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# Propertarianism and Fascism

Anarcho

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As discussed previously in *ASR* (in “160 Years of Libertarian,” *ASR* 71–2), the good word libertarian was knowingly stolen from the left by American right-wing (classical) liberals in the 1950s. This appropriation of libertarian to describe an ideology which happily supports “voluntary” slavery and dictatorship by property owners, never mind wage-labour, has resulted in much confusion – as well as *ASR* (*Anarcho-Syndicalist Review* changing its name from *Libertarian Labor Review* in the 1990s.

In short, in America the word has reversed its meaning in a few decades. That the new “libertarians” were not particularly libertarian has been noted by many perplexed observers for they regularly express authoritarian ideas while wholeheartedly supporting the authoritarian social-relationships which genuine libertarians had opposed. This is why the ideology is better termed *propertarianism*.

It is also seen by their respective positions on fascism: genuine libertarians fought fascism tooth-and-nail from its birth in Italy to now while those proclaimed today as “libertarians” have praised and supported it with a grim regularity. This can be seen by Ludwig von Mises, as his biographer Jörg Guido Hülsmann cannot quite bring himself to admit in spite of the

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evidence he presents in *Mises: The Last Knight of Liberalism* (Ludwig von Mises Institute, 2007).

Ludwig von Mises (1881–1973) was a leading member of what is termed the Austrian School of economics, which advocates no state intervention beyond defining and defending capitalist property rights. He was chief economist for the Austrian Chamber of Commerce, before emigrating to the United States in 1940, where the American proprietarians have been strongly influenced by his writings (John Kenneth Galbraith once noted in passing, that the Austrian economy did much better once the economists of the Austrian school stayed in America after the war.).

As another propertarian recounts, “[d]uring this period [of the Great Depression] Mises was chief economist for the Austrian Chamber of Commerce. Before Dollfuss was murdered for his politics [in July 1934, by Nazis], Mises was one of his closest advisers.” (Hans-Hermann Hoppe, “The Meaning of the Mises Papers,” *Free Market* Vol. 14, No. 4 [April 1997]) Hoppe, like Hülsmann, does not mention some important aspects of this period. Engelbert Dollfuss (1892–1934) was an Austrian Christian Social and Patriotic Front politician who became Federal Chancellor in 1932. In March 1933, he shut down parliament and governed as dictator by emergency decree. He fully suppressed the Socialist and trade union movement in February 1934, when he cemented austrofascism – similar to Italian fascism – through the authoritarian First of May Constitution.

Our hagiographer, sorry, biographer seeks to downplay von Mises’ support for fascism and cannot bring himself to admit that Dollfuss was a fascist, although he has to admit that Dollfuss “abolished the parliamentary republic” and “ruled dictatorially.” (676) He also notes “the government of Engelbert Dollfuss, which had reintroduced authoritarian corporatism into Austrian politics to resist the socialism of both the Marxist and the Nazi variety” (683) but fails to mention this is called Austrofascism for a reason.

functions to the capitalist state it allows future governments – conservative or social democratic – to undermine such reforms as well as determine how they are run (that is, run not be in the interests of our class but rather to bolster the system). Also, such intervention can become – as in “Red Vienna” – paternalistic as well as inevitably changing the party, which goes from seeking to transform the system to – at best – tinkering with it. Most fatally, it accustoms labour to rely on others to act on its behalf and so hinders its ability to resist when it counts – as shown by the success of the CNT in 1936 and the failure of Marxism in 1933 and 1934 in Germany and Austria, respectively.

Which means that whether you vote or not is ultimately irrelevant – is it what you do before and after that 5 minutes in the voting booth which counts. Our masters know this, as shown by von Mises’ hatred of trade unionism and the neo-liberal onslaught against labour since Reagan and Thatcher. Time we recognised this and organised where it counts – in our workplaces and communities. This is a much harder task than voting once in a while but it is the *only* means by which freedom can be defended and conditions improved in the here and now, never mind create the possibility of a free and just society.

