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SOVIET AND MARXIST THEORIES OF ACCUMULATION

BY

NICHOLAS N. KOZLOV  
BA, The American University, 1976

DISSERTATION

Submitted to the University of New Hampshire  
in Partial Fulfillment of  
the Requirements for the Degree of

Doctor of Philosophy

in

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May, 1988

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ABSTRACT

SOVIET AND MARXIST THEORIES OF ACCUMULATION

by

Nicholas N. Kozlov  
University of New Hampshire, May, 1988

The theoretical conceptions of capitalist economy held by socialists are surprisingly neglected in efforts to explain socialist political practice. Most explanations of politics, including those offered by Marxists themselves, emphasize personal, ideological, etc., factors. By providing a 'theoretical economic history' of the mainstream Marxist labor movement in the years roughly 1860-1930, this study contributes to an inductive justification for the claim that the theory of capitalism implicitly or explicitly held by Marxist politicians is a considerably more important determinant of their political conclusions than is generally admitted.

After a relatively concise treatment of the First and pre-war Second Internationals, in which the general methodological approach will be revealed and some more or less minor errors of interpretation by various analysts will be corrected, attention will shift to the Third International in the years prior to the advent of fascism in Germany. The usefulness of theoretical economic history will be most forcefully evident here, as it will be demonstrated that the

politics of the Third International, contrary to most accounts, are not primarily rooted in factional struggles within the Russian party, the general economic/political problems of socialist construction in Soviet Russia, Stalin's personality, etc. Rather, it will be shown that the key transformations of the Third International's political orientation derived from the prevailing theory of capitalism in communist circles.

## INTRODUCTION

The elaboration of an adequate economic theory of capitalism has been a central feature of the Marxist project (the work of Karl Marx and his followers) ever since Marx himself together with Frederick Engels decided "to settle<sup>1</sup> accounts" with their philosophically grounded outlook. From the outset, the concern with economic theory has involved more than the mere satisfaction of intellectual curiosity about the nature and dynamics of capitalist economy. In good measure, Marxists have traditionally desired a scientific theory of capitalism as the pragmatic prerequisite for elaborating a concrete strategy and tactics for the advance to socialism, i.e., to root their conception of this advance in something other than the propagandistic notion of socialism as an ethical ideal. This has been true of Marxists with quite diverse orientations.<sup>2</sup> As such, most Marxists would probably not object to assigning an important role to the development of economic theory as an explanation of the progress of Marxist political practice.

This study will be a 'theoretical economic history' of the mainstream Marxist labor movement in the years roughly 1860-1930, i.e., encompassing the First and (pre-war) Second socialist Internationals and the Third International (or Communist International or Comintern) in the period up to the advent of fascism in Germany. The term 'theoretical economic history' designates a method in which the principal

objects of analysis are the competing theoretical conceptions of capitalist economy holding sway over political agents. The critical analysis of these theoretical conceptions then becomes the primary instrument for the organization and comprehension of historical events as such, including the 'choices' made by individuals. The general usefulness or sensibility of this approach will not be defended a priori--<sup>3</sup>superb accounts of realist methodology are elsewhere available. Rather, this study seeks to provide some inductive support for the writing of theoretical economic history (at least for the specific example under consideration) by demonstrating how this approach can clarify and rectify ambiguities and errors produced by the 'standard'<sup>4</sup> histories.

The principal claim advanced herein is that the theoretical conception of the capitalist economy held by socialists at any particular moment is a considerably more significant determinant of their political conclusions than is generally admitted, and that therefore these theoretical conceptions should be accorded prominent status in any effort to explain socialist political thinking. The usefulness of this approach will become most forcefully apparent in the contrast between the First and Second Internationals on the one hand, and the Third International on the other.

\* \* \*

Among the political issues confronted by the First and Second Internationals was the problem of working class in-

ternationalism, i.e., the problem of whether and to what extent workers in different countries would be able to overcome nationalist strivings and stand in solidarity as a class against the bourgeoisie. The outbreak of World War I put an end to any illusions that proletarian internationalism was a given, as masses of workers, without apparent reluctance, went forth to slaughter one another in the name of the fatherland.

Let the notion of proletarian internationalism at this point refer to the more or less well-defined claim that to be a proletarian (propertyless wage-worker) implies some form of solidarity or commonality of interests with other workers that transcends national boundaries. Such a notion of working class internationalism can plainly be seen to antedate (and of course overstep the bounds of) the emergence of a specifically Marxist section of the working class movement.<sup>5</sup> Nonetheless, it does not seem unreasonable to venture that the most unambiguous claims about the basis for proletarian internationalism stem from the thinking of Karl Marx and Frederick Engels. Since the time of the writing of the Manifesto of the Communist Party, the slogan "The working men have no country" has come to be either vilified or<sup>6</sup> revered, depending on political perspective.

Even a cursory survey of the literature in the Marxist tradition, however, shows that it would be difficult to ascribe a specific content to the term 'internationalism', since its practical meaning has ranged from the very strong claim that proletarians cannot be persuaded to participate

in imperialist wars to the much weaker notion that workers in one capitalist nation do not materially benefit (suffer) from the greater (lesser) exploitation of workers in another capitalist nation or colony.<sup>7</sup>

The first two chapters of this study will serve to show that (by and large) the political leadership of the Second International failed to appreciate a crucial feature of Marx's theory of capitalism, viz., that any effort to formulate a general (in the sense of universal and non-contradictory) material-economic basis either for the necessity of proletarian internationalism or its necessary absence, even in the weaker sense of the term, is misplaced. An understanding of the prospects for working class internationalism must be the result of analysis rather than an assumption, or a concept present throughout the analysis in an untransformed state from start to finish, or a 'fact' given by history. Consequently, internationalism should be viewed as a political program to be realized, rather than an objective economically determined 'condition' in which the proletariat either does or does not find itself. The corollary suggests that historically observable lapses in international working class solidarity are not to be explained solely by reference to the political and ideological levels of the social structure. Rather, uneven and contradictory determinations affecting working class relations can, and indeed must, also be conceived at the economic level itself. This is most emphatically not a denial of the significance

of politics and ideology for a complete analysis. The point is that uneven and contradictory tendencies should be expected to operate not only between levels, but within levels as well.

The bulk of this study will be devoted to the Third International, insofar as this will be where the approach adopted herein yields the most striking and controversial results. The great historical advance of the Third International consisted in the practical recovery of the insight (into the contradictory and complex economic determinations of politics) only gradually arrived at by Marx over the course of his theoretical and political activity. With the founding of the Comintern in 1919, there was a radical displacement of the conditions in which the internationalism controversy had up until then developed. The strict organizational imperatives of the Third International (more on these later) purposely rendered membership by uncommitted internationalists for all intents and purposes impossible. But recognition of the non-deterministic nature of politics masked a significant shortcoming. Political disagreements within the Comintern, and disputes between the Comintern and reformist working class organizations, were implicitly explained by or ascribed to ideological factors. In other words, the theory-dependence of political conclusions was not clearly and unambiguously recognized.

This practical failure has, not surprisingly, been reproduced in the historical accounts of the Third International. Many if not most Marxist and mainstream explanations

of the crucial 'left turn' (supposedly around mid-1928) in the political orientation of the Comintern maintain that the left turn in Soviet domestic policies was merely transmitted to the Comintern's international policy and/or that the left turn stemmed from the triumph of Joseph V. Stalin's faction in the struggle within the Russian Communist Party (bolshevik), the RCP(b).<sup>8</sup> The third chapter of this study will rectify such conceptions by showing that the origins of the left turn considerably predate Stalin's ascent to power and surprisingly must be ascribed to the theory of 'capitalist stabilization' associated with Nikolai I. Bukharin. The few Marxist writers who appear to take seriously economic theory as a significant explanation of political conclusions will be subjected to critical scrutiny, from which it will be seen that their references to the importance of economic theory in Comintern thinking either miss the mark or are more gestural than analytical.



## Notes to Introduction

1. This break with a philosophical conception of history took place, by Marx's own account, in 1845 with the writing of The German Ideology. Karl Marx, A Contribution to the Critique of Political Economy (New York: International Publishers, 1976), 22.
2. See for example the Manifesto of the Communist Party, written jointly by Marx and Engels, the entire third section of which is a critique of non-scientific socialist thinking. Karl Marx and Frederick Engels, Collected Works vol. 6 (New York: International Publishers, 1976), 507-517. See also Frederick Engels, Socialism: Utopian and Scientific (New York: International Publishers, 1975); Lucio Colletti, "Marxism: Science or Revolution?" in his From Rousseau to Lenin (New York: Monthly Review Press, 1974); Roy Medvedev, Leninism and Western Socialism (London: Verso, 1981).
3. A readable survey is in A.F. Chalmers, What Is This Thing Called Science? (St. Lucia, Queensland: University of Queensland Press, 1979), chapters 10-12. Also David-Hillel Ruben, Marxism and Materialism: A Study in the Marxist Theory of Knowledge (Sussex: The Harvester Press, 1979); Gregor McLennan, Marxism and the Methodologies of History (London: Verso, 1981).
4. Rather than providing a general survey of the literature at this time, each chapter will discuss those writings specific to the subject matter of the chapter.
5. For a brief survey of pre-Marxian socialism, consult the early chapters of G.D.H. Cole, A History of Socialist Thought vol. 1 (London: MacMillan, 1967). Note that many staunchly conservative--and in truth nationalist--North American trade unions continue to carry the word 'international' in their titles.
6. Marx and Engels, Collected Works vol. 6, 502.
7. The 'strong' claim was prevalent in the pre-1914 Second International, a federation of Marxist and progressive political parties and trade unions founded in 1889. The 'weak' claim forms the basis of 'modern' internationalist thinking, well represented by the work of Charles Bettelheim. See his debate with Arghiri Emmanuel in the appendixes to the latter's Unequal Exchange (New York: Monthly Review Press, 1972). See also Arghiri Emmanuel, "The Delusions of Internationalism," Monthly Review 22, 2 (June 1970); Michael Kidron, Capitalism and Theory (London: Pluto Press, 1974) claims a privileged, even exclusive, role for the Western working class in the socialist revolution.
8. Consider for example Isaac Deutscher, Stalin: A Political Biography (New York: Oxford University Press, 1967), 403.

## CHAPTER I

### KARL MARX AND FREDERICK ENGELS

#### A. Descriptive Assessments of the Accumulation Process and Capitalist Development

The founders of scientific socialism, Karl Marx and Frederick Engels, were of course supremely concerned to analyze the conditions of the working class movement, nationally as well as internationally. At first sight, it might appear that both Marx<sup>1</sup> and Engels considered that the process of capital accumulation would simply negate all national differences in the forces and relations of production and in the objective conditions of existence of the working classes.

It is easy to identify numerous instances where Marx and Engels emphasized the homogenizing effects of the development and expansion of the capitalist mode of production.<sup>2</sup> In the late 1840s Marx observed the progressive aspects of free trade (as against protectionism), insofar as its generalization would speed the social revolution;<sup>3</sup> likewise, Engels wrote of the "levelled social development" in the bourgeois countries and the implications of this for the international character of the coming revolution.<sup>4</sup>

In The German Ideology, written jointly in 1846, Marx and Engels conceived the process of development in highly general terms. The concept of a mode of production as an historically delimited and specific category is entirely

absent. Instead, a series of chapters subsumes analyses of feudal society, the manufactory period and industrial capitalism proper under a (rather Smithian) discussion of development per se as the progressive extension of the division of labor. Thus the guild system emerges as a deepening of the town-country contradiction (itself a product of "the transition from barbarism to civilization"), manufacture is an example of the "further division of labor," and industrial capitalism represents the "most extensive division of labor."<sup>5</sup>

The 'final phase' of the division of labor, industrial capitalism, compelled each nation "that wished to retain its historical role" to adopt large scale machine production. A world market arose, increasing the interdependence of nations. The transformation of capital into industrial capital facilitated rapid circulation and centralization. Finally, industrial capitalism

made natural science subservient to capital and took from the division of labor the last semblance of its natural character.... It completed the victory of the town over the country.[6]

Under these conditions the revolution would be

carried through by the class which no longer counts as a class in society...and is in itself the expression of the dissolution of all classes, nationalities, etc., within present society.[7]

While the bourgeoisies of the respective industrial countries were pitted against each other in struggle, "large scale industry created a class which in all nations has the same interest and for which nationality is already dead..."<sup>8</sup>

Engels delivered a speech in 1847 (at a commemoration

of the Polish uprising of 1830) which stressed how the development of the capitalist mode of production had fostered the "elimination of opposed interests which previously divided the different sections of workers." Owing to the application of machinery to production, "the condition of the workers of all countries is the same,...their interests are the same."<sup>9</sup>

The perception that capitalist development engendered a levelling tendency seemed to apply more or less equally to conditions within a single capitalist country, between capitalist countries, and even between capitalist countries and their non-capitalist colonies, i.e., the effect of colonialism, in Marx's and Engels' views, was to tear asunder traditional societies and implant a West European type of capitalist development. Thus in the Manifesto of the Communist Party they wrote:

The bourgeoisie, historically, has played a most revolutionary part. The bourgeoisie, wherever it has got the upper hand, has put an end to all feudal, patriarchal, idyllic relations....

