929; the presence of economists in the political institutions of the regime and in the economic research centres linked to the banking sector and the large publicly owned corporations, protagonists of the mixed economy. In the last part of the volume, the relationship of economists with the

⁹See Carlo Cristiano and Massimo Di Matteo, “Series of Economics and Encyclopaedias: Traditional Economic Theory and New Paths” (ibid., 201–227).

fascist government is analysed from two opposing and mutually revealing perspectives. On the one hand, the focus is the fate of those who, by political beliefs, refused to collaborate with the regime and paid the consequences harshly, and those who, instead, fascists or anti-fascists, were persecuted as Jews after the introduction of the racial laws in 1938. On the other hand, the volume explores the question of the economists who, for collaborating with fascism, were brought to justice after the fall of the regime and threatened with expulsion from teaching and other public offices.

The volume ends with a chapter that offers a synoptic table containing detailed information on the main economists mentioned in this *opus*. The table is first and foremost intended as an *auxilium lectoris*, a reference tool especially addressed to the reader of our volumes who is not familiar with the history of Italian economics, as well as to all those who are interested in either looking for quick information or making comparisons between biographies and profiles.

Moving to a more detailed overview of the contents of Volume II, the book opens with a study by Luca Michellini¹⁰ on the periodicals organically linked to fascism—such as *Gerarchia*, *Lo Stato* and *Dottrina Fascista*—starting from a personal and original interpretation of the two economic currents of thought most closely linked to fascism, both heirs to the Italian nationalist movement of the first two decades of the twentieth century. The first current directly descended from the great native marginalist tradition, which developed around the figures of Maffeo Pantaleoni, Vilfredo Pareto and Enrico Barone, who maintained important ties with nationalism, first, and with the fascism of the origins, later. The second current, led by Filippo Carli, Corrado Gini and Gino Arias, proposed instead the overcoming of the individualistic and “utilitarian” principles of pure economics in the direction of *homo corporativus*. The analysis of journals organically promoted by fascism shows the points of contact and contrast between the two souls of fascist economic culture: the “fascist right”, on the one hand, and the so-called fascism of the left, on the other, favourable to a more radical transformation of the economy and society around the corporative system.

¹⁰L. Michellini, chapter “From Nationalism to Fascism: Protagonists and Journals”, *infra*.

This same opposition can be found in the analysis of the institutional and cultural parable of corporatism, which Fabrizio Bientinesi and Marco Cini¹¹ approach through the study of the conferences officially promoted by the fascist regime and its organisms to involve Italian intellectuals, and in particular economists, jurists and social scientists, in the elaboration of an economic model conceived as a “third way” between the *laissez-faire* of Western societies and the communist systems. The main institutional events in this sense were represented by the National Conferences of Corporatist Studies. The first of them was held in 1930, but, with the notable exception of Celestino Arena, no one among the most reputed academic economists took part in it (Zagari 1982, 41). More important was the second conference—indeed a dramatic confrontation between the “Right” and the “Left” wing of the corporatist movement, from which the latter was forever defeated—organised in Ferrara in 1932. The chapter focuses then on the final stage of the public discussion that took place by will and under the watchful eye of the fascist government: the conferences organised between 1941 and 1942, when the regime was urgently compelled to address the issue of the “new international order” that would emerge after the end of the war and the expected triumph of the powers of the Axis over their “plutocratic” enemies. At this stage corporatism was either openly rejected or used as a sort of nominalistic label to define a planned, authoritarian, imperial and mixed economy, inserted in an international order in which weaker countries were reduced to ancillary, non-competing economies serving the interests of the two hegemonic powers, Germany and Italy. Although the discussion was limited to those who supported fascism, in these conferences lively internal contrasts emerged between those who saw corporatism and the “new order” as a utopian ethical and political regeneration of modern society and those who saw them as disguised communism and feared that Italy might in turn become part—and subordinate part—of the German sphere of influence. In the end it was the regime that imposed silence on the most extremists, emptying corporatism and programming of their most destabilising contents, only to succumb shortly

¹¹Fabrizio Bientinesi and Marco Cini, chapter “Planning and Discussing Corporatism and the ‘New International Order’”, *infra*.

afterwards, relegating—fortunately for Italy and Europe—the discussion on the new international order into the limbo of unfulfilled projects.

