

repealed, and trade union activity was decriminalized in the early 1870s. By the first decade of the twentieth century the labour movement had been integrated, via the Liberal Party, into the margins of the political mainstream.¹⁴ The expansion of the state's statutory authority, however, culminated in the policies of Lloyd George in the years before the First World War. In particular, this was reflected in the reform of the House of Lords (1911), which cut the veto powers of the Lords, in the 1909 budget which aimed to increase inheritance tax and in the cautiously labour-friendly packages introduced in the National Insurance Act of 1911 and the Trade Union Act of 1913. None of this is meant to say that in the imperial period the British state was not an inherently conservative state. Indeed, it is patently clear that in Britain in the imperial era the aristocracy possessed privileged access to the executive. However, it was a conservative state in which conservatism had fused with liberal statism at an early formative stage, and it was able independently to legislate against entrenched interests of conservative elites. Indeed, the fact that as early as the eighteenth century a preliminary variant on liberalism, Whiggism, had been able to assert itself in Britain as a potent outlook meant that by the imperial era liberal concepts of statehood were able to traverse and include a number of social groups, and most factions in society were prepared (notionally, at least) to accede to a concept of the state as an inclusive public order under general laws. In legislating positively over labour, then, liberal politicians were also able gradually to lower the inclusionary threshold of the political system in society, and internally further to solidify and generalize the state's foundation and to harden it against particular elites. To a greater extent even than that of France, the nineteenth-century British constitution provided for a strongly integrated state which was able to use political power at a reasonably high (although surely not unconstrained) level of autonomy and generality.

On balance, through the imperial period the strongest states (that is, the states able to apply their power at the highest level of general autonomy and inclusion and statutory positivity) were those states that possessed the most elaborate and embedded constitutional structure, usually containing, to a limited degree, inclusionary elements of mass democracy. States that fell short of semi-democratic constitutionalism normally encountered

¹⁴ On this gradual process, see Steinfeld (2001: 192); Curthoys (2004: 236). One historian has described the Liberal Party as 'the principal working-class party' in late nineteenth-century England (Tanner 1990: 19). On the importance of the partial integration of labour as a source of post-1918 democratic cohesion, see Luebbert (1987).

obstructions in their use of power, and they were only able to apply power in diffuse and selectively partial manner through society. Early democratization in the imperial era, in other words, was not a process that externally transformed already existing states: it was an internal dimension of the longer process of state building and political abstraction, and the construction of powerful and socially integrative states increasingly presupposed their inner formation around an early democratic model.

The First World War and the tragedy of the modern state

The transformation of statehood 1914–1918

If the revolutionary period 1789–1848 was the period of most intense state building and constitutional formation in modern Europe, the second period in which the foundations of modern statehood underwent expedited consolidation was the First World War. During the First World War, the integrative functions of modern statehood were dramatically extended, and states were forced to develop constitutional mechanisms to exercise their power at an exponentially heightened level of societal inclusivity and generalization. Indeed, it was in the course of the First World War, arguably, that the longer dynamic of state formation underlying the history of European societies approached completion, and states began to operate as evenly inclusive and politically monopolistic actors, forced to incorporate all members of society in broadly parallel procedures, and capable of mobilizing large volumes of power to sustain their functions.

Different European states experienced and were constitutionally affected by the First World War in a number of different ways. Manifestly, in the course of the war all European societies experienced a very steep increase both in the general density of statehood and in the volume of social exchanges regulated by and transacted through the state. This expansion of state authority was caused, first, by the fact that states were required to mobilize resources and manpower for the war. In consequence, the state's objectives of economic regulation and control grew to unprecedented levels between 1914 and 1918, and the level of state-sector employment and the number of governmental departments required to perform military and related functions of coordination rose in concomitant manner.¹⁵ Moreover, this broad increase

¹⁵ In the case of Britain, W. H. Greenleaf calculates that in 1914 there were twenty clerks for the purchase of munitions, and that in late 1918 the same office had a staff of over 65,000 (1983: 57).