The bourgeoisie cannot exist without constantly revolutionizing the instruments of production, and thereby the relations of production, and with them the whole relations of society....

The need of a constantly expanding market for its products chases the bourgeoisie over the whole surface of the globe. It must nestle everywhere, settle everywhere, establish connections everywhere.

The cheap prices of its commodities are the heavy artillery with which [the bourgeoisie] batters down all Chinese walls.... It compels all nations, on pain of extinction, to adopt the bourgeois mode of production.... In one word, it creates a world after its own image.[10]

In the same work, Marx and Engels indicated the expected effects of the extension of the capitalist mode of

production:

[W]ith the development of industry...[t]he various interests and conditions of life within the ranks of the proletariat are more and more equalized, in proportion as machinery obliterates all distinctions of labor....[11]

National differences and antagonisms between people are more and more vanishing, owing to the development of the bourgeoisie, to freedom of commerce, to the world market, to uniformity in the mode of production and in the conditions of life corresponding thereto.[12]

At the same time as the Manifesto was being written (winter of 1847-1848), Marx produced a working paper on "Wages," which remained unpublished until 1924. In a section devoted to the effects of the development of the productive forces on wages, Marx noted the relatively worsening position of the working class compared with the bourgeoisie, the increasingly "one-sided" character of work and the growing tendency to reduce all labor to simple labor, and the ever greater dependence of the workers' condition on the state of the world market. In another section, entitled the "Positive Aspect of Wage Labor," Marx wrote:

If one says 'positive aspect of wage labor' one says 'positive aspect of capital', of large scale industry, of free competition, of the world market, and I do not need to explain to you in detail how without these production relations neither the means of production--the material means for the emancipation of the proletariat and the foundation of a new society--would have been created, nor would the proletariat itself have taken to the unification and development through which it is really capable of revolutionizing the old society and itself. Equalization of wages.[14]

A few years later, in a New York Daily Tribune article about British colonial rule in India, Marx argued that "England has to fulfill a double mission in India: one destructive, the other regenerating--the annihilation of old Asiatic society and the laying of the material foundations

of Western society in Asia." In the introduction of a colonial railroad network, Marx saw the embryo of an inevitable process of development:

You cannot maintain a net of railways over an immense country without introducing all those industrial processes necessary to meet the immediate and current wants of railway locomotion, and out of which there must grow the application of machinery to those branches of industry not immediately connected with railways. The railway-system will therefore become, in India, truly the forerunner of modern industry.[16]

This was not an incidental point. Marx specifically referred to this article in a letter to Engels, and noted that its significance consisted precisely in the description of the revolutionizing character of the British colonial penetration.<sup>17</sup>

In another (but contemporaneous) article on the same subject, Marx layed stress on the effects of the development of the capitalist mode of production in India's transformation; special emphasis was accorded not to the role of military conquest and plunder, but to the specifically 'economic' consequences of capitalist commodity production. Thus India's primitive indigenous

forms of social organism have been to the greater part dissolved, and are disappearing, not so much through the brutal interference of the British tax-gatherer and the British soldier, as to the working of English steam and English free trade.... English interference having placed the spinner in Lancashire and the weaver in Bengal, or sweeping away both Hindoo spinner and weaver, dissolved these small semi-barbarian, semi-civilized communities by blowing up their economic basis, and thus produced the greatest, and to speak the truth, the only social revolution ever heard of in Asia.[18]

## B. The Theoretical Arguments

The salience of these merely descriptive assessments of capitalist penetration into underdeveloped or non-capitalist areas would of course be inadequate without grasping the theoretical connections, mentioned earlier, between an understanding of the development of the capitalist mode of production and the tendencies intrinsic to the process of capital accumulation. Marx worked through the bulk of the theoretical arguments which later appeared as Capital during the years (approximately) 1856-1866.<sup>19</sup> The homogenizing effects of capitalist development, characterized until then in a descriptive and/or highly general fashion, came to be linked with a theory of the capitalist mode of production.

In Part Two of Capital vol. 1, having established the general formula for capital (M-C-M') and shown that "its determining purpose is...exchange-value,"<sup>20</sup> Marx arrives at the concept of capital as value which valorizes itself.<sup>21</sup> On this theoretical basis, both the mainspring and the necessary outcome of capitalist production become apparent, viz., the incessant drive to produce the maximum amount of surplus value possible.<sup>22</sup>

But this is only the beginning. While the production of surplus value indeed emerges as the driving motive whenever exchange-value has become the "determining purpose," it is still the case that

this inherent tendency of capitalist production does not become adequately realized--it does not become indispensable, and that also means technologically indispensable--until the specific mode of capitalist production and hence the real subsumption of labor under capital has

become a reality.

The truly revolutionary role of bourgeois society only becomes manifest with the transition from the production of absolute to relative surplus value, i.e., the transition from the formal to the real subsumption of labor to capital. The transformation (revolutionizing) of the "actual mode of labor" and the onset of "a complete (and constantly re-<sup>24</sup>peated) revolution...in the mode of production" is not an accomplished fact until the pre-eminence of relative surplus value and the real subsumption of labor assert themselves, in other words, until the development of modern machine industry and the rational application of science to indus-<sup>25</sup>try. In short, capitalist production per se is not revolutionary, just as the proletariat is not inherently imbued with a revolutionary consciousness. Rather, both are revolutionized by the very development of the bourgeois mode of production.

In the rather long chapter on machinery, Marx details the interconnections between these developments and the introduction of machinery to various branches of production (especially the production of machines by means of ma-<sup>26</sup>chines), the prolongation of the working day,<sup>27</sup> and the intensification of labor (especially when the lengthening of the working day comes to be restricted by labor legisla-<sup>28</sup>tion).<sup>29</sup> Capital, "by its nature a leveller," moves into those spheres of industry where labor is only formally subsumed:

Thus spinning machines led to power-looms in weaving;



machinery in cotton spinning to machinery in the woollen, linen and silk etc. industries. The increased use of machinery in the mines, cotton mills etc. made the introduction of large-scale production in machine tools inevitable.[30]

Formally, the process must follow the same general pattern, whether in England or in India.<sup>31</sup> In the preface to the first edition of Capital (1867) Marx wrote: "The country that is more developed industrially only shows, to the less developed, the image of its own future."<sup>32</sup> On the basis of capitalist production, the means of production and productive forces of labor are thus continually revolutionized, creating the "material basis" of the future society.<sup>33</sup> At the same time, the destruction of pre-capitalist forms, and the subjugation of all spheres of production, "generalizes the direct struggle against" capital.<sup>34</sup> Hence in the chapter on "The Historical Tendency of Capitalist Accumulation" Marx concludes that alongside the centralization of capital,

the entanglement of all peoples in the net of the world market, and, with this, the growth of the international character of the capitalist regime...there grows also the revolt of the working class, a class constantly increasing in numbers, and trained, united and organized by the very mechanism of the capitalist process of production.[35]

Consequently, the extension and development of capitalist relations of production engender the material conditions which create a commonality of interests among the proletariat, nationally as well as internationally. Insofar as capital "by its nature" tends to annul divergency in levels of development of the productive forces through the constant revolutionizing of technique and the assimilation of backward sectors, it follows that proletarians everywhere

must be increasingly subject to similar (i.e., maximum) conditions of exploitation.

\* \* \*

But the discussion has now reached a crucial juncture. The equalizing and homogenizing aspect of capitalist development assumes a highly visible position in the theoretical work of Marx and Engels, a visibility which is reinforced by the descriptive accounts already discussed (particularly the works of the early period). The prominence of this thesis in Marx's theoretical work at times obscures his parallel and equally important theoretical demonstration of capitalism's simultaneous propensity to negate equality and to differentiate the conditions of production. That this facet of the theory often remains unappreciated is suggested by the assessment of Maurice Dobb, who wrote that while "[i]t is probably true that there were always important qualifications to be made" to the view that capitalist development "exercised a 'levelling' influence on the different parts of the world," the need to account for these qualifications was not fully recognized when Marx and Engels wrote, and only became apparent when the phenomena of colonialism and under-<sup>36</sup>development began to be investigated. The point is that while Dobb correctly stresses the need to make "qualifications" regarding the "levelling" effects of capitalist development, he erroneously maintains that this need was not "fully recognized" in Marx's (and Engels') time. In fact, the theory of the reproduction of inequality is an integral

aspect of the analysis found in Capital, and the essential elements of the theory are identifiable even prior to the publication of Marx's magnum opus.

The theory of crisis in Capital vol. 3 is naturally Marx's most complete explanation of the unevenness of capitalist development. There are, however, two additional ways in which Marx formulates the tendency of capital accumulation to impose and reproduce inequality, and these become apparent at an even higher level of theoretical abstraction than the theory of crisis. The first, and more trivial, concerns the notion that capitalist development produces a general worsening of the proletariat's position relative to the bourgeoisie. A formulation of the relative impoverishment thesis is provided by Marx in Wage Labor and Capital (April 1849):

Let us assume the most favorable case: when productive capital grows, the demand for labor grows; consequently, the price of labor, wages, goes up....

The rapid growth of productive capital brings about an equally rapid growth of wealth, luxury, social wants, social enjoyments. Thus, although the enjoyments of the worker have risen, the social satisfaction that they give has fallen in comparison with the increased enjoyments of the capitalist....[37]

and somewhat more clearly in Capital vol. 1:

[A]ll methods for the production of surplus value are at the same time methods of accumulation, and every extension of accumulation becomes, conversely, a means for the development of those methods. It follows therefore that in proportion as capital accumulates, the situation of the worker, be his payment high or low, must grow worse.[38]

The second sense in which the accumulation process produces and reproduces inequality is theoretically more significant. A hint of this perspective is already present

in 1847 in The Poverty of Philosophy, where Marx writes of 'competition' and 'monopoly' not as the idealized forms in which they appear to bourgeois (and petty bourgeois) economic theory, but in terms of a movement in which one begets the other only to be in turn superseded.<sup>39</sup> Thus the dynamic of capitalism, which finds expression in competition, does not produce a regular procession of forms culminating in perfect monopoly, but rather engenders a continual motion where 'competition' gives rise to 'monopoly' which must then have recourse to 'competition' in order to maintain itself.

At about the same time as he was writing the critique of Proudhon, Marx described capital accumulation and its effects on the cost of production of commodities in terms which demonstrate that the "total movement of this disorder is its order,"<sup>40</sup> i.e., that the differentiation of production, just as much as its homogenization, is a condition of capitalism.

