

I. PARETO'S THEORY OF ELITES

1. *Who are Elites.*

Pareto's theory of Elites is based on some ideas which for him have the value of axioms. He differentiates very definitely in his opinions about men. He feels that, "As men are of different physical strength and different mathematical of poetical talent, so they differ in respect of economic ability, general intelligence and fitness to rule"¹. This, indeed, is an important part of his theories as, of course, environment can not always be responsible for certain differences among individuals who have been brought up in a similar way. If so this theory is alone strong enough to invalidate any system based on the elimination of all natural differences among people.

Vilfredo Pareto also, "assumes that the economic, political and social gradation of society corresponds to the natural differentiation in abilities"². This does not mean, however, that the individual with the greatest abilities will reach, because of them, the highest political, social and economic levels; or that the individual who reaches these levels is the one who is most dedicated to his fellow men. What he really means is that those who manage to succeed are the individuals who use in such a way their abilities that they acquire wealth regardless of the means toward that goal. Thus, in a society without high ethnical standards, the men who are marked for success are the ones who are dishonest. Lack of honesty is to be used if this is expedient. The individuals who have reached the top appreciate that.

But can it be true that elites — individuals who manage to reach the top — are succesful only because of economic considerations ? And can this be so at all historic periods and in any country ? Yes ! says

1. Borkenau Franz, *Pareto* (John Wiley & Sons, Inc., New York, 1936) p. 106.

2. *Ibid.*, p. 107.

Vilfredo Pareto. No! answers his critic, Franz Borkenau. He seems to believe, that, "As to the past, it has been proved that no tribe is without some sort of dominant power-chief of elders or medicine men-and this quite irrespective of their economic organization"³.

2. *Biological and Social Factors in his Theory.*

Elites are those men who dominate their contemporaries. V. Pareto, "treats domination as a natural, quasi-biological, fact arising out of the existence of a group specifically talented for domination ... If domination is mainly a result of natural, biological differentiation, then the rulers must represent some sort of higher race ... The main point is that the dominating class is supposed to dominate on account of inherited attitudes, and that this is believed to be a sufficient explanation of domination"⁴.

If, however, this is true, then why all aristocracies degenerate sooner or later? Pareto explains away the social factors and offers his biological explanations in order to substantiate his theory. The elites, he says, were born to be elites and to rise to power regardless of the social, political or other circumstances. On the other hand, Borkenau gives full credit to the social circumstances for the creation of the elites. It is not, he says, their inherited biological superiority. It is the strength which suffering gives the oppressed people and the drive and determination to overcome the obstacles which stand in the way to power. After they succeed to become the leading class, they become conservative, they lose their drive and they become decadent. This is the beginning of their decline. Borkenau's is a sociological interpretation.

Also, if Pareto is correct then the income of people must correspond to their intelligence I.Q. But we know that this is not so, as, "biological aptitude is not the essential fact in the distribution of wealth"⁵. Elites, "living in a milieu of activity and enterprise do not decline ... as can be seen from the longlasting strength of the aristocracy of Venice. But aristocracies which are spared hard struggle, decline. Not the biological but the social factor seems to be paramount"⁶. Another example in favor

3. *Ibid.*, p. 110.

4. *Ibid.*, pp. 115-116.

5. *Ibid.*, p. 120.

6. *Ibid.*, p. 117.

of the social rather than the biological factor is that of the Prussian military aristocracy which maintained its vigor by being engaged in continual warfare. We can also point to the case of the *Yenissaries* who, were the bravest soldiers of the Ottoman Empire (mostly christian children abducted, at a very young age, and brought up as Turks), and who became so powerful, that they managed to get approval to get married. After this was done they forced the Sultan to allow their sons to join their elite group. This brought about the end of the *Yenissaries* and contributed, to a degree, to the decline of their State. Naturally, after they became too strong and comfortable they lost their drive for new wars, and their sons, who were not biologically different from their fathers, had even less desire for further conquests.

