

Book Reviews

Third Ways: How Bulgarian Greens, Swedish Housewives, and Beer-Swilling Englishmen Created Family-Centered Economies—and Why They Disappeared, by Allan C. Carlson. (Wilmington: ISI, 2007) ISBN 1-933859-40-7

Allan Carlson's latest book is a survey of various attempts to either formulate, or actually implement, so-called "third way" economies in the nineteenth and twentieth centuries. As such, he covers both well-known thinkers, such as the English Distributists and the post-War European Christian Democratic parties, as well as men and movements hardly remembered today, including peasant political parties which actually came to power in several Eastern European countries after World War I, a movement of Swedish housewives to continue the family-centered policies of earlier Socialist governments, and Karl Polanyi, the Austrian-American economic historian and originator of the concept of economies as integral parts of societies, rather than of society as subservient to an economy. All these thinkers and political actors, to one degree or another and in different ways, opposed the notion that mankind must opt for either Capitalism or Socialism/Communism, but

rather they knew that there were other choices, choices which preserved true human social goods better than do either of the two major economic arrangements which dominated the twentieth century.

A word about the phrase "third way." For a time during the 1990's the concept of a third-way beyond, or outside of, Free-Market Capitalism and Socialism was popular. Tony Blair made use of the phrase in Britain, but neither Blair nor the Clinton administration in the U.S. represented anything approaching a "third-way." Both were Capitalist in orientation and policy, for as we will see, a true third-way does not consist either in watered-down Socialism or mitigated Capitalism. Any real alternative which might be called "third-way" must rethink the social and economic question from the bottom up, and base its ideas and policies on what is truly in the interests of mankind, and especially in the interest of families, those primal natural communities in which nearly everyone is raised, and which, until recently, most adults sought to be part of. Most of the men and groups that Carlson discusses did attempt such a fundamental rethinking of

man's social status in the modern world, and sometimes against great odds attempted to make such an alternative order a real option for their nations. Another point to which I will return later, is that there is more than one notion of what constitutes a "third way," and in fact, there are more than three ways, there are probably innumerable ways that the social and economic organisation of society can be ordered. So while the movements that Carlson discusses here were proud to identify themselves as advocates of a "third way," other and less credible groups such as the Fascists also made that claim. Intellectual history and the genealogy of ideas is seldom simple.

The first group of thinkers Carlson exhibits are the Distributists, chiefly Englishmen of course, of whom Chesterton and Belloc are certainly the best known. Carlson stresses the connection between Distributism and families, and it is proper to do so, for while this emphasis on families is implicit in Belloc, it is explicit and constant in Chesterton. Just as Leo XIII, with whose thought the Distributists identified, recognised that most men will form families, and that such families need protection from raw economic power exercised by employers and by the rich, and from blind market forces, Distributists sought to protect the "kingdom of the home." Distributism is ultimately a pro-family economic system, and in defending small property, it defends the rights of families.

Distributism constitutes an alternative to Capitalism because while it defends private ownership of productive property, at the same time it demands that the accumulation of property by individuals be effectively limited by law. The most complete sketch of a Distributist economy was set forth in Belloc's 1936 book, *The Restoration of Property*. In it he proposes a system of graduated taxation which is designed to break up concentrations of property in order to create a nation of small owners, of both urban shops and workshops, and of rural farms. An Oxford-trained historian, Belloc never tired of pointing out how England had gone from being a nation of widespread property ownership during the Middle Ages to her present state in which the rich, because they controlled property and wealth, controlled the government and the organs of public opinion. Carlson recounts all this and more as he tells the story of the rise and fall of the distributists and their brave fight against big business.