In these early texts, the idea which Marx seeks to express is as yet inadequately developed theoretically, and only makes an appearance in the form of polemic against Proudhon's metaphysical conception of 'monopoly' as negation of 'competition', or in a series of popular lectures to workers presented at a time (1847)<sup>41</sup> when Marx had not yet even worked out the distinction between labor and labor power. By the time of "The Chapter on Capital" from the Grundrisse notebooks (late 1857 and early 1858), Marx had begun to move in the direction of a theoretical elaboration

of capitalist competition and its relationship to capital accumulation and the effects of equalization and differentiation. He writes there that

Finally: proportionate production (this is already in Ricardo, etc.) only when it is capital's tendency to distribute itself in correct proportions, but equally its necessary tendency--since it strives limitlessly for surplus labor, surplus productivity, surplus consumption etc.--to drive beyond the proportion. (In competition this inner tendency of capital appears as a compulsion....)[42]

The final (paranetical) sentence above presents competition separately from the "necessary tendency" of capital "to drive beyond the proportion." This is among the first clear indications of a significant theoretical result of Marxian economics, viz., the conceptualization of competition not as a 'law' of capitalist production, but as a "mechanism by which the essence of capitalist social relations is transformed into their appearance." <sup>43</sup> In the same chapter, capital's need to maintain an ongoing revolutionizing of the "actual mode of labor" is established by Marx on the basis of the capital relation itself, rather than as a derivative of the external compulsion of competition.

It is easy to develop the introduction of machinery out of competition and out of the law of the reduction of production costs which is triggered by competition. We are concerned here with developing it out of the relation of capital to living labor, without reference to other capitals.[44]

As Marx puts it elsewhere in the same text,

Competition merely expresses as real, posits as an external necessity, that which lies within the nature of capital; competition is nothing more than the way in which the many capitals force the inherent determinants of capital upon one another and upon themselves.[45]

Already in the Grundrisse notebooks Marx thus distin-

guishes, as may be seen from the passages quoted above, between the laws of motion of capital and their expression in competition. Sometime later, in Capital vol. 1, Marx expressly argues that competition is not a law of capitalism,<sup>46</sup> that it merely causes "the immanent laws of capitalist production [to] confront the individual capitalist as a coercive force external to him,"<sup>47</sup> and that "a scientific analysis of competition is possible only if we can grasp the inner nature of capital."<sup>48</sup> It follows that a study of the latter must precede the former, and the discussion in vol. 1 consequently proceeds at the level of "capital in general," which abstracts from the action of "many capitals" on one another through competition.<sup>49</sup>

Throughout Parts Four and Five of vol. 1 ("The Production of Relative Surplus Value" and "The Production of Absolute and Relative Surplus Value"), proceeding from the already established concept of capital as self-expanding value, Marx details the manner in which co-operation, the division of labor and finally the application of machinery to industry each lead to the cheapening of commodities by way of reducing the socially necessary time required for their (re)production.<sup>50</sup> The process does not consist of optimizing an incremental 'choice of technique' algorithm, as conceived by both neo-classical and neo-Ricardian analyses.<sup>51</sup> Rather, Marx shows how a localized innovation in technique results in the differentiation of production conditions; how the extension of the new method implies a

restructuring of values; and how all the while the process begins anew.<sup>52</sup> In those regions where it first becomes established, large scale capitalist industry "acquires an elasticity, a capacity for sudden expansion by leaps and bounds...."<sup>53</sup> The other regions, those in which the penetration of capitalist production had been less swift or complete, will "suffer not only from the development of capitalist production, but also from the incompleteness of that development."<sup>54</sup> The uneven development of capitalism thus has its basis in the uneven development of capitals.

In its more fully developed form, the capitalist mode of production extends the production of surplus value principally through the ever increasing mechanization of production. It follows that the accumulation of capital is accompanied by a tendency for the expulsion of living labor from the production process and the other effects detailed in the chapter. As already pointed out, these results are obtained by Marx on the basis of the abstraction "capital in general," i.e., from a consideration of capitalist social relations and the labor process alone. Competition, which involves the mutual interaction of "many capitals" in their struggle over the dividing up of surplus value,<sup>55</sup> is theoretically absent as a concept.<sup>56</sup> Marx thus states that "it is not our intention here to consider the way in which the immanent laws of capitalist production manifest themselves in the external movement of the individual capitals," even though he intends to provide examples and illustrations "for the understanding of the production of relative surplus

value, and merely on the basis of the results already achieved."<sup>57</sup>

Competition therefore does not 'cause' the simultaneous tendency toward differentiation and equalization, any more than it 'causes' the accumulation of capital to proceed or the rate of profit to fall. The "immanent laws" of capitalism are theoretically derived from capital's nature as self-expanding value, a quality of capital in general. Competition is merely the vehicle by which these laws manifest themselves on the 'surface' of bourgeois society and make themselves felt to the individual capitalists as an externally imposed compulsion (in an "inverted" form).<sup>58</sup> It follows that the simultaneous tendency toward differentiation and equalization is, for Marx, an intrinsic feature of the process of capital accumulation, and does not flow from or depend on the 'assumption' of competition.

This unevenness immanent to the accumulation of capital naturally produces its effects on the 'surface', in the forms in which capital actually appears, and "in the action of different capitals on one another, i.e., in competition, and in the everyday consciousness of the agents of production themselves."<sup>59</sup> Marx's investigation descends to this lower level of abstraction, the consideration of the concrete forms of capital's movement, in Capital vol. 3. After establishing the concept of profit in Part One, Marx devotes Parts Two, Three and Four to a concrete examination of the "constant equalization of ever-renewed inequalities."<sup>60</sup> It



is not necessary here to delve into a discussion of these specific relations, as this has already been ably and thoroughly accomplished by others.<sup>61</sup> For present purposes, it should suffice to have established that Marx's theory envisions a necessarily uneven development (equalization-differentiation) immanent to the accumulation process.

### C. Implications for the Working Class Movement

Marx's general theory of the capitalist mode of production posits unevenness as an inherent feature of capitalist development, flowing from the nature of capital. In order to obtain this result, it has consequently been sufficient to consider the most abstract level of analysis as found in Capital.<sup>62</sup> Implicitly, the result itself suggests a potential pitfall which might be encountered in efforts to metamorphose certain abstract ramifications into specific outcomes, i.e.,<sup>63</sup> to give them concrete expression as 'predictions'. In particular, since the Marxist theory of the capitalist mode of production rejects any notion of capitalist development as a symmetrical process, it is not possible to deduce from the theory anything like a one-to-one correspondence between the extent of capitalist development and the stage of evolution of the working class struggle in its concrete forms.<sup>64</sup>

The uneven and contradictory nature of the accumulation process is therefore concretely manifested in, among other things, ambivalent tendencies in working class responses to the rule of capital. This is clearly evident from a textual survey of the works in which Marx and Engels undertake analyses at lower levels of abstraction, those which deal with the specific historical situation. They produced numerous examples of this type of research, both in the form of systematic investigations and irregular commentary. Only those which pertain explicitly to the prospects for internationalism, however, will be considered below.<sup>65</sup>

For the "two man party," as Marx and Engels were called, concrete analysis generally meant the investigation or propagandization of issues directly connected to the political struggles in which they were involved.

Prior to about 1850,<sup>66</sup> Marx and Engels frequently expressed themselves in writings and speeches characterized by a high degree of generality and a predominantly descriptive (rather than theoretical) approach.<sup>67</sup> Thus in an 1845 article on the anniversary of the proclamation of the First French Republic (1792), Engels declared that the "great mass of proletarians are, by their very nature, free from national prejudices" and that workers "in all countries have one and the same interest."<sup>68</sup> The implications of the discussion found in The German Ideology are virtually identical, as may be seen from the relevant passages cited in subheading A of this chapter.

Similarly, speaking in 1847 at a commemoration of the 1830 Polish uprising, Engels made note of the "elimination of opposed interests" between workers, a consequence of the widespread application of machinery to production.<sup>69</sup> On the same occasion, Marx talked in equally general terms, but drew some rather different conclusions:

For the peoples to be able to truly unite, they must have common interests. And in order that their interests may become common, the existing property relations must be done away with, for these property relations involve the exploitation of some nations by others: the abolition of existing property relations is the concern only of the working class.[70]

For Engels, therefore, it seemed that (capitalist) machine

production and its generalization would be sufficient to serve as the basis for establishing a commonality of interests among the proletariat, whereas Marx appeared to suggest that such a commonality could only arise as a consequence of the revolution. With regard to the oppression of Poland, the subject of their talks, both Marx and Engels insisted that "Poland must be liberated not in Poland but in England," i.e., the victory of the English workers was seen as a condition for the end of the oppression of the Polish people. The reason for this was simply that "England is the [country] where the contradiction between the proletariat and the bourgeoisie is most highly developed."<sup>71</sup>

The Manifesto of the Communist Party, drafted in 1848 by both Marx and Engels, contains numerous passages which closely correspond to the quotations above. Where Engels had earlier spoken of the "elimination of opposed interests," the Manifesto proclaims that "differences and antagonisms between the people are more and more vanishing."<sup>72</sup>

While it is hardly necessary to underscore the political nature of the Manifesto, it is equally clear that the authors of the pamphlet considered it to be based on a scientific theory of history.<sup>73</sup> And the philosophy of history which implicitly resides between the lines of the Manifesto brings to the fore the levelling and equalizing tendencies of the process of accumulation, while suppressing the effects of the unevenness of capitalist development. Although the latter aspect of the theory was not entirely unknown to Marx at the time,<sup>74</sup> it had not as yet been com-

pletely or explicitly worked out, hence the reason for its theoretical absence in the Manifesto.

A theoretical silence produces its effects just as well as a theoretical concept which is explicitly present. In this case, the result for Marx and Engels is that internationalism frequently appears as an objective 'condition' in which the proletariat finds itself. There is, of course, the simple attendant political conclusion: "The working men have no country."<sup>75</sup> Among Marx's writings it is perhaps in the Manifesto that this approach finds its highest expression. But even here, the reduction of internationalism to an objective condition is not complete, because according to the Manifesto, one of the distinguishing features of the communists viz-a-viz other working class parties is that the communists "point out and bring to the fore the common interests of the entire proletariat, independently of all nationality."<sup>76</sup> In this passage, internationalism has ceased to be a condition; it is rather a political program to be forged, i.e., the common interests must be brought "to the front."

After the Manifesto such a tension or ambivalence in Marx's work is less and less evident. As the discussion in the first two subheadings of this chapter sought to show, Marx had become increasingly rigorous and consistent in distinguishing levels of abstraction in theoretical analysis and their relation to one another. In particular, the tendencies to metamorphose abstractions, the teleological formu-

lations, and the conflation of levels of abstraction which at times had crept into his (and Engels') work were by 1850 being systematically rejected. So in March 1850, for example, the notion of international working class solidarity as a political program is fairly unambiguously expressed,<sup>77</sup> with political implications which are notably similar to those found in passages from the Critique of the Gotha Programme, written 25 years later.<sup>78</sup>

It is not valid to argue, by way of a 'defense' of the Manifesto, that since the pamphlet was produced as a 'merely' political text the conclusions therein were necessarily dictated by political exigency.<sup>79</sup> The fallacy of such reasoning becomes apparent if the Manifesto is compared to the numerous other 'merely' political works penned and spoken by Marx during his tenure on the General Council of the International Working Men's Association (1864-1876), later frequently referred to as the First International.<sup>80</sup> Marx's presentations to the International ranged from the highly general (e.g., the "Inaugural Address") to the rather specific (e.g., the reports on the Franco-Prussian War, on the question of amnesty for Irish political prisoners, etc.). In each instance, however, the viability of international working class solidarity was neither premised as a general condition, nor deduced from the abstract theory.

While the bulk of Marx's "Inaugural Address" was a description of the proletariat's dismal economic condition and a historical "review of the adventures of the working classes since 1845,"<sup>81</sup> the speech closed with an exhortation

to the workers on the need to "conquer political power." To be sure, the basis for the realization of this objective, according to Marx, will be found in solidarity which crosses national boundaries. But the prospects for solidarity are no longer sought in abstract formulae ("the elimination of opposed interests"); instead, it is recognized that positive results can only be achieved through the "fight" for a concrete "policy."<sup>82</sup>

That the recognized potential existed for real contradictions to emerge within the working class, and even within the International itself, may be amply illustrated by reference to the Association's history and Marx's activities. Members of the General Council, Marx included, successfully struggled to prevent efforts at introducing apologetic resolutions regarding the Polish Insurrection of 1863.<sup>83</sup> Somewhat later, when German strikebreakers were imported to stem the tailor's strikes in England (Spring 1866), the General Council acted to keep the tailors informed and arranged for agitation among the Germans; Marx wrote circulars to both<sup>84</sup> the English and German workers.