As Thatcherism showed, neo-liberalism is marked by an increase in the authoritarian tendencies of the state – at least for the many. As well as using the state to break the unions, she also embraced von Mises’s post-fascist political vision when faced with the problem that people would vote locally for parties which would protect them from the market fundamentalism of the government (this had also happened in the late 19<sup>th</sup> and early 20<sup>th</sup> centuries with municipal socialism developing across Britain to counter-act the evils of freer-market capitalism – Kropotkin mentions these experiments in *Modern Science and Anarchy* [AK Press, 2018]). This annoyed her and so people had to be forced to be free: Britain was turned from a relatively decentralised system into the most centralised in Europe. This did not stop Tories prattling on about “localism” – as shown most recently when such talk was quickly forgotten to allow fracking to take place against overwhelming local opposition.

While Thatcher did not completely destroy trade unionism, she did regulate it (while denouncing the dead-hand of regulations on “the market”). She made it illegal for unionists to strike spontaneously and to show solidarity with others. Her party has followed her, imposing a 50% turn-out requirement for strike action which became law in 2016. Inequality has soared, low wages abound, and productivity gains flow upwards... what a surprise. Indeed, social problems have got so bad that the Tory party today pays lip-service about addressing the evils its own policies have caused.

Which raises the issue of elections, particularly given the hideous current governments in America and Britain. The experience of the right always makes “the left” look better (as if the best of the Democrats were anything other than slightly to the left!). The anarchist argument against electoral reformism is not that it cannot lead to improvements in working-class life (it has) but these benefits will not be as great, as long lasting or as empowering as those won by working class people by their own direct action and solidarity. More, by giving such

Not that the Nazis were socialists, in spite of their name. For the Nazis called themselves “National Socialists” because they wanted to appeal to a population with a significant number of socialists in it and where even the conservatives embraced some form of welfare state (Bismarck famously built elements of the welfare state in the 1880s to tempt workers away from social democracy). In short, the German fascists tried to steal “socialist” from the left just as the American proprietarians knowingly stole “libertarian” from the left decades later.

We should remember that regardless of current right-wing revisionism, at the time the wider right supported fascism – including the Nazis. The right, along with business, saw its benefits for breaking unions, removing agitators, and such like – not to mention getting funds from the new regime. Indeed, the Nazis placed many formally nationalised enterprises back into private hands and so coined the term “privatisation.”

While our biographer takes pains to distance von Mises from fascism, his support for Dollfuss was very much in line with his late 1920s eulogising of fascism in the book *Liberalism*. Hülsmann does quote this infamous passage in a footnote:

“It cannot be denied that fascism and similar movements aiming at the establishment of dictatorships are full of the best intentions and that their intervention has, for the moment, saved European civilization. The merit that fascism has thereby won for itself will live on eternally in history. But though its policy has brought salvation for the moment, it is not the kind which could promise continued success.” (560)

Hülsmann’s *ex cathedra* complaints that von Mises is unfairly painted as a supporter of fascism is undermined somewhat by later admitting that for von Mises “Dollfuss’s authoritarian policies were in his view only a quick fix to safeguard

Austria's independence—unsuitable in the long run, especially if the general political mentality did not change.” (684) Which is *exactly* what he argued in *Liberalism*, namely that a dose of fascism in the short-term is fine, but not as a long-term solution.

For some reason from all this Hülsmann concludes von Mises was not a supporter of fascism.