Even people who are little acquainted with the details of Distributism are likely to have heard of the term, "the Servile State," coined of course by Belloc and used as the title of a 1912 book. But because everyone has heard of the term, few perhaps take the trouble to understand or define it. To his credit, Carlson rejects the too facile identification of this monster simply with the Welfare State. "Some have interpreted Belloc's Servile State as meaning simply the

Welfare State, with its cradle-to-grave benefits such as health care and food stamps. This is surely part of what Belloc meant. But he also implies something more, a merger of government and monopoly capital into a 'Corporate State' or 'State Capitalism.' Under this system, private capitalists would be better protected from disorder and dissent than when they were dependent on voluntary efforts, while workers would be confirmed in their completely servile status." Many of those who equate the Servile State with the Welfare State, and desire to dismantle the latter, do so in the interests not of establishing a Distributist order, but of simply leaving the poor and unemployed at the mercy of Capitalist market forces. Carlson also rightly rejects the silly use of the word *Libertarian* to describe the Distributist program. If *Libertarian* has the meaning it usually has today in the United States, that is, of a classical Liberal unfettered market system, then it is a far cry from a Distributist order. Not only did Belloc propose to break up concentrations of property, and to make sure that they remain broken up, but he also recognised the need for the resulting small workshops and shops to be grouped in guilds, or occupational groups or industry councils, to give them names better suited to modern life. Such organisations would doubtless perform many or most of the functions of medieval guilds, which included a regulation of economic activity that moderated and controlled market forces in the interests of the common good. While this

is not central planning, neither is it libertarianism.

Carlson mentions that the American Herbert Agar, for several years on the staff of *G.K.'s Weekly*, published a Distributist essay in the United States with the title of "The Task for Conservatism." But he also notes that Distributist ideas shaped some "key New Deal initiatives." In fact, Carlson largely avoids an absurd attempt to classify past movements under the rubric of either of the contemporary American hodgepodes, Conservatism or Liberalism. As Carlson himself discussed at length in his book, *The "American Way": Family and Community in the Shaping of the American Identity*, which I reviewed in the Fall/Winter 2006 issue of the *Chesterton Review*, it has generally been the Republican Party and business interests which promoted anti-family policies, and, Party and Labour until about 1970, it was the Democratic Party and Labour unions which stood for families. Such facts help us to see that the Liberal/Conservative divide, and particularly as that is understood today in the United States, is based on confusion of thought and a jumble of ideas which have no natural affinity for each other. In fact, the fundamental philosophic principle of both groups goes no deeper than the maxim, "The enemy of my enemy is my friend." One of the most interesting things in Carlson's first chapter is a truly radical interpretation of Leo XIII's 1891 encyclical, *Rerum Novarum*. Carlson writes,

“Leo’s clarion call for small-scale, peasant agriculture implicitly declared over eighty percent of Europe’s land—circa 1891—to be held *unjustly* by absentee landlords; in England the figure was over ninety percent.” This is not the usual way of looking at that encyclical, for generally Pope Leo is understood as having called for the wider distribution of productive property, including farmland, without condemning its present owners as unjust possessors. But I think Carlson’s view does have support in the encyclical’s text, and deserves to be taken seriously.

The next chapter deals with a more loosely connected group of thinkers and activists, “the effort by labour leaders and social theorists to construct a family-wage system, which would redirect market signals and the structure of the labour-force to accommodate marriage, complementary gender roles, and the presence of children in the home,” from the middle of the nineteenth to the middle of the twentieth centuries. These unionists, writers and others recognised and opposed “the inherent tendencies of Industrial Capitalism to subordinate all social relationships to monetary exchanges and all human activity to the test of efficiency.” In other words, market forces acknowledge no other good than efficiency toward the production of goods and services, and cannot differentiate between men and women, fathers and mothers, adults and children. Capital will employ all without discrimination and acts as a solvent of

all human relationships not based upon a commercial contract. Thus it is eternally an enemy of the family, which is a natural human grouping not established for the sake of maximisation of the gross national product. “While Industrial Capitalism has a clear tendency toward the universal extension of the sphere of wage labour, other forms of work can and perhaps *must* survive in order to preserve the basis of social life.” Work within a family which is unpaid may not be recorded in national income statistics, but it is still real human work, and to disvalue it, as both Capitalism and Socialism do, ought to be a plain sign that there is something wrong with both these systems. Today we fortunately no longer have to worry much about Socialism, but the ascendent Capitalism is currently running rampant over the remains of family economies throughout the world. Carlson notes that as governments and unions ceased to demand family wages, and feminists promoted the two-earner family—a trend which Capitalists were only too glad to accept—real incomes of traditional families declined. “Between 1980 and 1991, for example, the real income of married couple families with the husband as the sole earner declined by six percent, while the real income of married, two-earner families rose by five percent. Over the same period, the proportion of married couple families with children below the poverty level climbed by ten percent.”