When the First International commenced discussion of the Irish question in November 1869, Marx opened the debate<sup>85</sup> condemning the English government's Irish policy. Over the objections of some English chauvinists on the Council, a strong resolution of solidarity with the Irish people was<sup>86</sup> passed. At this time, Marx argued that the English proletariat was incapable of effecting the revolution. As long as

the English workers, by virtue of their "hostility" to the Irish, supported English landlordism in Ireland, the position of the ruling classes in England was impregnable. It is notable that Marx did not see the hostility of the English workers as principally rooted in ethnic or religious considerations, false consciousness, or political immaturity. Rather, there was an 'objective' contradiction at play, i.e., the English workers were the concrete beneficiaries of the oppression of the Irish.<sup>87</sup>

The political conclusion is striking, particularly in contrast with the earlier proclamations on Poland: because "Ireland is the bulwark of English landlordism" the decisive blow against the latter can only be accomplished in the former. In Ireland "the operation is a hundred times more easy" due to the "concentrated" nature of the struggle (against landlordism), its simultaneously national character, and because of the greater revolutionary ardor of the Irish people.<sup>88</sup>

One of the most significant events which took place during the period of the First International's existence was the short-lived proclamation of the Paris Commune. The Association collected money and found employment for refugees after the defeat of the Commune in late May 1871.<sup>89</sup> At the behest of the International, Marx produced The Civil War in France (May 1871), an analysis of the victory and defeat of the Commune, which served as an Address of the General Council.<sup>90</sup> Marx had also earlier written two other Addresses for the International on the Franco-Prussian War and the



establishment of the Third French Republic. These documents called on all sections of the International to support first the Republic and then the Commune. Internationalist sympathies were indeed displayed in England,<sup>91</sup> the U.S.A.,<sup>92</sup> and in Germany (despite repression there).<sup>93</sup> Nevertheless, Marx ascribed the defeat of the Commune to an insufficiently vigorous reaction by the (European) working class.<sup>94</sup>

The breakup of the First International (effectively by 1872 and officially in 1876) brought a temporary hiatus to the concerted efforts at establishing an international working class movement. The split between Marxists and the anarchist followers of Mikhail Bakunin at the Fifth General Congress (the Hague, 1872) closed the period of the International's useful political life. Perhaps the best analysis of this turn of events, and its consequences and prospects, is provided by Engels, in two letters. One to August Bebel:

After the Commune [the International] had a colossal success. The bruised and shattered bourgeoisie ascribed omnipotence to it. The great mass of the membership believed things would stay like that for all eternity. We knew very well that the bubble must burst. All riff-raff attached themselves to it.... The bubble burst at the Hague.... And if we had come out in a conciliatory way at the Hague, if we had hushed up the breaking out of the split--what would have been the result? The sectarians, especially the Bakuninists, would have had another year in which to perpetrate, in the name of the International, still greater stupidities and infamies; the workers of the most developed countries would have turned away in disgust;.... Then the International would indeed have gone to pieces--gone to pieces through 'unity'! Instead of this we have now got rid of the rotten elements....[95]

And another to Friedrich Sorge:

In order to produce a new International after the fashion of the old, an alliance of all proletarian par-

ties of all countries, a general suppression of the labor movement, like that which prevailed from 1849-64, would be necessary. For this the proletarian world has now become too big, too extensive.[96]

\* \* \*

Despite the encouraging expressions of international solidarity which at times had characterized the working class movement, such results had been by no means general or automatically forthcoming, either prior to the International's convocation or even during the years of its greatest influence.

In 1852, long before the founding of the Association, Engels wrote to Marx about the situation in France. With Louis Bonaparte's coup d' etat,

the temporary prosperity, and prospects of the glory of an empire, the [French] workers seem to have become completely bourgeois after all. It will take a severe chastisement by crises if they are to become good for anything again soon. [97]

Throughout the tenure of the First International, certain English trade union leaders had frequently adopted  
98  
openly national chauvinist positions. Writing to Ludwig Kugelmann in 1868, Marx noted that the Irish question represented an opportunity for "intriguers" within the labor  
99  
movement "for joining up with the bourgeois liberals." Six years later, again in a letter to Kugelmann, Marx wrote that the English labor movement was making progress only among the rural workers, and that the industrial proletarians needed "to get rid of their present leaders" before any  
100  
progress was possible.

These pessimistic assessments were not, however, con-

defined only to the leaders of the labor movement. To a certain extent, Marx felt that the English working class as a whole had acquiesced to the domination of the bourgeoisie. Several times in the 1860s, in correspondence with Engels, Marx wrote of the "sheepish attitude" and "apparent bourgeois infection" afflicting the English workers. In this exchange of letters, Engels wrote that "the revolutionary energy of the English proletariat has to all extents and purposes completely evaporated and the English proletarian is in complete agreement with the rule of the bourgeoisie."<sup>101</sup>

Such a political and ideological capitulation was conditioned by a particular economic situation. Already in 1845, Engels had written of England's industrial monopoly in The Condition of the Working Class in England. At that time, he expected that such a monopoly would accelerate the development of a proletariat with increasingly revolutionary attitudes.<sup>102</sup> By 1858, however, the industrial monopoly seemed to be producing different effects, and Engels wrote to Marx that

the English proletariat is actually becoming more and more bourgeois, so that this most bourgeois of all countries is apparently aiming at the possession of a bourgeois aristocracy and a bourgeois proletariat alongside the bourgeoisie. For a nation which exploits the whole world this is of course to a certain extent justifiable.[103]

Engels' connection of England's industrial monopoly to the co-optation of the English working class is frequently expressed. In a letter to Marx in 1881: "The British working man just will not budge, he must be shaken up by events, by

the loss of the industrial monopoly." In a letter to Karl Kautsky in 1882:

You ask me what the English workers think about colonial policy. Well, exactly the same as they think about politics in general: the same as the bourgeois think. There is no worker's party here, there are only Conservatives and Liberal-Radicals, and the workers are cheerfully consuming their share of England's monopoly of the world market and the colonies.[105]

And in a letter to August Bebel in 1883:

Do not on any account whatever let yourself be deluded that there is a real proletarian movement going on here....

Participation in the domination of the world market was and is the basis of the political nullity of the English workers. The tail of the bourgeoisie in the exploitation of this monopoly but nevertheless sharing in its advantages, politically they are naturally the tail of the 'great Liberal Party', which for its part pays them small attentions, recognizes trade unions and strikes as legitimate factors...and has given the mass of the better placed workers the vote.[106]

Note that the emergence of England's "monopoly of the world market" was nothing more than the uneven development of capitalism, i.e., the concrete expression of the uneven development of capitals, which Marx had already theorized. Once large scale capitalist industry (especially the production of machines by means of machinery) becomes established in a particular region, according to Marx, it acquires a dynamic "elasticity"--the expansion of production becomes "indispensable."<sup>107</sup> The immediate effect of this is to ruin less highly developed industries in other regions, and to establish a

new and international division of labor...suited to the requirements of the main industrial countries, and [to convert] one part of the globe into a chiefly agricultural field of production for supplying the other part, which remains a pre-eminently industrial field.[108]

England's industrial monopoly was the material basis of the "bourgeois proletariat" in Great Britain. While the uneven development of capitalism made these results possible, it also created the conditions which would subsequently undermine them. Engels recognized this, and in 1885 (after Marx's death) in an article for The Commonwealth (newspaper) which was later re-printed as part of the 1892 "Preface" of The Condition of the Working Class in England, he tended to distinguish between "a small, privileged, 'protected' minority" <sup>109</sup> and the "great bulk" of the working class. The fruits of England's industrial monopoly "were very unequally parcelled out," although "even the great mass had, at least, a temporary share now and then." Most significantly, however, Engels argued that as a consequence of the "breakdown" of England's "monopoly of the world market," the English proletariat would in general lose its "privileged position.... And that is the reason why there will be Socialism <sup>110</sup> again in England."

Immediately after repeating the phrases cited above, Engels continued to write in the 1892 "Preface:"

Needless to say that there is indeed 'Socialism again in England', and plenty of it--Socialism of all shades: Socialism conscious and unconscious, Socialism prosaic and poetic, Socialism of the working-class and of the middle class, for, verily, that abomination of abominations, Socialism, has not only become respectable, but has actually donned evening dress and lounges lazily on drawing room causeuses. [111]

Engels counterposes this rather ironic appraisal to a genuinely positive development, viz., "the revival of the East End." Paraphrasing the aged Engels' remarks would not do

justice to their stylish quality and the heartfelt hopefulness they seek to convey, so the rather long passage will simply be quoted in full. Writing of London's East End, Engels stated:

That immense haunt of misery is no longer the stagnant pool it was six years ago. It has shaken off its torpid despair, has returned to life, and has become the home of what is called the 'New Unionism', that is to say, of the organization of the great mass of 'unskilled' workers. This organization may to a great extent adopt the form of the old Unions of 'skilled' workers but it essentially different in character. The old Unions preserve the traditions of the time when they were founded, and look upon the wages system as a once-for-all established, final fact, which they at best can modify in the interest of their members. The new Unions were founded at a time when the faith in the eternity of the wages system was severely shaken; their founders and promoters were Socialists either consciously or by feeling; the masses, whose adhesion gave them strength, were rough, neglected, looked down upon by the working-class aristocracy; but they had this immense advantage, that their minds were virgin soil, entirely free from the inherited 'respectable' bourgeois prejudices which hampered the brains of the better situated 'old' Unionists. And thus we see now these new Unions taking the lead of the working-class movement generally, and more and more taking in tow the rich and proud 'old' Unions.

Undoubtedly, the East Enders have committed colossal blunders; so have their predecessors, and so do the doctrinaire Socialists who pooh-pooh them. A large class, like a great nation, never learns better or quicker than by undergoing the consequences of its own mistakes. And for all the faults committed in past, present and future, the revival of the East End of London remains one of the greatest and most fruitful facts of this fin de siecle, and glad and proud I am to have lived to see it. [112]

It would not be unreasonable to suggest that Engels' hopes were not realized. From the 1890s until the First World War, international socialism was embodied in the politics and economics of the Second International. Some have argued, both then and subsequently, that the "drawing room socialism" berated by Engels had crept unnoticed into the

world view shared by certain tendencies constituting the Second International. Others maintain that Engels himself was partly responsible for that transformation of terrain. These issues will be more fully explored in the next chapter.

## Notes to Chapter I

1. I generally accept the view that a sharp rupture is evident in Marx's thinking around 1845, such as has been identified particularly by Louis Althusser in For Marx (London: New Left Books, 1977), 31-38, but also by others. This does not imply that I share either the full particulars of Althusser's periodization of Marx's thought, or all other aspects of the Althusserian interpretation of Marx. It does mean, however, that there is relatively little to be gained here by a thorough review of Marx's writings prior to 1845.
2. Two good surveys are Karl Marx, Karl Marx on Colonialism and Modernization, Shlomo Avineri, ed., (Garden City: Doubleday and Co., Inc., 1968) and Horace B. Davis, Nationalism and Socialism (New York: Monthly Review Press, 1967), esp. pp. 7-25, 59-71.
3. Marx and Engels, Collected Works vol. 6, 279-281.
4. Ibid., 352.
5. Marx and Engels, Collected Works vol. 5, 64-74. In order to emphasize the generality of the text, the quoted phrases in this sentence are from the chapter headings themselves.
6. Ibid., 73.
7. Ibid., 52.
8. Ibid., 73.
9. Marx and Engels, Collected Works vol. 6, 390.
10. Ibid., 486-488.
11. Ibid., 492.
12. Ibid., 503.
13. Ibid., 422.
14. Ibid., 436. Emphasis in original.
15. Marx and Engels, Collected Works vol. 12, 217-218.
16. Ibid., 220.
17. Karl Marx and Frederick Engels, Selected Correspondence (Moscow: Progress Publishers, 1975), 79.
18. Marx and Engels, Collected Works vol. 12, 131-132.
19. See Roman Rosdolsky, The Making of Marx's 'Capital' (London: Pluto Press, 1977), 1-23, for a virtually 'day-by-



day' account of the genesis of Capital.