Why was von Mises so keen on fascism as “a quick fix”? Some of this was his fear of (state) socialism – whether in the Bolshevik or social democratic form. Some of it was based on von Mises' position on the Great Depression, namely that economic crisis in Austria had as its “main culprits” the “welfare state and the labor unions” and so the “main cause of unemployment was clear: government-supported labor unions.” (619, 615) Let us ignore that mass unemployment in America came after the collapse of trade unionism in the 1920s – or that unemployment fell there as the unions grew in influence. The key point is that von Mises – like all proprietarians – was of that school whose perspective was memorably summarised by Proudhon:

“Political economy – that is, proprietary despotism – can never be in the wrong: it must be the proletariat.” (*Property is Theft! A Pierre-Joseph Proudhon Anthology* [AK Press, 2009], 187)

In short, von Mises was of the opinion that soup kitchens caused the Great Depression (to use Paul Krugman's phrase) and that against all logic and all evidence that unions are strongest in periods of mass unemployment. Before discussing whether the Austrian experience confirms von Mises' position, we need to clarify what “government-supported labor unions” actually meant. Hülsmann provides a useful quote:

them the right to lead.” (quoted, Konrad Heiden, *A History of National Socialism* [Routledge, 2010] 2: 126–7)

Hence the soft-place proprietarians have for fascism – for they defend the dictatorship of the property owner (considered inherently superior) over those who use their property, a despotism which anarchists and genuine libertarians have long recognised and opposed in the name of freedom. That von Mises supported fascism as a mere temporary expedient is meaningless – after all, he was happy to use the state against uppity workers rebelling against their betters in “normal” times.

We will end by ignoring Hülsmann's gibberish when repeating – when not adding to – von Mises' clearly ignorant commentary of syndicalism and “socialism,” in favour of noting his summation of von Mises' post-fascist vision:

“Mises championed a program of thorough political centralization [...] the state alone should direct the whole administration of the county [...] The communal authorities would have to execute the tasks set for them by the general legislation. Their only revenue would come from the state and from public firms and property.” (743–4)

It should be noted that von Mises urged this centralised, top-down state because he had seen municipal socialism in Austria before Dollfuss. It was driven by the urge to stop experiments like “Red Vienna” which saw the local municipality provide housing, swimming baths, parks, health care, school meals alongside a fall in child mortality from 158 deaths per thousand live births in 1918 to 60 per thousand in 1933. (Lewis, 77–8) Better for children to die at birth than a millionaire be taxed to prevent it – if children did not want to die then they should have chosen parents who earned enough for private health care.

movements, and make demands. Their goals may be minimal and discrete—better safety guards on factory machines, an end to marital rape—but in voicing them, they raise the specter of a more fundamental change in power. They cease to be servants or supplicants and become agents, speaking and acting on their own behalf. More than the reforms themselves, it is this assertion of agency by the subject class—the appearance of an insistent and independent voice of demand—that vexes their superiors.” (Robin, 4–6)

As is clear from his writings and activities, von Mises was very vexed by that spectre – so much as to embrace fascism, at least for a while. Once the masses were sufficiently terrorised and internalised their inferior position then a “liberal” regime could and should return. For as he wrote in a fan letter to Ayn Rand: “You have the courage to tell the masses what no politician told them: you are inferior and all the improvements in your conditions which you simply take for granted you owe to the effort of men who are better than you.” (Hülsmann, 996) It is no coincidence that he echoed Hitler:

“What right have these people [workers] to demand a share in property or even in the administration? [...] would you permit your typist to have any voice in your affairs? The employer who accepts the responsibility for production also gives the workpeople their livelihood. Our greatest industrialists are not concerned with the acquisition of wealth or with good living, but, above all else, with responsibility and power. They have worked their way to the top by their own abilities, and this proof of their capacity – a capacity only displayed by a higher race – gives

“These union tactics naturally presuppose that the government tolerates this behavior, at the least. Were it to proceed in its usual way and interfere with the criminals who abuse jobseekers and vandalize the machines and other of the entrepreneurs’ facilities, then circumstances would be different. But that it has capitulated to the unions is the precise feature that characterizes the modern state.” (620)

So the problem is that the government does not smash the unions, outlaw picketing, etc. In other words, for von Mises the government takes (what is the expression? ah, right!) a *laissez faire* approach to labour organisation. Our biographer then writes the following words with no apparent sense of irony or awareness:

“Mises argued that ultimately there was no choice but to abolish all government intervention and to confront union power head on.” (621)

It takes a true ideologue to not notice the contradiction in urging the abolition of all government intervention while also urging that troops be sent in against rebel workers. However, this is no isolated case as Kropotkin noted:

“Furthermore, the state of *laissez-faire*, which liberal economists like to talk to us about, and against which social-democrats love to break their lances, is a product of the imagination that has never existed and will not exist since it would be a contradiction of principles.