3. *Economic and Political Factors.*

Pareto states that, "where the fit are artificially hindered from climbing, there the biological and the social differentiation cannot coincide" ⁷. This, if true, can be used as a good point in favor of socialism, as, of course, in liberal societies, there is less competition because of the institution of private property. Therefore liberalism is not exactly what Pareto would hope for. Yet, he was not found to be in disagreement with early liberalism. This, according to Borkenau, was because of the existence of "one common feature between early liberalism and Pareto's theory of the elites ... the biological determination of social facts" ⁸. Both Pareto and the early liberals were against legislative interference in the formation of a leading group. Both were in favor of a free economy. Even, later, when liberalism lost ground, Pareto remained liberal. His liberalism, however, was "anti-Utopian ... His concept of the best social order corresponds to the liberal concept, but the belief that it will be attained has vanished" ⁹.

There was a biological element in the theories of the orthodox liberals. Thus, Pareto was for a while of the opinion that an economy of free trade would contribute to his system's success. When this did not turn out to be so, he felt, perhaps, that it was too late for him to go back

7. *Ibid.*, p. 121.

8. *Ibid.*, p. 125.

9. *Ibid.*, p. 125.

completely. When his belief in free trade, as the cornerstone of economic prosperity, was frustrated, with the Italian government's actions in favor of state intervention, he decided to retire from public life. This retirement was terminated when he accepted an offer to teach Political Economy at Lausanne University.

II. HIS CIRCULATION OF ELITES

1. Pareto and his Contemporary Italian Political Scene.

Vilfredo Pareto was a good student of Italian, Roman and Greek history. He took an active part in the politics of his day. Still, he did make a serious mistake. He wanted to form a political system of theories, based in the Italian experience, through which to explain and, possibly, guide events taking place elsewhere. This, of course, could not be done. Pareto's father was a disciple of Mezzini. Mezzini's followers had been, "fervent republicans, democrats, humanitarians; believers in progress, in the harmony of all interests, in the natural goodness and perfectibility of human nature, in nationalism but also in international collaboration" ¹⁰. Pareto did not share these opinions; indeed he was very intensely against them. In his *Sociologia generale*, "this boiling hatred, contempt and disgust of the Mezzinist ideals is to be felt almost in every page ... As sooner as humanitarianism is in question, all moderation disappears from his work. He never mentions it without adding some insulting or abusing term. This antagonism to those ideals which his father held has dominated all his problems, all his research and all his solutions" ¹¹.

Was Vilfredo Pareto a Fascist or not? A definite answer can not be given as he died only one year after Mussolini took over the government. It is, however, a fact that Mussolini admired him greatly and loaded him with very high honors. He is considered as a precursor of Fascism.

2. "Speculators" and "Rentiers".

Pareto thought that it would have been wonderful if the elites

10. *Ibid.*, p. 10.

11. *Ibid.*, p. 11.

could move about freely so that the capable would rise and the incapable sink. He tried to discover what made some people decadent and other people full of drive and determination and what caused them to move from one group to another.

He distinguished and identified two types. They were the elite "speculators" and the elite "rentiers". Between them there was an important difference. The "speculator" was always after new wealth and new economic combinations, while the "rentier" had a "fixed income" and lived within its limits. Two kinds of societies resulted from them. The society of "speculators" was religious, military, conservative and used force as its method. The circulation of elites is slow, economic stimulus weak. In the opposite case economic interests supersede military ones. The costs of government are high, but so is economic stimulus, the conservative virtues decline and finally the leading class, degenerating into humanitarianism, proves unable to keep the political power"¹². Pareto is certain that, "there is a continuous change between these two forms of government"¹³.

Pareto meant by "speculators" the irresponsible and undesirable elements in a "democratic" society, who would not stop before any means or methods in order to enlarge their wealth and fortunes, at the expense of the class of "rentiers". By "rentiers" he described many groups of people, such as employees, small businessmen, labourers, farmers who were forced to live within the limits of a fixed income. One could easily understand the hatred which this group felt for the "speculators" who by different manouvers and combinations, and by playing the stock market, could jeopardize the happiness and economic well being of their class. The "rentiers" would be the first victims in any economic crisis.