In some ways, the subsequent chapter, composed by Rosario Patalano and Marco E. L. Guidi,¹² could have been equally placed in the first volume, since the participation of the economists in the academies of science, literature and the arts established in early modern times in the main Italian cities was a fact at least since the nineteenth century. Intended as high cultural institutions, the academies had created at that time an élite within the élite of scholars and, in the case of Italy, they had represented a powerful instrument for the professionalisation of economics. In the early stage of fascism, this long-standing tradition contributed to preserving a relative and tacitly tolerated independence of these institutions, provided that they avoided interfering with fascist politics. However, in this field, Mussolini's totalitarian regime and its cultural leaders, *in primis* Giovanni Gentile, at least succeeded not only in “fascistising” the most prestigious Italian academy, that of *Lincei* in Rome, but also in a two-sided cultural operation consisting, on the one hand, in overcoming the localism that was typical of Italian culture, by creating in 1929 a national cultural institute, the *Reale Accademia d'Italia*, and, on the other hand, in mobilising through this institution the most eminent pro-fascist intellectuals in support of the new regime by somehow prising them from their relatively sheltered sanctums—“ivory towers” detached from the construction of a new national culture.

Giovanni Pavanelli and Giulia Bianchi¹³ contributed the volume with a study on the participation of economists in parliament and government. It should be noted that during fascism the role of Parliament and of government changed substantially. On the one hand, the fascist regime acted to shift the balance of power from the legislative to the executive, led by a charismatic *duce*. On the other hand, the legislative elections were reduced to a farce in which it was in fact possible to vote for a single party, the PNF, until, in 1939, the lower chamber itself was transformed into a “corporate chamber”, while the Senate, traditionally

¹²Rosario Patalano and Marco E. L. Guidi, chapter “[‘Breaking Down the Ivory Tower’: Economic Culture in the Italian Academies Under Fascism](#)”, *infra*.

¹³Giovanni Pavanelli and Giulia Bianchi, chapter “[‘The Italian Economists as Legislators and Policymakers During the Fascist Regime’](#)”, *infra*.

composed by members appointed by the government, was populated with members coming from “fascistised” cultural institutions. In this framework, a limited group of Italian economists played a significant and, until recently, largely neglected role as builders of the “new” fascist state but also, in a few cases, as bearers of more dialectical views, to the extent that these could be expressed. Anti-fascist MP economists (Antonio Graziadei; Arturo Labriola; Angelo Mauri) were stripped of office already in 1926, while Agostino Lanzillo, Gaetano Zingali, Gino Arias, Luigi Lojacono, Vincenzo Ricchioni, Attilio da Empoli and Zeno Vignati were to various degrees supporters of the regime. Lanzillo and Arias took an active part in the process of institutionalisation of the corporative economy, even if the former was soon marginalised, because he was an advocate of the leftist version of corporatism, seen as a system aimed at realising the self-government of the productive categories, while the latter—even though he had been more prudent and moderate in his economic and political views—was removed from Parliament following the racial laws of 1938. Some undoubtedly fascist economists became members of the cabinet during the *Ventennio*, among whom Alberto De’ Stefani, Giacomo Acerbo, Arrigo Serpieri and Giuseppe Tassinari are the leading figures. The majority of parliamentarians and policymakers selected by the regime were applied economists and acted primarily as field experts, contributing to the building of the fascist state. Conversely, the presence of ideologists and/or theorists of corporatism is also significant but, nevertheless, circumscribed and, for the reasons already stated, of less practical impact. This does not mean that all of them limited themselves to giving a technical contribution, because—often with absolute conviction—they never failed to make explicit their trust in fascism and their adherence to fascist ideology, albeit with different nuances.

Subsequently, Pier Francesco Asso, Fabio Lavista and Sebastiano Nerozzi¹⁴ analyse the role played by various economists in the Research Centres of Banks and Corporations. The Italian experience in this field must be placed in a much wider international trend that emerged during the Great War. Though initially confined within the banking sector,

¹⁴Pier Francesco Asso, Fabio Lavista and Sebastiano Nerozzi, chapter “Banks, Firms and Economic Culture: Economists and Research Centres in Interwar Italy”, *infra*.