“Fundamentally, liberal economists (including M. Molinari and Adam Smith) never wanted it – their ideal having *not* been *laissez-faire*, *not*

laissez-passer, but on the contrary, to do a lot on behalf of the capitalist. Carte Blanche for exploitation guaranteed by the State – they never had another ideal. What can be said of the facts? [...] when did the State not take the side of the capitalist against the worker? They have many sabres and bullets for the workers, but have they ever thrashed the exploiters?” (“Une Conférence sur l’Anarchie”, *La Révolte*, 5 August 1893)

While slightly unfair on Adam Smith, this is correct. Hülsmann expresses an ideological blindness which is staggering – government intervention against labour and for capitalist property rights is not government intervention in his eyes. In short, the state clubbing workers is good (and liberty) but it providing medical care for the cracked heads is wrong (and tyranny).

Now understanding what von Mises viewed as the root causes of the Great Depression – high wages and state welfare for workers rather than bosses – we can now ask did it work? Well, Dollfuss – as a good fascist – *did* crush the labour movement and cut back on welfare, as von Mises recommended but things got worse rather than better.

The onslaught on labour started long before Austria officially became a dictatorship in 1934 as the government sought to balance the budget and imposed austerity (as von Mises recommended). Yet the “effects of the government’s policies were to be seen in the continued stagnation of the Austrian economy right up to the German invasion of 1938. By 1932 industrial production had fallen to 61 per cent of its 1929 output, and unemployment had reached 21.7 per cent of the workforce. It remained at this level throughout the mid 1930s, and still stood at 20.4 per cent in 1937.” (Tom Kirk, *Nazism and the working class in Austria: industrial unrest and political dissent in the ‘national community* [Cambridge: Cambridge University Press, 1996], 31)

*vatism from Edmund Burke to Sarah Palin*, [Oxford University Press, 2011], 15–6)

The difference is the propertarian tries to present such subjugation as “liberty” while the conservative is more honest:

“Despite the very real differences between them, workers in a factory are like secretaries in an office, peasants on a manor, slaves on a plantation—even wives in a marriage—in that they live and labor in conditions of unequal power. They submit and obey, heeding the demands of their managers and masters, husbands and lords. They are disciplined and punished. They do much and receive little. Sometimes their lot is freely chosen—workers contract with their employers, wives with their husbands—but its entailments seldom are. What contract, after all, could ever itemize the ins and outs, the daily pains and ongoing sufferance, of a job or a marriage? Throughout American history, in fact, the contract often has served as a conduit to unforeseen coercion and constraint, particularly in institutions like the workplace and the family where men and women spend so much of their lives. Employment and marriage contracts have been interpreted by judges, themselves friendly to the interests of employers and husbands, to contain all sorts of unwritten and unwanted provisions of servitude to which wives and workers tacitly consent, even when they have no knowledge of such provisions or wish to stipulate otherwise.[...] Every once in a while, however, the subordinates of this world contest their fates. They protest their conditions, write letters and petitions, join

– a well-known propertarian – likewise argued that “if one starts a private town [...] persons who chose to move there or later remain there would have no *right* to a say in how the town was run.” Thus dictatorship is “libertarian” – along with “voluntary” slavery. (*Anarchy, State and Utopia* [Oxford: B. Blackwell, 1974], 270, 371) Strangely such positions did not impact on *others* accepting his use of the term “libertarian” to describe such obvious tyranny.