So perfectly convinced was Pareto that these two groups were taking turns in government, that he was ready to explain history itself in terms of the struggle between them. This way while he was accusing the Italian socialists of being one sided in their effort to explain history in terms of the conflict between capitalism and proletariat, he, himself, was committing a similar error. Unlike the socialists, however, who believed that eventually the proletariat would emerge triumphant in its class struggle, Pareto felt that the "speculators" and the "rentiers" would always alternate in governing their countries. He felt that this was obvious by the fact, that this cycle of change occurs frequently

12. *Ibid.*, p. 130.

13. *Ibid.*, p. 130.

is ample evidenced in the pages of history, for 'history is a graveyard of aristocracies'¹⁴. The elites can not survive indefinitely as they, "are not like thoroughbreds among animals, 'which reproduce themselves over long periods of time with approximately the same results'. Hence a society that maintains itself is characterized by a circulation of the nonelites upward to take the places of the elites or of the descendants of the elites who have become nonelites. Thus Pareto has involved 'a societal cycle' theory of considerable merit"¹⁵.

Pareto's theory had, in his mind, the strength of a metaphysical belief such as Nietzsche's "everlasting cycle of happenings". This went together with his opinion that secure and stable incomes were of primary importance and that social legislation was only part of this greater picture.

Pareto's analysis of Italian politics is not a very objective one. Still, one can get from it a good idea of how things were before Mussolini's rise to power. And the question which one wants to examine is this: Is parliamentary democracy the perfect ground for the success of the "speculators"? Borkenau states that, "there are other types of democracy, such as Switzerland, where the influence of 'speculators' is relatively weak"¹⁶. At the same time it is true that autocracies are not without them either. "Democratic France had Panama and Dreyfus, but the absolute monarchy had John Law, and even St. Joan was financed by Jaques Coeur, who in reality held the reins of the Kingdom ... it is definitely wrong to say that it is the spirit of the speculators which creates wealth. 'Speculators' is not meant in its literal sense by Pareto. It means the type ever inclined to try new combinations"¹⁷.

Professor Pitirim Sorokin, of Harvard University, had this to say about Pareto's theory, "Pareto shows the principle methods through which aristocracy of plutocracy tries to keep its position. Such methods are extermination, imprisonment, bribery, corruption, and the elevation of the possible and dangerous leaders from the lower classes"¹⁸. Professor Sorokin had, also, this criticism to add, "Pareto's theory of social circu-

14. *Ibid.*, Hinkle, R.C. and G.U., *The Development of Modern Sociology* (Doubleday, New York, 1954), p. 50.

15. Bogardus, E.S., *The Development of Social Thought* (Longmans, Green and Co., London etc., 1940), p. 512.

16. Borkenau, F., *op. cit.*, p. 137.

17. *Ibid.*, p. 137.

18. Sorokin, P., *Contemporary Sociological Theories* (Harper and Brothers, N.Y., 1928), p. 158.

lation is too general and inadequate. It needs many corrections and much development" 19.

Common points could be found perhaps, also, between Pareto and Hegel in connection with their cycles-theory of history. But Pareto is superior to Hegel on at least one point. His social pessimism. This has protected him from the error of believing that his theory was the greatest achievement of human thought. Naturally, neither Pareto's nor Hegel's theories could be put through a "crucial" experiment.

3. *Historical Examples as Illustrations of his Theory.*

Pareto believed in force as a political weapon and had formed the opinion that many political leaders lost their power because they (for reasons of weakness of humanitarianism) did not use it when necessary. But this is not so. There have been leaders who used power and lost and others who did not use it simply because they could not.

The use of force did not prevent Great Britain from loosing the American colonies. And bloodthirstiness and violence did not prevent the overthrow of the Tsarist regime. It is, "quite evident, that the application or renunciation of force has nothing to do with the psychological qualities of the rulers" 20.

It also true that there have been rulers who lost their power because they hesitated to use force, although they had used its on previous occasions. Robespierre did not act on the night of the 9th Thermidor, Mussolini hesitated long enough to be captured by the partisans, and Peron invited his "descomicados" to help him destroy his opposition but, suddenly, he left Argentina. Why did they act this way? Did they loose their courage? Did they become «humanitarians» or, perhaps, by giving up, they thought that their opposition would treat them with more kindness? It is significant, "that all these examples are rather illustrations than proofs of Pareto's theory, and there is not one of them which could not be interpreted in a very different way" 21. Pareto's theories are not those of a detached researcher, but of a violent political partisan. Fascist or not, he certainly hated democracy and, in his private dictionary, "humanitarian" meant decadent.

