

State Corporatism

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Broadly defined, state corporatism encompasses the theory and practice of organizing society into industrial and professional “corporations” with the expressed intention for the latter to be subordinated to the state. The purpose of these associations is to serve as vehicles for political representation and control. With the advent of fascist ideology in Europe in the early part of the twentieth century, the concept came to represent the will of an authoritarian leader as opposed to the negotiated interests of various economic groups.

During this time period, the idea was set to promote national harmony over class conflict. In his classic 1974 article Philippe C. Schmitter hones the term “corporatism” into a basic social science vocabulary for understanding the contemporary dynamics between the state and the society at large. There, state corporatism is defined as an authoritarian practice of a government, which preemptively organizes social members, often industrial workers, into exclusive associations claiming to be their sole legitimate representative while at the same time, prohibits the existence of parallel or overlapping organizations.

Pluralism, prevalent in the Anglo-American context, represents a key alternative to corporatism because it is characterized by the absence of mandatory membership, representational monopoly, and governmental recognition. Schmitter has identified two main types of corporatism: societal, or liberal, corporatism, which is a form of economic

tripartitism rooted in a “social partnership” between capital and labor so that public intervention in the market economy can be facilitated for stability and growth; and on the other hand, the state, or authoritarian corporatism that emanates from the attempts for control by nondemocratic rulers and results in the creation of dominated and dependent interest associations. Schmitter also hypothesizes that there is no direct path of evolution from state to societal corporatism without a pluralistic interlude since interest associations need time to build their organizational bases prior to gaining political legitimacy.

Scholars have subsequently argued that Schmitter’s regime-level definition is too holistic to be operational in empirical studies (Wilson 1983). A government is not necessarily obliged to practice the same treatment to different social interests (Cohen and Pavoncello 1987). Schmitter seems to have accepted this modification as in his later work he characterizes corporatism as a “partial regime” (Schmitter 1982). For example, a state-corporatist arrangement with labor unions does not preclude the possibility that the state can employ a pluralist strategy toward farmers and other occupational groups. This revision broadens the application of the concept of state corporatism as it permits its existence along with other nondemocratic state–society relations, such as clientelism, patrimonialism, and party-state.

In the late 1970s, Collier and Collier argued for the necessity to “disaggregate corporatism” as a two-way political exchange between state incumbents and social groups. “Inducements” are those positive incentives, such as subsidies and the representational monopoly, which the state grants in order

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to attain cooperative behaviors from social groups, while “constraints” reflect state-imposed limits; for example, the prohibition of strikes and mandatory arbitration. Hence, state corporatism came to signify a situation where social groups are placed in a condition of high constraints and high inducements, whereas societal corporatism depicts a situation of low constraints and high inducements. Collier and Collier’s argument (1979) is by and large regarded as a conceptual improvement over the earlier views in a sense that the two types of corporatism are not viewed as two distinct evolutionary stages but rather as two opposing ends on a spectrum of a continuum that is subject of an ongoing transaction between the political rulers and social leaders. Moreover, “disaggregating corporatism” in this manner, helps with the disentanglement of the diverse features that are otherwise easily lumped indiscriminately. For instance, that action of obliging a worker to join a labor union (so-called compulsory membership) could be regarded as an inducement rather than a constraint as it eventually enhances the strength of working-class organizations even though the institutional framers might have originally intended to demobilize labor. Schmitter has subsequently argued that in the process of the creation of a vibrant civil society, the facilitation played by the state is more of a beneficial force than the one played by the liberal principle of voluntary associations.

Reasoning from a political exchange perspective, Collier and Collier’s work in the early 1990s shows how Latin American rulers managed to control the working class and their interactions during the initial stages of industrialization and thus, shaped the future trajectory of state corporatism. For instance, between 1937 and 1945, the Brazilian *Estado Novo* (New State) brought workers under the tutelage of a paternalist state, while the contemporary Argentinean Peronism

incorporated workers into a subordinate sector led by a populist party.

More recent studies focus on the decline of state corporatism, rather than its emergence. The waning of authoritarian control improves the bargaining power among the previously subordinate groups. The Mexican teachers’ movement shows the top-down mobilization linkage channels can be appropriated by dissidents (Foweraker 1993). Similarly, China’s official labor union is mired in a double-identity dilemma between political control and labor protection (Chen 2003).

Social movements with alliance to opposition parties and other civil-society sectors also contribute to the demise of state corporatism. “Social movement unionism” comes into stage with the emergence of “illegal” union activism during democratic transition that challenges both the authoritarian regime and its sponsored unions. The Brazilian *Central Única dos Trabalhadores*, the Congress of South African Trade Unions (Seidman 1994), the South Korean Confederation of Trade Unions (Lee 2011), and the Taiwan Confederation of Trade Unions (Ho 2014) represent cases of successful challenge. Yet, Schmitter accurately foresaw that labor in these newly democratized countries is still too weak to bring about societal corporatism.

SEE ALSO: Fascism; Social Movements, Nonviolent

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