In short, if it reduces the freedom (power) of the property-owner then they are against it. Which is why almost all propertarians were on the wrong side of history with regard to every movement for greater freedom in the 20<sup>th</sup> century: civil rights, feminism, labour, and so on.

All of which means that so-called “libertarians” supporting fascism is not that surprising after all. For they are happy to support authoritarian social relationships (such as wage-labour), particularly when it is produced by property. Indeed, they get indignant when the state pays even lip-service to making the property-owner recognise the rights and liberty of those subject to their authority/property. As Corey Robin notes, the current association of “libertarians” (i.e., propertarians) with conservatives should not come as a surprise for both share a common perspective in defending subjugation:

“Conservatism, then, is [...] the opposition to the liberation of men and women from the fetters of their superiors, particularly in the private sphere. Such a view might seem miles away from the libertarian defense of the free market, with its celebration of the atomistic and autonomous individual. But it is not. When the libertarian looks out upon society, he does not see isolated individuals; he sees private, often hierarchical, groups, where a father governs his family and an owner his employees.” (Corey Robin, *The Reactionary Mind: Conser-*

It must first be noted that the welfare state was rudimentary at best. A worker “had to provide evidence of twenty weeks work during the previous year to be eligible” for unemployment benefit, which “ceased altogether after fifty-two weeks” and after twenty-two weeks if under 25. In 1931, the average unemployment benefit was 891 shillings a year and so “approximately one quarter of the average worker’s income,” falling to 769 shillings in 1933. (Jill Lewis, *Fascism and the working class in Austria, 1918–1934: the failure of labour in the First Republic* [New York/Oxford: Berg, 1991], 169–70) That benefits “were meagre for only one year” meant “that the long term unemployed – perhaps half as many again as the number of claimants had no means of support.” Ironically, “benefits for the long-term unemployed, abolished by the ‘Corporate State,’ were restored” by the Nazis after they annexed Austria. (Kirk, 31, 49)

As for those in work, the situation hardly suggested a rise in union power. Indeed, “[i]n the vain hope of avoiding more redundancies, many workers were at first willing to accept a reduction in hourly rates, in addition to cuts in the working day.” As von Mises had urged, the government “backed the employers. In fact government action had given the employers the green light in the first place. Under the terms of the 1930 Anti-Terror Act the legal status of collective contracts had been altered, invalidating all closed shop agreements and halting the practice of deducting union dues at source.” The appointment of a known union buster to the director of the national railways in 1930 and “by the introduction of the Anti-Terror Act the government had shown that the attack on the Free Trade Unions, which had hitherto been led by private employers, was to be extended to the public sector and intensified.” (Lewis, 173, 175–6) In short:

“Rising unemployment strengthened the hand of the employers in the labour, and they attempted

to dismantle what was left of the Republic's labour legislation [...] There was a noticeable effect on the incidence of industrial action. The number of disputes fell from 242 in 1928 to 30 in 1932, and over the same period the total number of strikers declined from 562,992 to 79,942, reflecting the erosion of economic security." (Kirk, 31–2)

Thus the "depression also gave the employers even greater opportunities to attack the remaining labour legislation." For example, in 1931 one pit director successfully fired all 1,300 miners and offered them re-employment if they accepted individual contracts and rejected collective bargaining. The "tactic was then repeated in other plants and other companies" and "without collective contracts the battle for employment became a free-for-all, in which workers could undercut each other for work." Unsurprisingly, there was also "an increase in industrial accidents." (Lewis, 173–4)

The "standard of living for those in work declined as wages fell further and faster than prices" (Kirk, 31) and it is likely that "real wages fell by between 20 and 30 per cent in the four years from 1929 to 1933." This drop in wages did not mean a fall in unemployment but rather a change in who was employed, with employers initially turning to youth and women "at rates which were far lower than those of adult males" but by 1931 "these workers were once again out of work, as wage rates for men fell to a level which made them once again competitive." Yet in spite of falling wages, insured unemployed rose from 110,266 in June 1929 to 307,873 in June 1933. (Lewis, 173–4, 214–5)

