Remarks on Corporate Liberalism and Associationalism

by Martin J. Sklar*

At the University of Wisconsin in the 1950s, I had the good fortune to be educated by a remarkable group of scholars, teachers, and fellow students, many though not all, members of the Department of History. My undergraduate major adviser was Robert A. Lively, and my graduate major adviser was Howard K. Beale. Also on the faculty, from whom I learned directly and indirectly in their courses or otherwise, were Fred Harvey Harrington, Merrill Jensen, William B. Hesseltine, Merle Curti, J. Willard Hurst, William Reynolds, Vernon P. Carstensen, Eugene P. Boardman, Hans Gerth, Henry Agard and Herbert Howe. Into this august company came, while I was there, Richard N. Current, David Shannon, John Hope Franklin, George Mosse, Thomas LeDuc, and William A. Williams. When I was an undergraduate, I had as graduate student mentors Herbert Gutman, Loren Baritz, and George P. Rawick. Carl Parrini and I were particularly close as undergraduate and graduate students and since then as colleagues. Later in the decade came Walter LaFeber, Lloyd Gardner, and Thomas McCormick. This was a great educational environment, and I have not mentioned all the names that may be familiar to many in this audience.

In his lectures, Robert A. Lively was already presenting perspectives, way ahead of the curve, that would erroneously become thought of later as having originated with "New Left Revisionism," especially with respect to the Progressive Era and the New Deal era. (It has occurred to me more than once that when it comes to historiography, historians are not good historians.

For one thing, they often simply suspend their usual rules of research and depend on secondary sources, strained memory, intuition, or plain old hearsay, gossip, and rumor. It is not surprising, therefore, that the "ironies" of historiography rival, and probably exceed, the "ironies" of history.) Howard K. Beale, already with a reputation as a "Beardian revisionist" and strong advocate of civil liberties and civil rights, also presented searchingly critical views in his lectures and publications; he made his seminars friendly to the development of critical perspectives; but, he drove us to primary research in whatever documentary catacombs we could get to, including those of the Wisconsin State Historical Society stacks where a whole bunch of now well-known veteran historians cut their research eyeteeth, and he upheld the essential distinction between science based on empirical research and sound reasoning, on the one hand, and ideology based, on the other hand, on hope and prejudice, however much claiming the mantle of righteousness and justice.

It was in Beale's research seminar that I encountered the young graduate student Ellis Hawley, from whom I have ever since been learning. At the time, he was presenting to the seminar research papers that would become the basis of chapters in his classic work, The New Deal and the Problem of Monopoly. The attentive reader will have noticed that Ellis gave eminence to Beale and Lively in his acknowledgments in that book. He dedicated the book to the memory of Beale, who had died before the book was completed and published.

Ellis was then, and remains, a person of few extraneous words, and even those few soft-spoken, and modest. The title of his first book manifests that modesty, for as I have always believed, it is a modest title, understating the subject of the book, which deals with much more than the Problem of Monopoly in the New Deal era. Rather, it deals with, and sheds penetrating light on,
such larger questions as: markets and planning, competition and cooperation, associationalism and collectivism (or corporatism), individuality and sociality, organized power and democracy, and in the final analysis, capitalism and socialism --and the mixture of all these characteristics, trends, and aspirations in American institutions, politics, policies, and thought. This is exemplified in one of his many telling formulations in the New Deal book:

... What actually happened was not the substitution of one set of policies for another, but rather a shift in emphasis between two sets of policies that had existed side by side throughout the entire period. ... [and] had long been inextricably intertwined in American history, and this basic inconsistency persisted in an acute form during the nineteen thirties. ... The New Deal reform movement was forced to adjust to this basic fact. The practical outcome was an economy characterized by private controls, partial planning, compensatory governmental spending, and occasional gestures toward the competitive ideal." (Pp. 489-490.)

Ellis's greatness was and remains his power of seeing the multifaceted dimensions of modern society as historically evolving and interrelating sets of social relations, social movements, traditions, institutions, ideas, and values--of rejecting mechanistic "contradictions" or dualities--the "either/or" --and embracing instead the difficulties, complexities, and ambiguities of "both/and," and yet making sense of it with coherent explication and interpretation, and always based on detailed primary research of his own. This has made him one of our most important and seminal interpreters of 20th century America.

At the time Hawley was working on the New Deal studies in Beale's seminar, I was working on the causes of the U.S. going to war in 1898 against Spain, an investigation that resulted subsequently in my first scholarly publication, on the N.A.M. and Foreign Markets on the Eve of the Spanish-American War, published by the journal, Science & Society, where the young historian Eugene D. Genovese was my editor--another great historian, a recent OAH President, from whom I and we all have learned, and continue to learn, much, and another person in the educational milieu of those years from which I so greatly benefited.
Thomas LeDuc, visiting at the University, took over the seminar at Beale's leave of absence, and suggested that I look into the Webb-Pomerene (Export Trade) Act of 1918. This led me to my investigations of the Sherman Act and "antitrust" in general, and also to Wilson and 20th-century American Liberalism, studies that I was writing and completing in their first drafts in 1957-59. LeDuc invited William A. Williams to sit in weekly at the seminar--Williams was on leave from Oregon using the facilities of the Wisconsin State Historical Society while putting together his 2-volume Shaping of American Diplomacy and working on his Tragedy of American Diplomacy. In those sessions, we students learned from Williams his emphasis on ideas, world-views, and their interrelatedness with modes of production and interests. We heard new perspectives on Hoover and other leading American political figures, as did many other students when Williams returned a year or so later as a faculty member of the Department of History at Wisconsin. In the meantime, I presented my Wilson essay (the one later published in 1960 in Studies on the Left) to the seminar presided over by Merle Curti (sitting in for Beale who was sick), and although received coolly by many of my student colleagues, it was received warmly by Curti, which gave me some needed encouragement.