20. More precisely: "The complete form of this process is therefore M-C-M', where  $M' = M + \Delta M$ , i.e., the original sum advanced plus an increment. This increment or excess over the original value I call 'surplus-value'." Karl Marx, Capital vol. 1 (New York: Vintage Books, 1977), 250-251.

21. Ibid., 252. Other translations refer here to "self-expanding value." See Karl Marx, Capital vol. 1 (Moscow: Progress Publishers, 1974), 149.

22. See Marx, Capital vol. 1, Vintage edition, 254, 449, 769. Also, the "Results of the Immediate Process of Production," in ibid., 1037, and Karl Marx, Theories of Surplus Value part 2 (Moscow: Progress Publishers, 1969), 495.

23. Marx, Capital vol. 1, Vintage edition, 1037.

24. Ibid., 1035.

25. Marx's discussion of this progression is singular. See the chapter on "Machinery and Large-Scale Industry" in Capital vol. 1. Rosdolsky's account is also rigorous and comprehensive; see his The Making of Marx's 'Capital', 220-244. For an easily readable commentary, see Paul Sweezy, "Marx and the Proletariat," Monthly Review 19, 7 (December 1967).

26. Marx, Capital vol. 1, Vintage edition, 504-505.

27. Ibid., 528-529.

28. Ibid., 535.

29. Ibid., 520.

30. Ibid., 1036. See also pp. 505-506.

31. Cf. this quote to pp. 11-12 above.

32. Marx, Capital vol. 1, Vintage edition, 91.

33. Ibid., 1065.

34. Ibid., 635.

35. Ibid., 929.

36. Maurice Dobb, Political Economy and Capitalism (New York: International Publishers, 1945), 249.

37. Marx and Engels, Collected Works vol. 9, 216.

38. Marx, Capital vol. 1, Vintage edition, 799.

39. Marx and Engels, Collected Works vol. 6, 195.
40. Marx and Engels, Collected Works vol. 9, 208.
41. These lectures were published as Wage Labor and Capital only in April 1849.
42. Karl Marx, Grundrisse (New York: Vintage Books, 1973), 413. Emphasis in original.
43. John Weeks, Capital and Exploitation (Princeton: Princeton University Press, 1981), 157. Unfortunately, this interesting and important question cannot be pursued in depth herein. A substantial literature has recently begun to emerge, however, which is concerned to establish the specificity of the Marxist concept of competition as extending beyond the circulation of commodities and encompassing production, realization, etc., as well. See Willi Semmler, "Competition, Monopoly and Differentials of Profit Rates: Theoretical Considerations and Empirical Evidence," The Review of Radical Political Economics 13, 4 (Winter 1982). See also Anwar Shaikh, "Marxian competition versus perfect competition: further comments on the so-called choice of technique," Cambridge Journal of Economics 4, 1 (1980).
44. Marx, Grundrisse, 776-777.
45. Ibid., 651. Cited in Weeks, Capital and Exploitation, 157.
46. Neither is it an 'assumption' which depends on an empirical judgement, as in neo-classical theory: are there 'many' capitals or only 'a few' or only a single 'monopolist'? Note that many Marxists wrongly adopt precisely this neo-classical conception of competition. Cf. Paul Baran and Paul Sweezy, Monopoly Capital (New York: Monthly Review Press, 1968), 4-6 and Anwar Shaikh, "Neo-Ricardian Economics," The Review of Radical Political Economics 14, 2 (Summer 1982): 76-78.
47. Marx, Capital vol. 1, Vintage edition, 381.
48. Ibid., 433.
49. This distinction and its importance are often overlooked. See the discussions in Rosdolsky, The Making of Marx's 'Capital', 41-50; Ben Fine and Laurence Harris, Rereading Capital (New York: Columbia University Press, 1979), 9, 15-18; Ben Fine and Laurence Harris, "Controversial Issues in Marxist Economic Theory," in Ralph Miliband and John Seville, eds., The Socialist Register 1976 (London: The Merlin Press, 1976), 142-144.
50. See also Rosdolsky, The Making of Marx's 'Capital', Chapter 17.

51. Anwar Shaikh, "Political economy and capitalism: notes on Dobb's theory of crisis," Cambridge Journal of Economics 2, 2 (June 1978).
52. See especially pp. 433-438 and 464-465 in Marx, Capital vol. 1, Vintage edition.
53. Ibid., 579.
54. Ibid., 91.
55. Marx, Theories of Surplus Value part 2, 29.
56. Note that the absence of competition as a concept in vol. 1 does not render Marx's analysis of accumulation metaphysical (i.e., seemingly without material imperative). The important consideration here is that for Marx the concept (and necessity) of competition is derived from the very presuppositions of capitalist production (generalized commodity production, exchange value as the central aim of production, and labor power as a commodity). Thus the coercion of competition is not externally imposed, merely by assumption, as in bourgeois theory, but arises from the nature of the bourgeois mode of production itself.
57. Marx, Capital vol. 1, Vintage edition, 433.
58. See for example Marx, Grundrisse, 657, 761; Capital vol. 1, Vintage edition, 690; Theories of Surplus Value part 2, 69, 217, 266; Karl Marx, Capital vol. 3 (New York: Vintage Books, 1981), 311, 331.
59. Marx, Capital vol. 3, 117.
60. Ibid., 298.
- 61.. One is not likely to do better than by first considering Anwar Shaikh, "An Introduction to the History of Crisis Theories," in Bruce Steinberg et. al., eds., U.S. Capitalism in Crisis (New York: URPE, 1978), and then studying the elaborations by the same author which have already been cited above. See also Anwar Shaikh, "Marxist Theories of Crisis," in Tom Bottomore, ed., A Dictionary of Marxist Thought (London: Basil Blackwell, 1983); Russell Jacoby, "The Politics of the Crisis Theory," Telos 23 (Spring 1975); Henryk Grossmann, The Law of Accumulation and Breakdown of the Capitalist System (New York: Unpublished Reproduction Series No. 5, New School for Social Research, 1983). The latter is a partial translation of Grossmann's 1928-29 Das Akkumulations- und Zusammenbruchsgesetz des kapitalistischen Systems.
62. Naturally, other significant results also stem from the analysis in Capital. Notable among these is Marx's theory of

crisis.

63. This is not at all to argue that Marxist theory has no predictive function, but merely to re-emphasize that since the relationship between levels in the hierarchy of abstraction is not a simple one, it is not generally possible to undertake a direct mapping of elements from one level to another.

64. A contrary argument has, however, served as the basis of the frequently simplistic 'refutations' of Marx. See for example Katharine Savage, The Story of Marxism and Communism (New York: Henry Z. Walck, Inc., 1969), 198, and Robert Wesson, Why Marxism? The Continuing Success of a Failed Theory (New York: Basic Books, Inc., 1976), 6. It is thus paradoxical but revealing that one is unable to find neo-classical economists who have abandoned their research programme in light of the vast number of incorrect predictions that it has generated. This is despite the fact that success at prediction is virtually the exclusive criterion by which neo-classicals profess to judge scientific claims. Neo-classicals are simply applying a double-standard: one or a few incorrect predictions are sufficient to reject Marxism in toto as a research programme, whereas a virtually endless stream of refuted predictions by neo-classicals is never regarded by them as a test of neo-classical economics as such, but only of a specific prediction--the paradigm itself is beyond criticism.

65. Thus certain relatively well known texts will be left aside, even though they would be admirably suited to illustrate the general argument advanced herein. For example, The Class Struggles in France (written by Marx in 1850) showed how the rule of the financial bourgeoisie in France led to opposition by the industrial bourgeoisie, how this established the conditions for a certain confluence of interests between the latter and the proletariat, and finally how even in their subsequent defeat the revolt of the French workers placed them at the vanguard of the struggle in Europe, despite the fact that England was obviously the more advanced bourgeois society (and hence presumably more 'ripe' for the revolution. See Marx and Engels, Collected Works vol. 10, 48-145, esp. 48-52, 57, 70. Other texts which elucidate the concrete expressions of uneven development include Marx's The Eighteenth Brumaire of Louis Bonaparte (1852), "Revolutionary Spain" (1854); Engels' Revolution and Counter-Revolution in Germany (1851); and the political "Review" by Marx and Engels which adumbrated Lenin's "weakest link" hypothesis (see Marx and Engels, Collected Works vol. 10, p. 509). Also consult Marx's well known letter to Engels (16. April, 1856) on the "backing" of the proletarian revolution in Germany by a peasant's war and the letter to Sorge (27. September, 1877) wherein Marx argues that the next revolutionary outbreak will be in Russia.

66. Marx retreated to the British Museum in 1850 to begin research on the material which eventually became Capital.
67. Recall the discussion in subheading A above.
68. Marx and Engels, Collected Works vol. 6, 6.
69. See the passages already cited on p. 10 above.
70. Marx and Engels, Collected Works vol. 6, 388.
71. Ibid., 389.
72. Refer to the passages cited on pp. 10-11 above.
73. Marx and Engels, Collected Works vol. 6, 498. As has already been noted, the entire Part III of the Manifesto is devoted to a critique of various non-scientific theories of socialism.
74. See pp. 17-18 above for the relevant passages from The Poverty of Philosophy and the lectures on wage-labor and capital.
75. Marx and Engels, Collected Works vol. 6, 502.
76. Ibid., 497.
77. See the "Address of the Central Authority to the League," which was drafted by Marx and Engels, in their Collected Works vol. 10, 281.
78. See Karl Marx, Critique of the Gotha Programme (New York: International Publishers, 1977), 12-13. The "Gotha Programme" may be found reprinted in its entirety in Gary Steenson, "Not One Man! Not One Penny!" German Social Democracy, 1863-1914 (Pittsburgh: University of Pittsburgh Press, 1981), 245-247.
79. Note that in 1917 Lenin, although addressing a different issue, considered that precisely in the 1850s Marx took "a tremendous step forward compared with the Communist Manifesto," by moving away from the treatment of problems "in an extremely abstract manner, in the most general terms and expressions." Vladimir I. Lenin, Collected Works vol. 25 (Moscow: Progress Publishers, 1977), 411.
80. After the founding conference in 1864, congresses of the International met seven times (each September in 1865-1869, and 1871-1872). For a detailed account of the proceedings, see Julius Braunthal, Geschichte der Internationale vol. 1 (Hannover: Verlag J.H.W. Dietz Nachf. GmbH, 1961). Marx was clearly a central figure of the International, having been elected to its General Council at the founding conference. Engels, not able to serve on the Council because he lived in

Manchester until 1870, was retained as a corresponding secretary. The emergence of the organization, however, is not necessarily due entirely to Marx's singlehanded efforts, as some accounts maintain. Cf. Institute of Marxism-Leninism, "Preface," Documents of the First International, 1864-1866 (Moscow: Progress Publishers, 1962?); Braunthal, Geschichte vol. 1, esp. 101-109; Saul Padover's narrative seeks to portray Marx as a voice of moderation in the International--see Padover's "Introduction" to Karl Marx, On the First International (New York: McGraw Hill, 1973), xiii-1.

81. As Marx described his speech in a letter to Engels. See Marx and Engels, Selected Correspondence, Progress edition, 139.

82. Documents, 1864-1866, 277-287, esp. 286-287.

83. Ibid., 56, 292-293, 355-356; Braunthal, Geschichte vol. 1, 103-105; Marx's letter to Engels in On the First International, 383-385.

84. Documents, 1864-1866, 186, 194, 335-336.

85. Documents, 1868-1870, 178-184.

86. The resolution is reprinted in *ibid.*, 183. See also 192.

87. Ibid., 196; also, Marx and Engels, Selected Correspondence, Progress edition, 222.

88. Karl Marx, Letters to Dr. Kugelmann (New York: International Publishers, 1934), 95-96, 107.

89. Documents, 1871-1872, 65, 67, 97-98.

90. Documents, 1870-1871, 323-329, 333-342.

91. Marx, Letters to Dr. Kugelmann, 115.

92. Documents, 1870-1871, 200.

93. Braunthal, Geschichte vol. 1, 154-166; Documents, 1870-1871, 62.

94. Karl Marx, "Speech at the Hague Congress," cited in M. Shevtsov, ed., Marxism-Leninism on Proletarian Internationalism (Moscow: Progress Publishers, 1972), 39-40. See also Karl Marx and Frederick Engels, Selected Correspondence 1846-1895 (New York: International Publishers, 1942), 165.