As wages fell and unemployment rose during the state and boss onslaught on labour, the economy worsened with real GDP in falling in 1930 by 2.75%, 8.02% in 1931, 10.32% in 1932 and 3.31% in 1933. (Angus Maddison, *The World Economy: Historical Statistics* [OECD Publishing, Paris, 2003], 50) Indeed, un-

criterion for allocating the use of its streets, so that any decision it makes will be arbitrary. [...] The police ban the demonstration, claiming that it will clog the streets and disrupt traffic. Civil libertarians will automatically protest [...] It is only the universal fact of government ownership and control of the streets that makes this problem insoluble and cloaks the true solution to it. The point is that whoever owns a resource will decide on how that resource is to be used. [...] In a purely libertarian world, where all streets are privately owned, the various street owners will decide, at any given time, whether to rent out the street for demonstrations, whom to rent it to, and what price to charge. It would then be clear that what is involved is not a 'free speech' or 'free assembly' question at all, but a question of property rights: of the right of a group to offer to rent a street, and of the right of the street owner either to accept or reject the offer." (Murray Rothbard, *For a New Liberty: The Libertarian Manifesto*, Macmillan, 1978, 96–7)

Compare this "libertarian world" to the regime Dolfuss created. Thus for the working class – the non-property owner – there are no freedom of speech, assembly, organisation, picketing, etc. In short, *no liberty at all*. Propertarianism generalises factory fascism and office oligarchy to *all* aspects of society, not freedom.

It may help to understand why such blatant contradiction was put into print by noting that Rothbard was one of von Mises' pupils, becoming a leading American "Austrian" economist and playing a key role in the stealing of the word libertarian as well as inventing the oxymoron "anarcho-capitalism." Rothbard is not alone, Robert Nozick



ing the ‘Abuses’ of Democracy: Hayek, the ‘Military Usurper’ and Transitional Dictatorship in Chile?” *The American Journal of Economics and Sociology*, Vol. 71, No. 3 [July, 2012], pp. 513–538). Nor should we forget that Milton Friedman praised Pinochet for introducing a “free market” in Chile: apparently a “free” market in labour is consistent with workers being terrified of striking – or merely talking back to their boss – in case their tortured corpse ends up on the side of the road. Both, needless to say, praised the Chilean economic “miracle” shortly before it crashed in 1982.

All this does point to the heart of the contradiction in propertarianism, as Proudhon noted long ago “Individualism, incapable of resolving *a priori* its famous problem of the harmony of interests, and forced to lay down at least provisional laws, abdicates in its turn before this new power, which was excluded by the pure practice of liberty.” (*De la Justice dans la Revolution et dans l’Eglise* [Paris: Marpon et Flammarion, 1870] vol. I: 123) This is because they are not interested in liberty but in property. This means that they at best ignore, at worse defend, the power of the owner over those who use their property. This leads to obvious – at least obvious to the non-believer – authoritarian social relations as shown by Murray Rothbard seeming obliviousness to the grim nature of what he was advocating:

“A particularly thorny question is the whole matter of picketing and demonstrations. Freedom of speech implies, of course, freedom of assembly—the freedom to gather together and express oneself in concert with others. [...] But even ‘peaceful picketing’ is not clearly legitimate, for it is part of a wider problem: Who decides on the use of the streets? The problem stems from the fact that the streets are almost universally owned by (local) government. But the government, not being a private owner, lacks any

like other industrial nations, Austria saw no real reduction in unemployment during the 1930s.