in the political density of society also meant that states required more and more revenue, and monetary reserves were channelled through the state to a hitherto unimagined degree.¹⁶ As a result, the war brought deep changes in the fiscal regimes of most European states, it raised the capital requirements of states to levels unknown in pre-1914 societies, and it necessarily burdened different states with extremely high rates of public debt, and so forced them constantly to alter and maximize their sources of revenue.¹⁷ In addition to this twofold intensification of the public domain, however, European states were also transformed during the war by the fact that, in conjunction with their need to increase revenue, they were required selectively to direct capital (from both public and private sources) into sectors of the economy relevant for the war. In the latter stages of the conflict, in fact, they were called on directly to manage labour supply, to regulate industrial production and to negotiate with different parties in the production process. In this respect, states also began to act as integral partners of big business, and state officials assumed responsibility, for the sake of the war effort, for commissioning products and even for steering business policy and investment and directly shaping industrial design. This had the further result that state executives were required strategically to intervene in antagonisms arising from production, and they were expected in many instances to assume immediate powers of palliative arbitration in hostilities over production and military supply. The state, thus, became an effective party in industrial conflict.

The general outcome of this multidimensional expansion of state functions after 1914 was that European states – albeit with substantial national differences – dramatically elevated their levels of interpenetration with society, and the intersection of state power with previously private exchanges increased beyond recognition. Moreover, as they assumed directive and arbitral responsibility for production and labour-market regulation, European states widened their periphery to allow a range of new social groups, using different channels of influence, to assume influential political positions close to centres of power, and immediately to impact on statutes and public policy. For this

¹⁶ On Britain in this respect see Cronin (1991: 60–1). On Germany see Feldman (1997: 25–51). On Italy see Vivarelli (1991a: 429); Forsyth (1993: 101–24).

¹⁷ For Britain it is calculated that the internal debt was as high as £6,142 million by 1919 (Tomlinson 1990: 51). Britain, however, was relatively effective in covering wartime outlay through tax. It covered 20 per cent of expenditures through taxation. Italy covered only 16 per cent, whereas France and Germany covered less than 2 per cent, and financed the war through loans (Forsyth 1993: 69).

reason, traditional distinctions of status became less important, and the state's growing mobilization of society meant that it relied on and included different social groups more evenly and equally. In itself, however, the growing structural coalescence between the state and other parts of society had a series of further, more specific consequences.

First, for example, one result of the First World War was that political parties quickly assumed vital importance for the stabilization of national regimes. As discussed, in many pre-1914 states political parties had played a limited role, and the political apparatus had normally been constructed above the parties in the legislature, which, in consequence, were ordinarily marked by low levels of integration and organization and high levels of clientelism. During the war, however, the wider convergence of state administration and private activity meant that the influence of parties grew rapidly, and even states with under-evolved party systems began to depend on societal support mediated through parties: most states in the First World War experienced a very rapid transition from limited-constitutional to party-democratic statehood. For example, after the first mass elections of 1913, Italy saw the consolidation of a mass franchise, an increase in the professional organization of political parties and dramatically rising levels of societal politicization during the war. A similar tendency towards increased party organization, from a more advanced starting point, was evident in Britain. In Germany, likewise, the unity and influence of the Reichstag increased substantially after 1914, and by the end of the war, despite the unwillingness of the Kaiser to sanction a democratic constitution, parliamentary parties had begun semi-independently to organize a cross-party pro-democratic majority (Bermbach 1967: 41; Grosser 1970: 150). Notably, moreover, those political parties representing organized labour assumed particularly heightened utility for states during the war. These parties provided vital integrative functions for belligerent states by acting as mechanisms of societal mobilization, penetration and co-optation between the state and the industrial workforce: the channels of communication between socialist parties and political executives were substantially widened in most countries after 1914. In Britain, for example, members of the Labour Party assumed cabinet office during the war. Indeed, in Germany, although the Social Democratic Party had been strategically excluded from governmental office before 1914, socialist politicians were able to acquire ministerial office before the end of the war, albeit only as defeat loomed in late 1918.