But prior to that time, and beginning as early as 1825, working men

perceived that they must “prevent their wives and children from competing with them in the market, and beating down the price of labour” for the sake of the preservation of the family. If, as Chesterton never tired of pointing out, the normal man desired to live as a family man, then, if we are to do more than pay lip service to the concept of “pro-family,” we must see to it that the wages of a husband and father are sufficient for the support of his family. And this the family-wage regime more or less successfully achieved over much of Western Europe and North America until around 1970. This was a real concrete gain, an effort that helped preserve families from the corroding effects of market forces. It ultimately failed not because there was something unstable or economically unsound about it, but because it no longer had enough defenders. By the 1960’s the “great army of maternalist writers and advocates were retired or dead, and they [had] left few heirs.” People with new ideas, especially what Carlson calls “equity feminists,” attacked the family-wage system and within a few years it was pretty much gone. Today occasional Democratic politicians might lament the decline in incomes of the working class, but they are not willing to place the blame where it lies, not just with Big Business and the Capitalist class, but with the feminists who hold a stranglehold on the Democratic party. From at least the 1920’s business and the Republican party had worked to erode protections for female and

child workers. These efforts finally paid off, but only with the active connivance of the Democrats, who betrayed their roots and acted as stooges for the business interests they pretended to oppose.

In his next two chapters Carlson turns to Russia and Eastern Europe of the 1920’s for very interesting accounts of men and movements almost entirely unknown except among specialists. Chapter Three deals with Alexander Chayanov, a Russian agricultural economist, who actually held important posts in the Soviet government all the while publishing books and articles critical of Marxism and espousing a kind of peasant cooperative society. Of course such failure to toe the Communist party line could not go on forever, and eventually Stalin took care of Chayanov and he died in the Gulag in 1939. Chayanov had written his dissertation in 1910 on peasant field culture, and before World War I he and other economists conducted careful investigations into peasant farming which confirmed “that peasant economic behavior in the Russian countryside was not consistent with the simple allocation models of classical political economy,” and especially that peasants “did not appear to maximize profits or recognise ‘marginal utility.’” When under pressure Lenin instituted the so-called “New Economic Policy” around 1920, a policy which allowed for small peasant holdings, Chayanov, as Director of the Institute of Agricultural

Economy in Moscow, helped organize a movement called the School for Analysis of Peasant Production and Organisation, and in 1920 he published his major work, *The Journal of My Brother Alexei to the Land of Peasant Utopia*, a fictional account of a time-traveler who wakes up in a paradise of small property in which big cities have been dismantled and most production is for use on the peasant homesteads. Of course, this was not the direction the Soviet government wanted to go, and collective farms rather than small, widely-distributed property, increasingly became the norm. As I said, Chayanov eventually was arrested, and the peasant movement in the Soviet Union came to nothing. But it was not just there that the vast peasantries of Eastern Europe stirred themselves and made their mark on history. If we go a bit westward we will see even more remarkable activity on the part of organized peasants.

In Chapter Four Carlson recounts the truly fascinating political struggles of post-World War I peasant political parties in Bulgaria, Poland, Romania and elsewhere, who actually held power for several years, with insightful plans for transforming their formerly semi-feudal economies into something like Agrarian Distributist societies. None of these efforts had complete success, usually because of violent opposition, the source of which varied from country to country, but usually included elements of the army, the old nobility, Fascists, Socialists, urbanites and even on

occasion the Orthodox clergy. But nevertheless it is worth repeating some of this story as an indication of what can occasionally be accomplished by Distributists in the real world. Even though forgotten today, these peasant movements were well-known at the time, and Chesterton himself wrote the Introduction to a 1923 book on the peasant movements, *The Making of Rural Europe*. Chesterton was full of hope at the time, and wrote that "the peasantries have fought one vast and voiceless pitched battle with Bolshevism and its twin brother, which is Big Business, and the peasantries have won." And it was easy to see why he thought that.

