

# Economic Fascism and the Power Elite

*Written by David S. D'Amato for Mises.org.*

The state—the organization of the political means—is the institution that allows an idle, unproductive class of parasites to live at the expense of ordinary, working people, whose means are industrious activity and consensual exchange in the marketplace. We ought not assume, however, that the indigent segment of society, those who receive social welfare aid from the state, are necessarily foremost among the parasites of the political means. Rather, free-market libertarians from Albert Jay Nock to Murray Rothbard and Butler Shaffer have demonstrated that in the statist economy of theft and wealth redistribution, it is the elite—powerful, entrenched commercial players—who most benefit. Historically and empirically, this phenomenon of elite command of the apparatuses of government is readily apparent and unmistakable in its expression, particularly as regards the twentieth-century American economy. Economic historian Robert Higgs has argued that the American economy developed into a variant of corporatism or “tripartism,” an economic fascism defined by formal collusion between certain key interests and various arms of the state. “Corporatism,” writes Higgs, “faces the problem of factions directly; in effect, it resolves the problem of the people versus the interests by forthrightly declaring that the interests, when properly organized and channeled, are the people” (emphasis added). Like every permutation of the authoritarian idea, the corporatism described by Higgs attempts to submerge the individual within the anatomy of the leviathan state—of which we must now regard many nominally “private” actors as a part.

[Read the full thing »](#)