In addition to the rise of political integration through mass-political parties, second, the First World War also had more concrete daily implications for organizations representing the labour force, and it widened the intersection between state and society in other ways. As they were required to mobilize organized labour for the war effort, in particular, many states introduced legislation that offered trade unions legal and material rewards for their commitment to the military economy. In some cases, such legislation even began to accommodate unions in a tripartite decision-making apparatus, combining delegates of labour, business and government, and it gave unions a powerful voice in public deliberations over industrial policy. Naturally, much labour legislation in the war was simply coercive, and it was designed to reinforce prerogative planning and high-intensity industrial mobilization (see Rubin 1987: 13). Yet trade unions were able to use wartime pressures to negotiate a more advantageous legal position for their memberships, and some pieces of legislation effectively incorporated union delegates in state planning. The classic example of this was the German Auxiliary Service Law of 1916, which at once aimed at full civilian mobilization and compensated unions for their support of the war by enshrining a powerful body of material rights (i.e. rights of coalition and collective bargaining) for the union members. Indeed, in Germany it was openly suggested through the war that a new system of economic management was in the process of being established, in which state, unions and business were densely conjoined as co-directive economic organs: some analysts even billed this as a model of 'state socialism' (Zunkel 1974: 31).¹⁸ However, the emergence of a diffuse system of socio-political co-optation was a characteristic, with variations, of all belligerent states. In France, for example, moderate unions were encouraged to found a system of shop-steward delegation to support the war effort, and instruments of conciliation and arbitration, based in a 'new relationship' between business and labour, were established to prevent strikes in sectors of production relevant for the war (Horne 1991: 15). In Britain, Lloyd George's Munitions Act of 1915 served simultaneously to apply coercive strategies to the labour market and to create more favourable preconditions for union bargaining.¹⁹ Even in Italy, where the war

¹⁸ Generally, see Feldman and Steinisch (1985: 19–20). On the political implications of the Auxiliary Service Law, see Kocka (1973: 115).

¹⁹ On France and Britain see Horne (1991: 15, 208, 219). On the Munitions Act and its coercive content see Northcott (1917: 213).

saw the implementation of very repressive restrictions on labour mobility, the bargaining position of unions was progressively reinforced and unions played an important role in daily government (Tomassini 1991: 85; Vivarelli 1991b: 127). In addition to their reliance on support from traditionally included private elites, therefore, throughout the First World War many European states were also obliged to secure support from organizations of industrial production, both in management and in the labour force. In many cases, belligerent states were compelled to underpin their increased regulatory operations by entering unprecedented relationships with entrepreneurs, labour parties and trade unions, and they began, at both a political and an economic level, to generate a framework for incorporating both organized business and organized labour in the extended peripheries of state power. It has tellingly been observed, in consequence, that the war created a 'precorporatist experience' in many European societies (Adler 1995: 90), in which the formal apparatus of state administration intersected in haphazard fashion with a dense web of private associations and bargaining parties. Throughout the war, in short, European states at once expanded the range and density of their power. Yet they were also forced to found their widening functional structure on sporadic bargains between social groups originally external to the state, and they entered complex material exchanges in order to support and apply their power through society.²⁰

Of further significance in this respect was the fact that the structure of European states changed during the First World War because the basic civil constituencies of states and political parties also experienced a dramatic alteration in the years of combat. Most obviously, as they were mobilized for the war (either in industry or at the front), the populations of European societies assumed a relationship of unprecedented *immediacy* to state power, and the war created societal settings in which members of different social strata and inhabitants of different regions encountered each other in relationships that were dictated by the state, that were relatively indifferent to societal status and private distinction and, vitally, that were unified by common hostility to military adversaries. The result of this was that, in many cases, the intensification and extension of state power in the war was accompanied by an incubated dynamic of socio-national homogenization or intensified *nation*

²⁰ The analysis proposed by Guido Mellis of the formation in Italy of a 'parallel' administration standing beside the 'state bureaucracy' is particularly illuminating in this instance (1988: 38).

building, in which the increase both in the evenness and the density of political inclusion was reflected in uniform patterns of emotional affiliation and societal convergence. This was especially prominent in more recently unified national societies, such as Italy and Germany, in which the war also drew people from previously unconnected regional locations into new experiences of proximity. The deep nationalization of European societies in the First World War, therefore, was closely correlated with the conclusive construction of the state as an evenly inclusive centre of political power, and the military intensification of political power after 1914 was formative for the final establishment of European nationhood.