In Bulgaria, for example, where a peasant movement had existed well before the War, Alexander Stamboliski became Prime Minister in 1919 with a minority government, but after defeating a Communist-inspired attempt at subversion, and winning an absolute majority in new elections in 1920, Stamboliski began an ambitious campaign which included land reform, establishment of cooperatives and centres for agricultural education, and won another landslide victory in the 1923 elections. But a "month later, Stamboliski was dead, his fellow ministers in jail or on the run. Election results had convinced [the peasant party's] opponents that only a coup could bring an end to Agrarian control." The many enemies Stamboliski had made with his confiscations of uncultivated estates, including some owned by monasteries,

plus opposition by army officers who admired Mussolini and "resented Stamboliski's pacifism," conspired to overturn the popularly elected government and end the experiment in Bulgarian Agrarian Distributism. Although ending in tragedy, Stamboliski's administration shows that with intelligent leadership Agrarian and Distributist ideas can be implemented on a wide scale. They are not simply debating points for intellectuals, but can win majorities at the polls and control the policies of governments. North of Bulgaria is Romania, and there too an agrarian movement achieved control in the post-War years. Even before the National Peasant Party won the 1928 election with a true landslide of eighty percent, King Ferdinand had distributed land "taken from private estates of over two hundred and fifty acres . . . as well as from crown, state, and religious domains," and appointed a peasant leader as minister of agriculture. Again, as in Bulgaria, the peasant government had to deal with Communist-led strikes, but what brought down this peasant government was the return in 1930 of the Crown Prince Carol with his mistress and his refusal to live with his legitimate wife. In the face of this, the peasant Prime Minister simply resigned, and as King Carol moved to establish a dictatorship, the movement fell apart.

Another peasant government arose in Poland, which had been re-created as a political entity from parts of the German, Russian and

Austrian empires. The Polish Peasant Party passed laws which "fixed a maximum farm size of seven hundred and fifty acres, provided compensation to Polish owners of confiscated land, and allotted five hundred thousand acres annually to landless Poles." But in 1926, Marshall Pilsudski staged a coup against the peasant regime, although Pilsudski government did not end all the distributist measures, and continued to redistribute land up to at least 1937. The presence even today and throughout the Communist era of many small farms in Poland must be attributed to the courageous peasants of the 1920's. Other peasant political movements either held power or participated in coalition governments in Czechoslovakia and in Croatia, but the latter area quickly became part of Yugoslavia, whose government largely frustrated the Croatian agrarian reformers' programs.

Carlson's retelling of the heroic but tragic events as the long-suppressed peasantries of Eastern Europe for a brief time held power is one of the most interesting parts of this book. If these peasant politicians did not last in office, Carlson suggests that this was in part because they were "too honourable and decent." Generally they adhered to democratic norms and did not repress their political opponents, and they conducted honest administrations which sought the common good of their nations. Although democratic institutions were not entirely unknown in Eastern Europe—the Austrian Empire, for

example, had elected parliaments—still democratic traditions were not strong in that part of the world, and in an age of dictators it was doubtless easy for military strong men to shove aside democratic governments. But even in countries that are established democracies the will of the people does not always determine policy. This phenomenon we shall see in Carlson's next chapter which takes us to Sweden. Chapter Five narrates the ups and downs of efforts to secure a family-wage political and social structure in Sweden, an effort that began in the nineteenth century with Socialist thinkers who rejected the views of Marx and especially of Engels, who had looked upon "the housewife as a bourgeois relic." As early as 1889 the Swedish Social Democratic Party makes clear in its "inaugural party platform . . . that working-class women would find liberation in and through their marriages and homes." During the first half of the twentieth century this view was challenged at times, but by the 1940's seemed to be solidly in place, with even some of its earlier critics now supporting it. A series broadcast on Sweden's public radio spoke positively of "a woman's power to accept herself as a woman, to accept her longing for a husband and children, to be responsible for a home. . . ."