95. Marx and Engels, Selected Correspondence, Progress edition, 267.

96. Ibid., 271.

97. Marx and Engels, Selected Correspondence, International edition, 60.
98. Documents, 1868-1870, 186-190; Documents, 1870-1871, 65.
99. Marx, Letters to Dr. Kugelmann, 67.
100. Ibid., 135.
101. Karl Marx and Frederick Engels, On Britain (Moscow: Foreign Languages Publishing House, 1962), 538-539.
102. Ibid., 333.
103. Marx and Engels, Selected Correspondence, Progress edition, 103.
104. Marx and Engels, Selected Correspondence, International edition, 421.
105. Marx and Engels, Selected Correspondence, Progress edition, 330-331.
106. Marx and Engels, Selected Correspondence, International edition, 419-420. See also the letter to Eduard Bernstein (17. June, 1879) and the letter to Kautsky (8. November, 1884).
107. Refer to the quotations on pp. 13-15 above.
108. Marx, Capital vol. 1, Vintage edition, 579-580.
109. Concretely, Engels identified two sections of the English working class which, at the time, constituted the "small, privileged minority." First, the "factory hands" who benefited from Parliamentary labor legislation; second, and more important, "the great Trades' Unions" of skilled workers, whose strength had enabled them to resist the employment of women and children and at least stem the wholesale introduction of machinery. See the 1892 "Preface" to The Condition of the Working Class in England in Marx and Engels, On Britain, 28.
110. Ibid., 31.
111. Ibid.
112. Ibid., 32-33.

## Chapter II

### INTERNATIONALISM, A PLETHORA OF 'ISMS', THE SECOND INTERNATIONAL AND ITS COLLAPSE

#### A. Introduction

Six years after Marx's death and six years before Engels', the founding of the Second International took place on the hundredth anniversary of the storming of the Bastille. Concurrently with the reformist Possibilist Congress, and only a few Paris blocks away, the avowedly socialist Second International first convened on 14. July 1889. Edouard Vaillant and Wilhelm Liebknecht, the leading French and German representatives to the International, were elected joint presidents. Their handshake came to symbolize the international solidarity of the proletariat against the bourgeoisie.

Delegates from France included Vaillant, a Blanquist and a member of the Paris Commune; the Marxists Jules Guesde, Charles Longuet, and Paul Lafargue; and Sebastian Faure, a representative of the Anarchists. Coming from the Sozialdemokratische Partei Deutschlands (Social Democratic Party of Germany--the SPD) were Liebknecht, Eduard Bernstein, and Klara Zetkin. Another SPD representative was Georg Heinrich von Vollmar, Bavarian ex-officer, a champion of reformism, and soon to become Bernstein's supporter in the 'revisionist' current. Also from Germany, although not a member of the SPD, was the trade union leader Karl Legien.



Another major group came from England, representing both trades unions and political parties. Finally, there were smaller delegations from Belgium, Austria, Italy, the Scandinavian countries, Russia, Poland, the Balkans, Switzerland, the U.S.A. and Argentina.<sup>1</sup> All told, some 400 persons<sup>2</sup> were in attendance.

The SPD itself arose from the merger of the various German socialist parties at the socialist unity congress at Gotha in 1875.<sup>3</sup> While this unification brought together the followers of Marx and Ferdinand Lassalle, the former insisted that too many programmatic concessions had been made to the latter--see Marx's Critique of the Gotha Programme. But by the time of the Erfurt congress of the SPD (1891) the bickering Lassalleans, lacking leadership, lost considerable influence, and the Erfurt Programme reflected a substantially Marxist perspective. The accumulation of capital was seen as leading to the concentration and centralization of capital, creation of a reserve army of the unemployed, and recurrent crises. There was no theory of crisis offered, implicitly or explicitly, other than the statement that the crisis was "founded in the essence of the capitalistic method of production." The document also maintained that "[t]he interests of the working class are the same in all lands with capitalistic methods of production." Owing to the development and extension of the world market,

the state of workers in any one country becomes constantly more dependent upon the state of workers in other countries.... Conscious of this, the Social Democratic Party of Germany feels and declares itself one with the

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class conscious workers of all other lands.

Finally, the ultimate goal of the SPD, a classless society, was clearly posed in the so-called maximum programme; and a list of immediate demands comprised the minimum programme.

In France, the unification of the disparate socialist groupings into a single party was not accomplished until<sup>5</sup> 1905, when the unity congress held in Paris provided for the merger of four relatively large organizations and some seven small ones into the SFIO.<sup>6</sup> At this time, three fundamental principles of unity were established: recognition of internationalism as an imperative, work directed at developing the organization with the aim of capturing state power, and an affirmation of the eventual goal, i.e.,<sup>7</sup> abolishing private ownership of the means of production.

For British socialists, unification into a single organization was not forthcoming, and the four principal autonomous groups--the Labour Party (LP), a federation of trades unions; the Independent Labour Party (ILP), an individual membership party;<sup>8</sup> the British Socialist Party (BSP); and the Fabian Society--maintained separate organizations throughout the tenure of the International, although affiliations and overlap existed among some of them (e.g.,<sup>9</sup> the LP and the ILP). Furthermore, a purely federal Labour Representation Committee (established in 1900)<sup>10</sup> accepted representatives from most labor organizations. Originally, the official British sections of the International were the BSP and the ILP, although the LP was (reluctantly) admitted<sup>11</sup> in 1908.

So while mediations by the International Socialist Bureau (ISB) <sup>12</sup> succeeded in unifying French socialism, similar efforts met with failure in the case of England. Also unsuccessful were the attempts to unify the Russian Social Democratic Party, split into the Bolshevik and Menshevik factions since 1903. Throughout the period of their dissension, both factions of the Russian Social Democracy main-<sup>13</sup>tained delegations to the International.

Plainly put, substantial contradictions characterized the relations within and between the different national sections of the Second International. The object herein cannot be to detail the specificity of those relations in their full intricacy. Instead, after a review of the pertinent resolutions, documents and stated positions of the Second International, both as a whole and as a conglomeration of conflicting tendencies, the discussion will shift to an examination of the theoretical underpinnings of the principal Marxist groupings. The major emphasis will consist in setting out the diverse conceptions of capitalist development and the accumulation of capital, and linking these to the implications regarding the prospects for internationalism which emerge from the various analyses.

B. The Second International Before the War:  
Resolutions, Statements, Tendencies

Judged on the immediate content of its official pronouncements, it would be necessary to conclude that the Second International considered the international solidarity of the working class as a given fact--the proletariat's commitment to this principle was seen as unshakable. Between 1889 and 1914 congresses of the International met nine times. Far-reaching issues were argued and discussed, including the colonial question, the wrangle around Bernstein's 'revision' of Marxism, strategies for extension of the franchise, the relative merits of parliamentary activity as against mass action (the general strike and insurrection variants both had adherents), and the question of war.

At the founding congress Vaillant introduced a resolution condemning standing armies and urging their replacement by people's militias. <sup>14</sup> Although the document implied that standing armies may provoke war, the ultimate cause of war was seen to reside in the capitalist mode of production, and the resolution stated that war could finally be abolished <sup>15</sup> only with the victory of socialism. While the question of what to do should war threaten to break out was by and large passed over, there were already indications of future points of debate: should bourgeois militarism be opposed through parliamentary activity or mass action?

A similar anti-war resolution was passed at the Brussels congress (1891), where the discussion of appropriate responses to the eventuality of conflagration came to the

fore. The Dutch delegation, led by Domela Nieuwenhuis, submitted the idea that social democrats should threaten to initiate a general strike whenever capitalist belligerence led to the brink of open conflict. Although the ensuing debate was lively, the notion of a general strike was rejected as an "anarchist" deviation, and the congress confined itself to a strategy of refusing to vote for war credits and manpower.<sup>16</sup> Opposition to the general strike weapon was especially voiced by the German delegation, which feared (probably correctly) that vigorous anti-militarist activity would invoke repression from the German monarchy. The SPD was particularly anxious to expand its parliamentary activity, since the recent lapse of the German Anti-Socialist Law in 1890 was immediately followed by a major<sup>17</sup> electoral success for the Social Democrats.

In an optimistic moment at the London congress (1896), the International established a tribunal intended to arbitrate disputes between nations, but this not surprisingly came to nothing.<sup>18</sup> The International Socialist Bureau was established somewhat later, in 1900. Headquartered in Brussels, the ISB's function would be "to initiate and organize co-ordinated protest movements and anti-militarist agitation in all countries on all occasions of international importance."<sup>19</sup> Unfortunately, the ISB's success in this respect proved to be illusory, and some critics have charged that the Bureau was never more than a "letterbox" for<sup>20</sup> socialism.

After the turn of the century, the issue of war or

peace ceased to be primarily theoretical. Crisis upon crisis in rapid succession made the threat of a general war seem immediate: the Spanish-American War, intervention in the Boxer Rebellion, the Boer War, the Russo-Japanese War, the French and German conflicts in the Middle East and North Africa, the Russian and Austrian conflict in the Balkans. By the time of the important Stuttgart congress (1907), the two major perspectives--mass strike vs. parliamentary activity--had crystallized within the International. It should be emphasized that while broad groupings in the SPD advocated parliamentarism and a French majority favored mass action, both positions could be found in each of the parties, along with an embryonic 'revolutionary left' whose importance was yet to be revealed, and a 'right' wing or 'social imperialist' faction which endorsed the "civilizing mission" of colonialism and supported 'purely defensive' arms build-<sup>21</sup>ups. Indeed, almost all of the delegations at Stuttgart found themselves split over these issues. Thus the ultra-left French anarchist Gustav Herve launched a virulent attack on the "bourgeoisified" SPD, submitting a resolution calling for "anti-patriotism" and a military strike in case<sup>22</sup> of war. A more moderate proposal by Vaillant and the French pacifist-socialist Jean Jaures called for the prevention of war by all means ranging from parliamentary activity<sup>23</sup> to the mass strike. Finally, a minority within the French delegation led by Guesde called only for the "most effective" tactics for the prevention of war--this came to noth-

ing more than a ratification of the status quo.

Within the SPD, a majority sided with August Bebel (head of the SPD's parliamentary group), who proposed a resolution similar to the one offered by Guesde, i.e., one which did not commit any of the sections to specific actions, and allowed a maximum latitude of individual response.<sup>25</sup> The notorious reformist von Vollmar vehemently responded to Herve's speech with, in Lenin's characterization, "the extraordinary conceit of a man infatuated with stereotyped parliamentarism."<sup>26</sup> And Rosa Luxemburg, although officially a representative of the All-Russia Social Democratic Party, found support in the left wing of the SPD by insisting on mass action not only as a tactic for ending war, but a means of overthrowing capitalism as well.<sup>27</sup>

In the ensuing debate, Jaures emphasized the optimism of the militant left in the power of activism, and denied the "necessity" of war under capitalism (although he never doubted capitalism's tendency to generate conflict). Bebel, on the other hand, contended that war under capitalism was unavoidable, that any effort to initiate mass action as a response to war would be futile in view of government repression, and that therefore the principal task for socialists was to push for socialism (which for the SPD of course meant parliamentary activity).<sup>28</sup> It is symptomatic of the politics of the International and its subsequent development that Jaures the internationalist found himself defending bourgeois democracy (i.e., France) against the "pseudo-Parliament"<sup>29</sup> of the German monarchy. Bebel could then re-

spond: "Bourgeois monarchy, bourgeois republic, both are class states.... The monarchy is not so bad, nor the republic so good as you suggest."<sup>30</sup>

Eventually, a sub-committee including Bebel, von Volmar, Jaures, Guesde, Luxemburg and Viktor Adler (Social Democratic Party of Austria) was charged with producing a document to which all could agree--the result, in the words of historian James Joll, was "a long and involved resolution which contained something for everybody while committing nobody to anything."<sup>31</sup> An amendment submitted by Luxemburg, Lenin and Julius Martov seemed unobtrusive enough since, according to another astute observation by Joll, "no one except its sponsors took it seriously." But in this amendment, consisting of only a single sentence, it was already possible to discern (in retrospect, at least) the bases for the coming split in international socialism:

Should war ever break out in spite of all of this, it is [the Social Democrats'] duty to intercede for its speedy end, and to strive with all their power to make use of the violent economic and political crisis brought about by the war to rouse the people, and thereby to hasten the abolition of class rule.[32]

The resolution passed unanimously amid great enthusiasm.