In the First World War, thus, most European societies saw a dramatic leap in the density of statehood and in levels of social convergence around state structures. In most European societies it was only in the course of the war that the defining features of modern statehood – that is, the equal centring of society around state power and the even circulation of power through society by the state – finally became reality, and it was only through the wartime processes of mobilization and deepened inclusion that European states finally assumed the monopolistic capacity for transmitting power through societies in their entirety. The most pronounced overarching result of these overlaid processes, however, was that in European societies states finally approached a full monopoly of political power at a point in history at which this power was subject to dramatic transformation. The final formation of European statehood occurred at a moment when states were obliged exponentially to extend their functions, and principles of legal/political inclusion established in nineteenth-century polities no longer served to abstract political power and were no longer remotely sufficient to maintain and stabilize reserves of state legitimacy. Owing to the widening of the state periphery in the course of the First World War, specifically, post-1914 states were required to produce legitimacy by meeting expansive demands for the incorporation of citizens at once as material claimants, as participants in conflict over distribution processes in the economy and – significantly – as members of increasingly equal and intensely nationalized political communities. European states, therefore, finally assumed full legal and political centrality in different societies at a point where the inclusionary force of law alone was no longer adequate for the state's functions of political integration and generalization, and political inclusion presupposed ramified processes of material regulation and societal interpenetration. Indeed, it is of the highest importance to observe that the

consolidation of statehood in the First World War was widely effected, not only through material bargaining, but also through the use of prerogative military legislation: in each belligerent society the incorporation of citizens – both politically and materially – in the periphery of the state was conducted through the use of mandatory emergency laws, legitimized by provisions for the suspension of normal judicial procedures and constitutional rights in conditions of military mobilization. In Britain, as discussed, the mobilization of the workforce was accomplished by means of strict labour-market control. In Italy, likewise, exceptionalist decrees were used to mobilize and integrate the labour force (Tomassini 1991: 59). In Germany and Austria, most importantly, the period of combat saw a dramatic expansion of the scope of emergency laws, especially in questions of economic control.²¹ In the last years of the war, Germany was effectively governed by a quasi-dictatorial regime, in which executive power was substantially placed in the hands of the Supreme Military Command.

Throughout Europe, to conclude, the First World War generally created a societal conjuncture that had dramatically expansionist implications for the political system and ultimately fateful consequences for the longer and wider process of political abstraction underlying European state formation. First, the war meant that most European states assumed fully consolidated functions of statehood at a time when they were compelled to mobilize and integrate their constituencies in a number of different social dimensions. They were expected, not only inclusively to generalize their legal foundations, but also both to expand their allocation of material goods and, using corporate models, to co-opt and intersect with disparate private associations in order to pursue their allotted processes of inclusion. European statehood finally became a concrete historical condition at a historical juncture when its legal foundations were no longer equal to their functions, and the models of public law through which states had extracted their power from private activities had lost inclusionary purchase. In addition, moreover, the war meant that most European states first performed fully monopolistic functions of statehood by suspending the juridical patterns of self-restriction that had characterized the polities of the nineteenth century, and they were forced to secure their rapidly escalating functions of integrative control by abandoning the rights fabric which they had traditionally used for political inclusion and by pursuing a highly

²¹ On Austria see pages 300–1 below. On Germany see Boldt (1980).

coercive – or exceptionalist – application of legal power. In short, the First World War saw the emergence of a legal-political order in which European states obtained vastly increased, highly generalized and deeply inclusive reserves of political power. Yet it also gave rise to a legal-political order in which they were required to legitimize and apply their power by at once expanding and dismantling the (already precarious) reserves of legal inclusivity and autonomy that they had constructed before 1914. The construction of European states as fully inclusive actors coincided with an erosion of the legal and political structure through which they had initially approached a condition of relative abstraction and autonomy. The final formation of states involved a negation of previous patterns of selective inclusion, and it widely coincided with a reduction in the abstracted autonomy of political power.

The transformation of statehood after 1918

The end of the First World War did not substantially diminish the material density of European states, and it did not induce a return to more legally restrictive patterns of political inclusion. On the contrary, the heightened co-ordinating and integrative functions accorded to wartime states were substantially carried over into the constitutional structure of the states formed after 1918. At a most obvious level, after 1918 all major belligerent states reacted to their rising levels of inclusivity by finally establishing a constitutional order according full legislative power to an elected parliament. After 1918, thus, all major belligerent states completed the representative inclusion of their male constituents, and they ascribed high prominence to political parties. In addition, however, most post-1918 European states were exposed to further events that created additional inclusionary pressures and expectations. Indeed, the aftermath of the war gave rise to a series of processes that placed additional integrative burdens on European states, and led to a further expansionary transformation of European statehood.