Unfortunately this began to change in the 1960's, when for various reasons propaganda against women working at home increasingly carried the day. After 1970 drastic

changes in the tax code made one-earner families uneconomic. "Within eighteen months, over six hundred thousand housewives had been placed in wage employment, a vast change in a nation of only eight million people. Daycare enrollment soared." Carlson suggests that the theoretical underpinnings of the one-earner, wife-at-home, family in Sweden had never been solid in any case. Thus attempts to justify the special place of women had ranged from the early twentieth-century idea of creating super-children to the 1950's notion of housewives as scientific home economists. "A serious contradiction lay at the heart of this strategy," in Carlson's view, for the "mobilisation of Taylorism and other theories of scientific efficiency . . . actually pointed toward . . . the collectivisation of what remained of housework." In other words, if mere efficiency is held up as the justification for the division of labour between husbands and wives, then if someone is able to make a case for even greater efficiency in institutionalised day care and an increase in the paid work force, the case for the traditional family simply collapses. So despite an organised letter-writing campaign and a massive march on the parliament building by Sweden's women, the one-earner family with wives raising the children was deliberately destroyed by politicians in a few months time.

Carlson's next chapter introduces a thinker who is mostly unknown by any except economic

historians, the Austrian, who later lived and taught in the United States, Karl Polanyi. Polanyi's greatest work is *The Great Transformation*, a history of the economic and social changes that accompanied the growth of a market economy in the nineteenth century and its partial eclipse in the middle of the twentieth.

Polanyi makes many valuable points in this work and his other writings, but perhaps his most interesting and revolutionary is the thesis that a market economy is not natural to mankind, that it was instituted in Victorian England only through concerted State action, and that it will inevitably work upon society to such an extent that the economy will overshadow society as a whole. Moreover, Polanyi argued, men naturally and spontaneously took steps to defend society from overpowering market forces, and if they had not, then society itself would have been destroyed. Polanyi shows that in late nineteenth-century England, and throughout Europe, various governments and political leaders, of very different philosophies and ideologies, moved to limit the scope of the Free Market. These acts moreover were not part of any plan, but were simply the natural reactions of the body politic toward attempts to destroy it.

After treating of Polanyi, the writer and teacher, Carlson turns once again to practical politics and in Chapter Seven he discusses the post-World War II Christian Democratic parties in Europe. He locates the

beginnings of Christian Democracy in the opposition to the legacy of the French Revolution, yet as a response different from the Conservative Counter-Revolutionary programme that sometimes simply wanted to turn the clock back to 1788. In fact, Christian Democracy "should be seen as a distinctly Christian response to modernity." As such, Carlson states that it "opposes Economic Materialism in both its Socialist and Liberal Capitalist manifestations." He notes Christian Democracy's opposition to both Communism and Fascism, its efforts "to reconcile individualism with community and to deliver both justice and liberty," and he recounts some of the history of the post-World War II Christian Democratic parties in Germany, France and Italy, their electoral victories and defeats, and either their ultimate demise as in France and Italy, or, as in Germany, the party's abandonment of its earlier idealistic and religious character to become simply another collection of politicians. Yet Carlson points out the enduring achievements of these statesmen and politicians, including the United Nations' Universal Declaration of Human Rights and the European Union, which he calls an attempt "to build a democratic version of the old Holy Roman Empire on the ruins of a continent recently ravaged by war."