In that essay, I coined the term, Corporate Liberalism, for better and for worse, and characterized it there as the outlook of a "social movement" that could be viewed as "the bourgeois-Yankee cousin of modern European and English social democracy." As such, I held that "the Wilsonian and Rooseveltian variants of Progressivism signified, if not the birth, then the coming of age, of twentieth-century U.S. liberalism," but that "a successful, comprehensive effort at analyzing precisely what Wilsonian liberalism or Progressivism was (and modern U.S. liberalism in general) has yet to be made"--thus setting an agenda for a few decades' work.
In my experience—and Ellis may tell us whether his was similar or different—the origins of the revisionist view of Hoover resided with Williams in his lectures and in both his Tragedy and his Contours of American History; also with Murray Rothbard’s treatment in his 1963 work, America’s Great Depression. But it was Ellis’s work on Hoover that, through meticulous documentary research and conceptual deftness, gave us an understanding of Hoover and of many larger issues that has decisively contributed to a revised and deepened understanding of 20th-century U.S. history, for which we are all in his debt—an understanding also displayed on a broader canvas in his masterful volume, The Great War and the Search for a Modern Order. His conceptualization and detailed historical explication of associationalism and "the associative state" as the alternative alike to laissez-faire and statism or state command proved of critical assistance to me in my agenda of inquiring into and cogitating upon modern U.S. liberalism—or Corporate Liberalism. Without here going through the aspects and phases of the development of my own thinking, let me indicate very briefly and in breathless condensation where I have so far come out, in the course of which the meanings I have derived from Ellis’s work may be apparent:

The rise of corporate capitalism in the very late 19th and early 20th century in the U.S. meant the incipient transformation of society. That is, the corporate reconstruction of American capitalism meant, also, the early phases in a socio-political reconstruction of U.S. society, along the hybrid lines of capitalism and socialism. The title of this presentation, "Corporate Liberalism and Associationalism," is a dry, abbreviated reference to this historical turning point in human affairs, at least in the United States. These years marked a period of the emerging "dialogue"—or interplay and interaction—in U.S. public life between capitalism and socialism, engaging reciprocally, both in conflict and complementarity, including the conflict and complementarity
of large social groups and classes, especially but not exclusively capitalist and working classes, as the essential reformational forces shaping modern U.S. society. The essence of the modern corporate reorganization of enterprise and markets, with its broader associational, public-policy, and governmental implications, and its prevalent mode of political consciousness in the U.S. --corporate liberalism--is the mixture, the intermeshing, of capitalism and socialism in a joint shaping of one and the same society. Another way of putting this is that the society in question here, U.S. society, presents us with this mixture of capitalist and socialist development taking place within and reshaping the political mode of a constitutional liberal democracy. The principle of positive government, as against state command, has strongly evolved within this constitutional order. In the United States, liberal democracy was less inclusive of all the people in much of the nation's history--the great exclusions being against African Americans and women--and became more and more inclusive as the 20th century wore on, especially since mid-century, coinciding with the rise and development of corporate capitalism and the capitalism-socialism mix. Corporate liberalism refers to the prevalent social-political movements in the United States oriented not only to making corporate hierarchies serve the purposes of efficiency, innovation, and growth, but also to social-reform and socialistic efforts at making corporate hierarchies serve the causes of equal rights, equal liberties, and equal opportunities in society at large. More generally, corporate liberalism refers to the prevalent social-political movements in the U.S., and their general outlook, that have joined together the capitalist-socialist mix and liberal democracy, and in doing so, constructed an associationalism in market and civic spheres, and strong positive government, as the prevalent characteristics of modern U.S. society, and as the effective alternative to an organizational corporatism or a corporate-state.
Ellis may part company with me—indeed he has in print—in believing I underestimate or neglect corporatist trends in modern U.S. history, and in disagreeing with my concepts of class, class hierarchy, and class relations, and also on many other matters, including the idea of an associational capitalism-socialism mix instead of an associational capitalism. Leaving these differences for airing in a roomier format, nevertheless, let me say once again that from Ellis's work I, like many others, have learned much, although Ellis may not think I have learned so well, or precisely as he would hope or expect. But that is a common headache, as I can attest from what others, including Ellis, seem to have learned, maybe little or much, but not so well, from my own works. Still I salute and thank him for his work as my teacher and colleague in the science of history.

Martin J. Sklar
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