By May 1933, the Dollfuss administration had ended parliamentary rule, banned “all strikes and demonstrations.” (Lewis, 148) In April 1934 the government assumed all the powers previously held by parliament and so became officially a fascist dictatorship rather than a close approximation. The “new regime brought immediate and tangible gains to employers at the expense of a further deterioration in working-class living standards. Firms quickly took advantage of the absence of trade unions and the weak bargaining position of the workforce to enforce wage cuts on their workforces.” However, workers “were also often ready to take collective action against the widespread wage cuts introduced under the new regime.” Sometimes they were successful, usually – taking one strike in 1936 which raised the demands for a 15 per cent wage increase as an example – they were “quickly put down by the authorities” (Kirk, 44, 46 47) Thus the results of these “anti-social economic measures of the government” were grim:

“A persistent deflationary economic policy combined with an anti-democratic determination served to demoralise and weaken the working class [...] Dollfuss was determined to use the opportunities offered by the depression to the full. Once parliament had been closed down and the government began to rule by emergency decree, a series of measures were taken to further weaken the organised working class. ‘Economic necessity’ was used as an excuse for such political moves. Social security payments were reduced. Strikes were forbidden. The rights of workers to even discuss wages and working conditions were drastically reduced. [...] Thus by February 1934

the condition of the Austrian working class was miserable [...] With massive unemployment, the erosion of political rights and wretched living conditions the vast majority of the workers were demoralised, tired, hungry and lacking in a sense of common purpose and direction.” (Martin Kitchen, *The Coming of Austrian Fascism* [Croom Helm, 1980], 94–5)

In short, Dollfuss and his successor followed the advice of von Mises as regards austerity and confronting the unions: the economy went from bad to worse (unlike under the New Deal in America). Wages fell and unemployment rose (so confirming Keynes’ argument in 1936). Unions were banned and strikes repressed, but unemployment remained at over 20%.

The facts are clear but rest assured for not all is lost for the propertarian. We must recall that Mises argued that if there is a clash between your theory and the facts, then the facts are wrong and so reality must be ignored:

“If a contradiction appears between a theory and experience, we must always assume that a condition pre-supposed by the theory was not present, or else there is some error in our observation. The disagreement between the theory and the facts of experience frequently forces us to think through the problems of the theory again. But so long as a rethinking of the theory uncovers no errors in our thinking, we are not entitled to doubt its truth” (*Epistemological Problems of Economics* [New York: Van Nostrand, 1960], 30)

This means that it will be argued that Dollfuss did not follow all the advice “one of his closest advisors.” Most obviously,

the meagre unemployment benefits for some workers existed for a year rather than being eliminated. It also could be argued that the state repression did not go far enough, that some workers still felt able to take collective action in spite of unions, strikes, protests and assembling being illegal and subject to attack, that wages were not driven low enough by employers, and so on. Yet an argument that a fascist regime was not authoritarian enough would be unconvincing and unappealing to the unconverted. It could be argued that other Austro-fascist policies caused unemployment to stay high, but given that the economy finally stopped contracting in 1934 and started to grow again (albeit at a low rate) this is likewise unconvincing given that von Mises left Austria that year, fearing the rise of the Nazis who would have subjected him – as a Jew – to similar treatment as he had happily urged against workers.

In short, the period which von Mises provided economic advice to a fascist leader saw significant drops in real GDP and unemployment rise to over 20 per cent, in spite of the “main cause” of unemployment having been eliminated. The same occurred under Thatcher, incidentally, where unemployment was higher when the Tories left office in 1997 than it was when they entered it in 1979 (and this in spite of numerous revisions of the official definition to bring the numbers down).

Still, we must remember when a propertarian publicly supports fascism, advises fascists, urges state intervention to break the voluntary associations of working class people, to smash strikes, and so forth then this is a champion of liberty lecturing us. Or perhaps not. Perhaps we should remember this grim history and draw obvious conclusions from it.

Likewise, we should also recall that von Mises was not alone in support for the “quick-fix” of fascism. Fellow “Austrian” economist von Hayek, likewise, had long postulated the need for a temporary dictator to eliminate the excesses of democracy before supporting the dictatorship of Pinochet in Chile (Andrew Farrant, Edward McPhail and Sebastian Berger, “Prevent-