First, for example, the armistice of 1918 stimulated a large wave of unemployment in much of Europe, as, in economies that were already full of surplus labour caused by demobilized soldiers, companies that had either expanded too rapidly in the war or were bloated on public funds were suddenly forced to shed jobs, so that many people required material support. Second, the Bolshevik revolution of 1917 spread alarm through western European governments, and it fostered anxiety that failure effectively to sustain the system of material integration instituted

during the war would have deeply destabilizing consequences, and might cause Bolshevik-style uprisings outside Russia. Many European states in fact experienced short-lived communist experiments after 1917. Examples of this were the short-lived Soviet Republic in Bavaria founded by Kurt Eisner in 1918, other communist insurrections in many German cities in late 1918 and the revolution led in 1919 by Béla Kun in Budapest. More generally, third, most European societies witnessed very high levels of industrial agitation after 1918, and even in under-developed capitalist economies the stability of capitalism as the primary mode of economic organization was intensely imperilled.²² The combination of these events had the outcome that the states emerging from the First World War were required to perpetuate their already highly charged functions of material inclusion, and they were forced to extend the quasi-corporate structures developed in the war in order to palliate economic hardship and to assuage apprehension about the revolutionary proclivities of their constituents.

In most European states, in consequence, the conditions after armistice led to a continuation of the techniques of social inclusion and control devised in the war. In some states, this occurred through relatively restricted (although still vitally significant) political reforms, which selectively retained some aspects of the wartime political apparatus to bring towards completion a process of political enfranchisement that had already reached an advanced stage before 1914. Britain, where the division of the Liberal Party created an opening for a slow and more consistent inclusion (or at least appeasement) of the labour movement, was a key example of this pattern.²³ In Britain, rising demands for material inclusion caused by the war were softened in part by the already powerful absorptive function of political parties, and the British state was able to adapt to a substantially extended political franchise and a consonant rise in the power of labour without a fundamental transformation of its structural and legitimating foundations.²⁴ In other post-1918 societies, however, the dynamic of rapid political and material inclusion driven by the war gave rise to a process of constitutional transformation

²² For example, after 1918 Spain had the fourth-highest level of industrial unrest in Europe (Martin 1990: 211).

²³ On the social reforms pioneered by Lloyd George to consolidate and extend the 'wartime consensus' after 1918, see Morgan (1979: 109).

²⁴ For example, the Lloyd George Liberals saw the extension of the franchise as a chance to expand their influence through a progressive but anti-socialist platform (Cowling 1971: 224).

that substantially redefined the established limits and substance of statehood and necessitated rapidly revised sources of legitimacy.

In Italy, although the Statuto Albertino of 1848 remained in force after 1918 as the *formal* state constitution, the *material* constitution of the state was thoroughly altered during and after the war. This reform process had begun, as mentioned, with the franchise extension of 1912, and it continued with the institution of universal male suffrage in 1918. Through these rapid electoral reforms, the founding structure of the Italian state was deeply modified, and the inclusion of new social sectors in the political process, especially after 1918, brought an influx of new parties and politicians into parliament, which led to a full democratization of the political system and the abandoning of policies of *trasformismo*. Beginning with the 1919 elections, parties elected by national majorities assumed responsibility for forming the state executive, and the integrative role of parties, as organs for structuring and representing interests in civil society as a whole, expanded significantly. Owing to the parliamentary influence of the Italian Socialist Party (PSI), moreover, after 1918 the legal functions of the state were challenged by the fact that trade unions obtained access to state power, and they used this access to demand the continuation, under a democratic order, of elements of the wartime system of corporate political economy.

In this regard, it needs to be clearly stated that, unlike, diversely, Germany and Spain, post-1918 Italy did not experience a fully corporate revolution, and it did not obtain a constitutional system founded in corporate/material rights. Nonetheless, in the aftermath of the war it was vocally demanded, across divergent points on the political spectrum, that the liberal constitutional state in Italy should be expanded to include a material/corporate dimension, and the state should respond to its growth in political inclusivity by granting material and collective rights to economic actors, and even by extending its foundations to include full democratic control of the economy (Adler 1995: 123). On the political left this view was associated with the revolutionary syndicalist movement: theorists such as Sergio Panunzio, who later followed Mussolini into the Fascist movement, had in fact argued before the war that the modern state, promising political rights to an industrial workforce, could only preserve legitimacy if it evolved a corporate constitution – that is, a constitution able fully to incorporate the workforce in the state and to generate legitimacy by assuming and preserving an integral identity between state and society (Roberts 1979: 67). Subsequently, principles of reformist syndicalism assumed deep significance for the trade union