Also at the Stuttgart congress, a significant discussion developed around the question of colonialism, an issue obviously linked to the relationship of the various sections of the International to 'their' respective governments. Prior to Stuttgart, all congresses of the International had unequivocally condemned all aspects and manifestations of colonial rule in their resolutions, but in 1907 the commit-



tee charged with drafting a document on colonialism produced a paper which began:

The Congress confirms that the usefulness or the necessity of colonies in general--but especially for the working class--is greatly exaggerated. But it does not repudiate in principle and for all time every form of colonialism, which under a socialist system could perform a civilizing mission.[33]

The latter sentence was inserted at the behest of the committee majority, led by Eduard David of Germany and H. van Kol of Holland, and resulted in three days of heated debate: one day in the committee and two at the plenum. Bernstein, David, van Kol and Ramsay MacDonald spoke in favor of the motion as offered. A minority of the committee, outraged at the wording of the resolution, offered an alternative, one similar to those passed at earlier congresses and which condemned all colonialism. Kautsky, Georg Ledebour and Harry Quelch spoke for the minority version. Ultimately, the congress as a whole defeated the majority resolution, but only by a small margin--127 to 108.

At the Copenhagen congress (1910), Vaillant's mass action proposals were endorsed by Keir Hardie, recently elected MP of the British ILP, a combative but non-revolutionary individual membership socialist party. The ILP's political stance propelled Hardie toward the militant camp, which included Jaures and Vaillant. Their joint resolution, which stated that parliamentary activity alone would be ineffective unless supported by a mass strike, was adopted by the draft committee. The congress as a whole, however, failed to approve it, and chose instead to submit the motion

to the ISB for consideration at the next congress--scheduled<sup>36</sup>  
to be held in Vienna in August 1914. By then, of course,  
there was little to discuss. The majority of the SPD de-  
clined to support the general strike motion on the grounds  
that if successful, such a strike would ensure, in the event  
of war, that the most highly 'organized' and 'class con-  
scious' proletariat would be defeated.<sup>37</sup> Later, at a July  
1914 congress of the SFIO, Guesde opposed the general strike  
group on precisely the same grounds.<sup>38</sup>

Meanwhile, the prospects for war mounted: the Morocco  
crisis and the Balkan wars raised great alarm. The ISB,  
under direction of its secretary Camille Huysmans, scheduled  
an extraordinary congress to meet in Basle during November  
1912. Joll describes the mystical quality of the session,  
held in a cathedral.<sup>39</sup> There was an abundance of rhetoric  
and self-congratulatory pronouncements. The resolutions from  
Stuttgart and Copenhagen were re-affirmed without, again,  
any specification of concrete measures. That fall there were  
large anti-war demonstrations all over Europe, and the Bal-  
kan crisis passed without a general conflagration.<sup>40</sup> The  
easing of tensions caused a wave of optimism to engulf the  
voluntarist militant group--they became convinced of the  
International's strength and capacity to prevent war.

The so-called orthodox Marxist faction (hereafter also  
referred to as the 'center', in anticipation of post-1914  
political alignments) was encouraged by the defusing of the  
crisis, but continued to believe that Social Democracy did

not possess sufficient strength, in any nation, to prevent fighting in case of mobilization of the war machine. Adler thus remarked: "It unfortunately does not depend on us Social Democrats whether there is a war or not."<sup>41</sup> Faced with this realization, and circumscribed by its commitment to parliamentarism, the center grouping was forced toward pacifist sentiments (more on this in subheading D below). This drift was expressed in hopes of attracting bourgeois anti-war groups to a common front. To an extent, the easing of tensions contributed to the spawning of illusions among this tendency as well, with the political consequence that they above all began to fear 'rocking the boat'.<sup>42</sup>

Only among the revolutionary left, notably Lenin and Leon Trotsky, was there a refusal to see anything but a temporary detente in the passing of the crisis. Furthermore, the revolutionary wing harbored no illusions about the International's potency, and were thus in agreement with the center regarding the ineffectuality of 'opposing' the outbreak of war. Trotsky wrote:

Once mobilization is declared, the Social Democracy finds itself face to face with the concentrated power of the government, which is supported by a powerful military apparatus.[43]

Lenin had also noted, and quite early on, the futility of the naive expectations of the militants (i.e., Hardie, Vaillant, Jaures and the rather incoherent Herve) and the complete chauvinism of the right (i.e., von Vollmar, David and Bernstein).<sup>44</sup> It yet remained for Lenin to appreciate Luxemburg's perspicacity in her recognition of the imperative of

breaking with the center (i.e., Kautsky and Hugo Haase, the latter taking over leadership of the SPD's parliamentary group following the death of Bebel).

\* \* \*

The course of events between the incident at Sarajevo (28. June, 1914) and Austria's ultimatum to Serbia (23. July) must have seemed to move with inordinate speed for most members of the International. Faster yet must have been the days between 23. July and the German declaration of war on Russia on 1. August.

Prior to the German declaration, a hasty meeting of the ISB was called in Brussels (28-29. July) with the hope of avoiding a European war. Some of the delegates, such as Adler, had already given up hope and were crushed and im-<sup>45</sup> mobilized. Others, such as Jaures, felt compelled to praise the "peaceful policy" of the French government, although he did issue grave warnings (of revolution) in case war did break out.<sup>46</sup> Haase and even Luxemburg felt that Kaiser Wilhelm II was too afraid to risk war.<sup>47</sup> Keir Hardie insisted that England could not be drawn into war. No one at the conference thought to ask what should be done in case war did actually break out.<sup>48</sup>

On 28. July, Austria declared war on Serbia. At the ISB meeting, there was still a feeling that the conflict might remain isolated. Haase had meanwhile returned to Berlin from the ISB meeting, and on 30. July met with the Reichstag Group and the SPD executive. At this time, a majority of the SPD leadership was still resolutely against war.<sup>49</sup> Haase and

Ledebour spoke, urging a vote to reject war credits in the Reichstag.<sup>50</sup> A personal blow to the International came on 31. July, when a young French 'patriot' assassinated Jaures.

On 1. August, the German government declared war on Russia. Owing to press censorship, the SPD Reichstag Group had only a limited awareness of passing events. Specifically, they did not know that on the previous day Germany had demanded a declaration of neutrality from France. Furthermore, the government 'revealed' (untrue) information that Russian troops had crossed the German frontier and that the French had bombed Karlsruhe and Nuremberg.<sup>51</sup> Under these conditions, the Reichstag Group reversed itself, and decided (78 to 14) to vote in favor of war credits. The 14 opposed submitted to party discipline, so the vote in the Reichstag<sup>52</sup> on 4. August was unanimous.

In France, the parliament also met on 4. August, and the vote for war credits was also unanimous. The French socialist deputies found it easy to rationalize their actions, citing the German declaration of war on France the day before and the movement of German troops into Belgium, a neutral nation, the previous night.<sup>53</sup> The European war had truly begun, and within a matter of days England and Russia<sup>54</sup> were also involved.

\* \* \*

Prior to the outbreak of hostilities, it seems possible to identify four broad tendencies within the International--the right, the 'orthodox' center, the militant (albeit gen-

erally non-Marxist) left, and the revolutionary left. A remarkable transformation in these political positions was effected by the eruption of war.

Needless to say, the right quickly moved to a perspective almost indistinguishable from that of the bourgeois parties. Certain elements within the center, although initially ambivalent with regard to the voting of war credits, soon succumbed when faced with the overwhelming support for the war within the various parliaments. And although there had been anti-war rallies as late as 2. August, the militant left found that once war had been declared, anti-war mass action was notable only for its absence. Some members of the militant tendency (e.g., Guesde, Marcel Sembat) subsequently even came to accept positions on wartime cabinets. (Herve, <sup>55</sup> incidentally, became a French patriot).

Fundamentally, there was a mingling of the center and militant left groups, followed by the uneven crystallization, over the first years of the war, of two relatively distinct positions. On the one hand, a 'pro-war' or 'defense of the fatherland' group emerged, including such personages as Vaillant, Guesde, Sembat and Georgi Plekhanov. On the other hand, a 'pacifist' wing appeared which, while opposed to the war, acquiesced to voting for war credits while waiting for a 'solution' to be found. This group found <sup>56</sup> Haase, Kautsky and (later) Bernstein among its members.

Finally, the revolutionary left, remaining largely intact, undertook an immediate campaign to explain the collapse of the International, and sought to formulate a viable

but principled position on the imperialist war. Within this perspective, a range of responses to the war became prominent, from Luxemburg's slogan of "struggle against capitalist class rule" to Lenin's tactic of "revolutionary defeatism."

The following subheadings of this chapter seek to examine the underlying theoretical premises and conceptions of the accumulation process held by these principal factions, and to reveal the links to movements in the political and ideological spheres. The results should serve to help explain the diverse positions, sketched out above, on the prospects for proletarian internationalism in a concrete historical setting.

### C. Eduard Bernstein and the 'Revision' of Marxism

The first 'ism' to be defined by the clash of theoretical and political standpoints operating within the framework of the International was the 'revisionism' (beginning in the late 1890s) associated with Eduard Bernstein. Even before Bernstein launched his critique, the political content of revisionism was expressly present within the SPD. In 1891, von Vollmar (in a speech to the Erfurt congress) spoke of the primacy of immediate objectives and the need to pursue "the path of calm, legal, parliamentary activity...."<sup>57</sup> Von Vollmar, however, was no theoretician. In fact, by distinguishing between the reformists and the revisionists within the SPD, Gary Steenson draws attention to the explicitly anti-theoretical attitude of the reformists (e.g., von Vollmar).<sup>58</sup> Thus Bernstein's novelty, which he himself recognized, was the effort to ratify theoretically the already existing practical program of the SPD (i.e., reformist parliamentary activity),<sup>59</sup> with which he agreed.

Somewhat paradoxically, one of Bernstein's principal antagonists in the subsequent debate surrounding the revision of Marxism came to be Karl Kautsky, 'High Priest' of orthodoxy in the SPD's center faction--paradoxically because Kautsky and Bernstein had collaborated in 1891, less than a decade earlier, to draft the Erfurt Programme of the SPD.

In 1896, a year after Engels' death, Bernstein began to publish a series of articles in the SPD theoretical organ Die Neue Zeit. These were subsequently collected, somewhat refined and published (in 1899) as a book: Die Voraus-



setzungen des Sozialismus und die Aufgaben der Sozialdemokratie,<sup>60</sup> appearing in English translation under the title Evolutionary Socialism.