In his attempt to fit the Christian Democrats into the general intellectual and cultural history of post-revolutionary Europe, Carlson

unfortunately both over-simplifies too much and ignores certain key thinkers who certainly ought to be considered as part of the genealogy of Christian Democracy. On the first point, he links together too many writers and political activists under the broad Christian Democratic banner, people whose ideas exhibited considerable dissimilarity—Bishop von Ketteler, for example, and Wilhelm Röpke—and as for the second, he says nothing about men such as Montalembert or Lacordaire, who accepted certain of the results of the Revolution, as democracy and freedom of the press, and who have a better claim to be seen as spiritual and intellectual ancestors of Christian Democracy than most nineteenth-century thinkers. Carlson writes moreover that “Christian Democracy stands for organic society,” but he does not even mention the fact that there were other elements in European thought that made the same claim and explicitly tried to elaborate “third way” approaches in opposition to both Capitalism and Socialism. Fascist and quasi-Fascist parties, such as the Falange in Spain, looked upon Bourgeois Liberalism and Communism as two sides of the same materialist coin, just as did Christian Democratic theorists. Carlson’s only reference to Fascism in this chapter does not mention its complex relationship with some of the same ideas and insights that the Christian Democrats had, although in the end it was simply power and the cult of violence that won out with the Fascists and most of their fellow travelers.

Carlson’s final chapter is his conclusion in which he seeks to sum up his book. Here it seemed to this reviewer that Carlson somewhat turned away from the genuinely radical positions of his earlier chapters to take up a position more favourable to market economies. In what seems a direct reversal of what he said in his first chapter, Carlson writes, “At certain times and in certain places it was the advocates of a Third Way who actually came closest to being the ‘Classical Liberal,’ pro-Market players in the field.” And in support of that he instances the fact the English Distributists opposed such things as “unemployment insurance, a minimum wage, and national health insurance.” But this ignores the immense difference in the reasons for their opposition, which was not because they wanted to leave things to the play of market forces, but because they favoured well-distributed, small property, as a result of which there would no longer be any need to legislate on wages and unemployment, since the employer-employee relationship would be largely gone. And the Guilds, whose re-establishment Distributists called for, would have dealt with matters such as health insurance, relieving the State of many of those functions which it took up because of the dislocations caused by market society, but which were never its proper function. To suggest that Distributist opposition to these Statist measures places them in the category of Classical Liberals is simply not true.

Another example can be found in the six points that Carlson sets out at the very end of the book which he intends to sum up a Third Way model. His point number two is: “Understand that the central social and political challenge is to keep competition and the quest for efficiency out of the family and the local community. . . .” While this is excellent as far as it goes, earlier Carlson had seemed to understand that an economy must ultimately be either market-centered or family-centered, and that each of those principles would eventually drive all before it. In Chapter Two he had written of “the inherent tendencies of Industrial Capitalism to subordinate all social relationships to monetary exchanges and all human activity to the test of efficiency,” and of Capitalism “clear tendency toward the universal extension of the sphere of wage labour,” and that it “corrupts pre-industrial family relations.” Thus to attempt to wall off the family from the forces of a competitive economy is probably not possible in the long run, for the effect of Capitalist competition will be “to subordinate all social relationships to monetary exchanges and all human activity to the test of efficiency.” While earlier Carlson had rejected a too facile attempt to apply Belloc’s label “Servile State” to current conditions, here he suggests that it is neither Capitalism and Socialism, but the Servile State after all that has triumphed. Belloc, however, meant something very specific by that term, something that we do not see today. He meant the legal re-establishment of

slavery, although doubtless under a different name, a condition in which some would be legally compelled to labour for the benefit of others, but would receive in return the dubious security that slavery offers to slaves, as the property of their owners. Instead of this, we see a retreat from the Welfare State in most countries of Europe and North America, and workers left more and more to contend with market forces on their own. This is not the Servile State. This is simply the normal workings of an increasingly unfettered Capitalism. But despite this disappointing conclusion, Carlson gives us a valuable account of alternatives to the reigning ideologies of the twentieth century and introduces us to men and movements who deserve not only to be remembered, but to be honoured, studied and possibly even emulated. This book then is a very useful compilation of inspiring and intelligent men and women who tried in different ways to free their lives and the lives of their families from the juggernaut of both Statist bureaucratic control and Capitalist domination.

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Universal Father – A Life of Pope John Paul II, by Garry O’Connor (New York: Bloomsbury Publishing, 2005)
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Garry O’Connor has turned out biographies of playwright Sean O’Casey, actors Alec Guinness,