research departments gradually spread out to the major industrial corporations, especially those included in the new public conglomerates. The chapter provides a first mapping of the many research departments which blossomed in Italy since the early 1920s. The case studies examined more in depth—four selected within the banking sector (Banca Commerciale Italiana, Banca d'Italia, Associazione Bancaria Italiana and Banco di Sicilia), and six within the industrial sector (IRI, Finsider, Ansaldo, Edison, Montecatini and Fiat)—reveal that this was an area in which technical expertise was allowed to flourish independently of propaganda and promotion of the economic goals of the fascist regime. The main rationale that led banks and firms to engage in research activities was to produce applied knowledge and enhance their capacity to cope with the instability in prices and aggregate demand that had become a rule after the end of First World War. The result of this activity was a network of institutions, economists and statisticians that cooperated (and, sometimes, also competed) in order to enhance the level of economic research, provide a firmer foundation of economic analysis upon statistical and business data and help policy decision-making and business strategy. In this network, a pivotal role was played by the statistician Giorgio Mortara. Research departments also involved anti-fascist economists and various victims of the racial laws. After the Second World War and the end of fascism, those who survived transferred the results of their activities to the economic policies and institutions of the new democratic regime.

As mentioned above, the volume ends with two essays dealing with the relationship between the economists and fascist politics from a hitherto little explored point of view, that of purges: fascist purges against opponents and against professors of the Jewish ethnicity and, speculatively, democratic purges against collaborators of the fascist regime, after the end of Second World War. Both these contributions are the result of careful archival work thanks to which Daniela Giaconi brought to light completely new materials and knitted them together offering an original narration of the events.

The expulsion of anti-fascist economists from universities and other public offices¹⁵ took place in different ways: Attilio Cabiati, Francesco Saverio Nitti (who had been prime minister before the advent of fascism), Antonio Graziadei (who had participated in the founding of the Communist Party in 1921) and Umberto Ricci were expelled from teaching because they advocated political ideas incompatible with the regime. Antonio De Viti de Marco resigned and retired to private life so as not to have to take the required oath of loyalty to fascism. Piero Sraffa, who had fallen into disgrace for having published some criticism of the government, obtained, with the help of John Maynard Keynes, to remain in Cambridge, where he was able to devote himself with tranquillity to his studies. In other cases the regime hindered the recruitment of young promises such as Dino Jarach and Franco Modigliani. The forced choice, for all of them, as for Luigi Einaudi and others, was exile. More unfortunate were those who were imprisoned (Arturo Labriola and Antonio Pesenti, but keep in mind the famous case of Antonio Gramsci) or forced into confinement (Ernesto Rossi, who on the Tyrrhenian island of Ventotene, together with Altiero Spinelli and Eugenio Colorni, wrote the *Manifesto* that foreshadowed a federalist Europe freed from Nazi-Fascism) (Rossi and Spinelli 1979 [1944]). Even more dramatic in terms of size and consequences was the expulsion from university teaching following the racial laws of 1938, which involved ten eminent economists (Riccardo Bachi, his son Roberto Bachi, Giorgio Mortara, Marco Fanno, Gino Luzzatto, Angelo Segré, Renzo Fubini, Gustavo Del Vecchio, Gino Arias, Bruno Foà), plus three retired economists (Riccardo Dalla Volta, Augusto Graziani and Achille Loria). Giaconi documents the incredulity with which some of them in particular, who had been active promoters of fascism and fascist corporatism, initially welcomed the news of their purge. Again, a hasty escape from Italy was the choice that allowed the majority of them to survive. For two of them (Dalla Volta and Fubini), however, the tragic epilogue was immediate death on arrival at the Auschwitz-Birkenau concentration camp.

¹⁵See Daniela Giaconi, chapter “The Diaspora of Italian Economists: Intellectual Migration Between Politics and Racial Laws”, *infra*.

Since the years of the Anglo-American provisional government that accompanied the liberation of Italy from fascism and the German occupation from 1943 to 1945, a National Committee for the Purge of the University Staff was set up to investigate crimes committed in relation to fascist militancy.¹⁶ Numerous economists were investigated and tried, even though the initial desire to purify the public administration and the university from fascist personnel was diluted after a few years and the general result was absolution or amnesty, followed by reintegration into the ranks of academic staff. Giaconi—through a careful study of defences—aims to explain how even economists who had been protagonists of fascist politics could eventually be acquitted. The defence strategies adopted by economists do not differ from those of scholars in other disciplines: they tend to emphasise how a democratic state can condemn acts of violence and discrimination, but not ideas professed with coherence and intellectual conviction. If acts of injustice were not committed, if indeed the accused helped or protected persecuted students and colleagues, membership of the National Fascist Party or the oath of allegiance could not in itself be taken as reasons to condemn an academic.