19. *Ibid.*, p. 62.

20. Borkenau, F., *op. cit.*, p. 145.

21. *Ibid.*, p. 151.

It has been written that, "In the last analysis, Pareto's is a societal philosophy, social ethics, and philosophy of history rather than sociology" ²².

III. PARETO IN COMPARISON TO OTHERS

1. Pareto and K. Marx.

The cornerstone in Pareto's theory of the elites is his belief that human domination is natural and will always exist because certain individuals are superior to others, for biological reasons, regardless of the existing political and economic conditions.

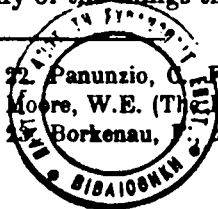
This, of course, is anathema to Marxist dogma, according to which biological laws have nothing to do with domination and exploitation. The Marxists believe, on the other hand, that the bourgeoisie managed to exploit the proletariat, for historical, political, and economic reasons. After the "revolution" this existing situation will come to an end, and class domination will disappear, together with the classes. This was a direct challenge to Pareto's theories.

After the Russian Revolution, both Trotsky and Lenin, especially Lenin, believed that, soon, even the Soviet Russian State would disappear "and instead of domination of men over men, there ... remain only the domination of man over things, in the sense of a technical administration of industry" ²³.

Today we know that both Marx and Pareto were not proven right in regard to the Soviet experiment. Economic domination did not, as Pareto thought, prove to be a natural fact. Although Soviet Russia can not boast of complete income equalization, still, there does not seem to be any economic exploitation. On the other hand, Marx was not proven right either, because, even though the communist regime is firmly in control of the country, political domination has not vanished. Indeed, if Karl Marx were to be back today, he would hardly recognize as Marxist many of the things that go on in Russia.

²² Panunzio, C. From, *Twentieth Century Sociology*, edited by Gurvitch, G., and Moore, W.E. (The Philosophical Library, N.Y., 1945), p. 643.

²³ Borkenau, J. *op. cit.*, p. 176.



2. Pareto and A. J. Toynbee.

There are, also, perhaps, some common points between Pareto's theory of "cycles" and Toynbee's theory of "long and short cycles", which are continually re-adapted on higher levels. This time, it is Pareto who is hopeful in his pessimism, as he appears to believe that Fascism will solve some of the significant problems. On the other hand, there is no hope, at all, in Toynbee's thinking. Toynbee and Pareto have also something else in common. Toynbee, concentrated his studies on one civilization; the Greek. Pareto, specialized on one civilization also; the Roman-Italian. This was both good and bad. Good because being experts on one civilization they could evaluate better, and bad because they both tended to examine the problems of other civilizations with the criteria of the one they studied.

Toynbee and Pareto do not agree also about the use of force. Pareto feels that the use of force, by the elites in power, is permissible. No! says Toynbee, "no organization based upon force can continue forever"²⁴ But Toynbee was, all together, a different man than Pareto. He "was a rich man, desirous of enjoying the material and the spiritual pleasures of life"²⁵. Well, if "truth is beauty" as J. Keats once wrote, this seems to be more true, and therefore more beautiful, than his mysticism. The important thing, after all, is to bring beauty in our actual life while we are still in this world.

Also, there can not be any scientific proof about either Pareto's theory of the elites, alternating in power, or Toynbee's, about civilizations succeeding each other. Both Pareto and Toynbee, however, tried to make a scholarly analysis of human history. They tried to examine, in a most profound manner, what makes human history what it is. They asked themselves if there are determining factors or just sheer change. And they both went a long way in their search of the functions of historical change.

24. Feibleman, J., *The Revival of Realism* (The University of North Carolina Press, Chapel Hill, 1946), p. 188.

25. Borkenau, F., *op. cit.*, p. 15.