Finally, the table that concludes this volume—resulting from an original research made by Massimo Augello and the documentalists of Cipei (the Inter-University Centre of Documentation on Italian Economic Thought at the University Pisa) on primary sources such as the yearbooks of the Ministry of Education and on the yearbooks of Italian universities, as well as on various biographical repertoires—synthesises the essential information contained in the book concerning the profiles of the protagonists of our narration: the economists. It provides data about personal identity, fields of study, academic affiliation and teaching periods, main affiliations to academies and scientific associations, and political and public offices, both at national and international levels. An interesting feature of the table consists of an attempt to classify the relationships between the economists and the fascist regime, whether they implied some type of official collaboration or on the contrary political opposition, which systematically led to expulsion from academia and to exile. It also records the cases of those who were marginalised after 1938

¹⁶See Daniela Giaconi, chapter “The Purging of Fascist Economists in Post-war Italy”, *infra*.

as a consequence of the racial laws. Finally, for each economist it provides essential references for further inquiry.

3 Conclusions

As we observed in the introduction to Volume I, the joint results of the studies collected in this book go largely beyond the internal debate of the historiography on Italian fascism, and even beyond the simple study of how the Italian economists reacted to the specific characteristics of the fascist dictatorship. The analyses proposed by all contributors to these two volumes assume the more general value of a case study concerning the relationship between the economics profession and authoritarian regimes and tell a story that repeated itself almost unchanged in different contexts and at different times. Since economics has to do with the organisation of the market and society, the analysis of facts and policies that economists produce contains critiques and suggestions that governments can either like or dislike. But when governments are authoritarian and totalitarian and leave no room for open discussion, it is hard to profess the economic science without reticence and intellectual compromise. On the other hand, debates, especially in the twentieth century, typically focused on the pros and cons of alternative economic systems: not only *laissez-faire* vs interventionism but also capitalism vs socialism, communism and various “third ways” including fascist corporatism. This second type of discussion, and the radical political and ideological confrontations that characterised politics in this century, coupled with dramatic events like two world wars and a great crisis, may explain why within the economic profession a group of enthusiast believers in the fascist and corporative regeneration of society could emerge from below, and *then* be protected by the government. But in the end, and *mutatis mutandis*, the heavy interference and the capricious will of the regime was no less oppressive for its economic supporters than for dissenters and uncompromised orthodox scientists. The vicissitudes of the conferences on corporatism and, more dramatically, the destiny of pro-fascist economists as a consequence of the racial laws are only two examples that our research

has proposed to show that both dissent and consensus are threatened by authoritarianism.

We wish to conclude, with no fear of being contradicted, that the institutional approach to the history of economics that we have adopted in this work has at least the advantage of indicating the narrow and to a large extent precarious path that this science has in front of it as a public discourse and as public reason. No study of the history of economics in this period, whether focusing on the analytical content of economic debates or on the evolution of economics as a scientific discipline, can ignore the kind of constraints that specific political contexts can put to the liberty of research and opinion.

References

- Augello, M. M., Bianchini, M., Gioli, G., & Roggi, P. (Eds.). (1988). *Le cattedre di economia politica in Italia. La diffusione di una disciplina « sospetta » (1750-1900)*. Milano: FrancoAngeli.
- Augello, M. M., & Guidi, M. E. L. (Eds.). (2001). *The Spread of Political Economy and the Professionalisation of Economists: Economic Societies in Europe, America and Japan in the Nineteenth Century*. London: Routledge.
- Augello, M. M., & Guidi, M. E. L. (Eds.). (2005). *Economists in Parliament in the Liberal Age (1848–1920)*. Aldershot: Ashgate.
- Augello, M. M., & Guidi, M. E. L. (Eds.). (2012). *The Economic Reader. Textbooks, Manuals and the Dissemination of the Economic Sciences During the 19th and Early 20th Centuries*. London: Routledge.
- Augello, M. M., & Guidi, M. E. L. (2019). *Economisti e scienza economica nell'Italia liberale (1848–1922). Una storia istituzionale*. Milano: FrancoAngeli.
- Augello, M. M., Guidi, M. E. L., & Bientinesi, F. (Eds.). (2019a). *An Institutional History of Italian Economics in the Interwar Period*. Vol. 1. *Adapting to the Fascist Regime*. London: Palgrave-Macmillan.
- Augello, M. M., Guidi, M. E. L., & Bientinesi, F. (Eds.). (2019b). Italian Economics and Fascism: An Institutional View, in Augello, Guidi and Bientinesi (2019a): 1–32.