The assault which Bernstein engineered proceeded along many fronts. Addressing himself to the SPD, Bernstein argued for a political strategy of expanding legal, parliamentary and above all evolutionary methods of struggle. "[I]n my judgement a greater security for success lies in a steady advance than in the possibilities offered by a catastrophic<sup>61</sup> crash." Bernstein furthermore contended that in urging this approach he was doing no more than acting on the advice given by Engels in an 1895 preface (written shortly before his death) to Marx's The Class Struggles in France, 1848 to 1850. Citing Engels, Bernstein wrote that

the time of political surprises, of the 'revolutions of small conscious minorities at the head of unconscious masses' was today at an end, that a collision on a large scale with the military would be the means of checking the steady growth of social democracy.... [T]he next task of the party should be 'to work for an uninterrupted increase of its votes' or to carry on a slow propaganda of parliamentary activity. [62]

Before continuing, note that Ernest Mandel has effectively put to rest the legend which makes Engels the progenitor of Bernstein's theses, a misconception which still enjoys widespread currency. In actuality, Engels' manuscript was not printed in full, and the excised passages lend the text an entirely different meaning from that suggested by Bernstein. As Engels himself wrote to Paul Lafargue:

'Liebknecht [the editor] played a dirty trick on me. He took from my introduction to Marx's articles on France between 1848 and 1850 everything he could use to support

a peaceful tactic at any price.... But I recommend such a tactic only for Germany today, and even here with strong reservations'. [63]

On the opening page of Evolutionary Socialism, Bernstein makes clear that the principal thrust of his critique will be to subject Marxist theory to empirical test, since "what is not capable of such proof is no longer science...." Moreover, he contends:

In all sciences a distinction can be drawn between a pure science and an applied science. The first consists of principles and of a knowledge, which are derived from the whole series of corresponding experiences and therefore looked upon as universally valid.... From the application of these principles to single phenomena or to particular cases of practical experience, is formed an applied science.... [64]

Now, according to Bernstein, the division of Marxism into its "pure" and "applied" aspects "has not hitherto been attempted." At first glance, Marx's analysis of the capitalist mode of production may appear to be "applied" Marxism, since it deals with a historically specific and delimited form of social organization. But in truth, says Bernstein, the theory of capitalism "is a thoroughly essential application" of "pure" Marxism, and consequently "the general or chief propositions of [the] deductions regarding modern society must be ascribed to the pure doctrine of Marxism." <sup>65</sup> Thus the empirical critique, by bringing into question the validity of certain derived propositions, at the same time (and somewhat contrary to Bernstein's original account of the relation between "pure" and "applied" science) can be made to refute the "pure" theory as well.

Having framed the issue in this manner, Bernstein pro-

ceeds to examine the "most important element in the foundation of Marxism,...the materialist interpretation of history." For Bernstein:

To be a materialist means first of all to trace back all phenomena to the necessary movements of matter.... Mechanical facts determine, in the last resort, all occurrences, even those which appear to be caused by ideas. It is, finally, always the movement of matter which determines the form of ideas and the directions of the will; and thus these also are inevitable. The materialist is thus a Calvinist without God.[66]

But beyond this passage, Bernstein never again refers to the "movement of matter" as having any privileged status in Marxism (or, for that matter, in any other non-Marxist materialist philosophy). Instead, his concern moves as unobtrusively as possible to an effort aimed at revealing the existence of a necessary link between a (any) materialist epistemology (but Marx's in particular) and a belief in historical necessity or determinism ("the inevitableness of all historical events"). And by quoting from Marx's 1859 "Preface," Bernstein concludes that for Marx the economic (taking now the place of the "movement of matter") is "the determining factor" by which "the inevitable is accomplished in human history."<sup>67</sup>

Marx, in Bernstein's view took a "dogmatic" stand by erecting such a sharp distinction between "consciousness" and "existence...that we are nearly driven to conclude that men were regarded solely as living agents of historical powers whose work they carry out positively against their knowledge and will."<sup>68</sup> This conception of the historical process is not ascribed to Engels, who (we are told) in the

period after Marx's death adopted a much more "qualified" position. Invoking two letters written by Engels,<sup>69</sup>

Bernstein quotes passages therein which emphasize the effectivity of non-economic factors, and maintains that these formulations convey a rather different meaning than the ones produced by Marx himself. In the end, the entire matter reduces, for Bernstein, to "a question of proportion."<sup>70</sup>

Thus while Bernstein does not deny the significance of the economic, it becomes necessary, in his opinion, to consider the economic as merely one factor among many--this "eclecticism" is then simply the "rebellion of sober reason" against dogma, and points the way to a rational reconstruction of scientific socialism which avoids the deterministic formulations intrinsic to Marxian materialism.<sup>71</sup>

After all this, however, Bernstein surprisingly announced that he still preferred to retain the notion of the "Economic Interpretation of History," provided that his qualifications were adopted. He also inexplicably continued to refer to it as the "Marxist conception of history," although Marx had specifically been held responsible for its "deterministic" formulations, i.e., those which were subsequently "corrected" by Engels.<sup>72</sup>

Foremost among Bernstein's objections to the "dogma" is the vision of necessary "collapse" which he imputes to the Marxist theory of capital accumulation. In Bernstein's reading of Marx, the collapse of capitalist society is conceived as the necessary and inevitable outcome of the accumulation process. The "coercive laws of competition" and "the growing

wealth of capital in society" act to bring down the rate of profit: "competition...presses constantly on the market price of commodities," forcing capitalists to cheapen production costs. The principal means by which costs are lowered is mechanization, which entails a rising organic composition of capital and a concomitant falling rate of profit.<sup>73</sup>

This interpretation of Marx's law of the tendency of the rate of profit to fall is no doubt muddled by ascribing the fall to the "coercive laws" of competition.<sup>74</sup> But even more striking is the fact that these references, which are no more than passing comments from an introductory chapter, are actually the sole passages in Evolutionary Socialism where Bernstein even considers Marx's crisis theory to be bound up with profitability at all. The discussion is interrupted at this point by Bernstein's recapitulation of the Marxian theory of value.

The first page of the chapter on value theory in Evolutionary Socialism is also virtually the last where Bernstein renders an accurate account. He begins with the reasonable claim that the theory of surplus value, for Marx, is the "pivot" on which the workings of the capitalist mode of production are understood. But Bernstein then complains that Marx, having equated value with the socially necessary labor time required for (re)production, finds that such a concept of value entails all manner of abstraction. In particular, it is necessary to (i) "leave aside" use-value, (ii) reduce

complex to simple labor, (iii) allow for differential productivities, (iv) allow for the deviation of prices of production from values and (v) deduct ground rent from the "total value"<sup>75</sup>[?]. After all of these allowances, Bernstein claims that value becomes no more than a "pure abstract concept." Marx, like Smith, is then forced to regard value under capitalist production as the sum [!] of profits, wages and rent.<sup>76</sup>

For Bernstein, the "fundamental" debate in Marxism prior to the publication of vol. 3 of Capital, a debate in which Bernstein proudly notes he participated, revolved around the question of whether "socially necessary labor time" referred to the "amount produced" or to "the manner of the production." According to Bernstein, the resolution of this momentous issue was made largely irrelevant with the publication of vol. 3, since there it is discovered that commodities do not even exchange at values, but at prices of production. Following this disclosure, "[w]hat takes the first place is the value of the total production of society...--that is, not the individual, but the total social surplus value."<sup>77</sup>

From this, Bernstein infers that the amount of the total surplus value realized depends on the relation between total production and total demand, and according to this perspective the individual value (sic) of a commodity is "determined by the labor time which was necessary to produce it under normal conditions of production to that amount which the market...can take in each case." Since there can

be no measure of social need, "value as conceived above is a purely abstract entity," not unlike the (subjective) value of the marginal utility theoreticians--and of equally limited applicability.<sup>78</sup> And if all of this is true, it requires no great feat of deduction to conclude that the theory of surplus value (the "pivot" of Marx's system) collapses as well. But fortunately, all is not lost because "practical experience" shows first, that supply and demand tend to equalize themselves (obviating the need for a theory of value!); and second, that some people consume without working (obviating the need for a "deductive proof" of the theory of surplus labor!).<sup>79</sup> It must be said in Bernstein's defense that his recourse to the empirical is a testament to consistency.

A full critique of Bernstein's appraisal of the Marxian theory of value is not necessary for present purposes, but a few summary points can be readily made and briefly elaborated. First, Bernstein's complaint that the theory "is above all misleading in this that it always appears again and again as the measure of the actual exploitation of the worker"<sup>80</sup> will re-emerge as an element of his observation that the position of the working class under capitalism is steadily improving (i.e., the basis of his argument against the "class struggle"). Second, and highly important, his treatment of the labor theory of value allowed Bernstein to detach the subsequent discussion of crisis from any foundation in value theory, thus expelling any notion of crisis as

intrinsic to capitalism. Indeed, as already noted, the actual discussion of crisis in Evolutionary Socialism does not even indirectly refer to profitability. Rather, the section on crisis dwells on two topics: the role of the credit system and disproportions stemming from the anarchy of production.<sup>81</sup>

According to Bernstein, "the enormous extension of the world market" reduces the possibility of crisis by virtue of enhancing flexibility (in transport, finance, etc.) and therefore increasing the likelihood that the adjustment of disturbances will be accomplished locally, without precipitating a massive crisis in all parts of the system. In particular, "the elasticity of the modern credit system and the rise of industrial Kartels" has facilitated the smooth operation of the capitalist market to the extent that "general commercial crises similar to the earlier ones are to be regarded as improbable."<sup>82</sup>

True, says Bernstein, the credit system in the early days of capitalism served on occasion to fuel speculation and hence instability. But he argues that in addition to this "destructive" role, Marx himself had assigned a "creative" content to speculation insofar as it aids in the development and extension of capitalist production.<sup>83</sup> And once established, the maturing of a particular branch of production coincides with a diminution of "the speculative momentum.... The conditions and movements of the market are then more exactly foreseen and are taken into consideration with greater certainty."<sup>84</sup> Bernstein concedes that credit



may nevertheless act as a "hothouse forcing...overproduction." But here too, in his opinion, a countervailing influence has emerged in the form of cartels and trusts, which are able to regulate production with ever greater precision.

To deny this is to deny the superiority of organization over anarchic competition. But we do so if we deny on principle that Kartels can work as a modifying influence on the nature and frequency of crises.[85]

The conclusion is self-evident. Marx may have more or less correctly identified the source of economic crises at the time in which he wrote Capital, but social development had so altered economic conditions that it was certainly no longer possible in 1900 to argue that capitalism was threatened by "collapse." Moreover, even the recurrent fluctuations seemed to diminish over time. Naturally, external factors--war, general crop failures, etc.--could still induce a crisis, but "there is no urgent reason for concluding that such a crisis will come to pass for purely economic reasons."<sup>86</sup>

For Bernstein, Marx's errors were not confined to the crisis theory. "The Marxist doctrine of class war" rests, according to Bernstein, on the argument that capitalist development entails the concentration and centralization of capital in the hands of an ever smaller, wealthier bourgeoisie and the impoverishment and degradation of an ever larger, increasingly destitute proletariat. To this interpretation Bernstein counterposes his own contention that

conditions have not developed to such an acute opposition of things and classes.... The enormous increase in social wealth is not accompanied by a decreasing number of large

capitalists but by an increasing number of capitalists of all degrees.[87]

Indeed, the economic 'facts' demonstrate that rather than generating a concentration of wealth, capitalist development disperses it (as evidenced by the growing number of share-<sup>88</sup>holders). The principal characteristic of the capitalist mode of production, for Bernstein, consists in the rapid increase in the productivity of labor, leading to

the production of masses of commodities. Where are these riches?... If the 'capitalist magnates' had ten times as large stomachs as popular satire attributes to them..., their consumption would only be a feather in the scale against the mass of yearly national product....[89]

Bernstein concludes that the "riches" must obviously be accruing to the middle and working classes. Thus once again, in the best modern tradition, the 'facts' contradict the 'theory', and Bernstein provides a falsification of Marx.

Since in Bernstein's schema "class is a social stratum which is largely formed by similarity of living condi-<sup>90</sup>tions," and observation shows a wide spectrum of "living conditions" (even within the ranks of the propertyless), it follows that the "middle classes" not only are not de-<sup>91</sup>clining, they are even increasing. At the same time, these differences in "living conditions" create such tensions within the working class that, according to Bernstein, it becomes impossible to even speak of the proletariat as anything except a "purely mental construct."<sup>92</sup>

In an important essay, Lucio Colletti criticizes Bernstein's reduction of value to a mental generalization as an egregious misreading of Marx's theory.<sup>93</sup> While Colletti

links Bernstein's mistake to the (vulgar) understanding of exploitation as a violation of the law of equivalent exchange (similar to Proudhon's "theft"),<sup>94</sup> grasping this connection only uncovers the tip of the iceberg.

When Bernstein severs value theory from the theory of capital accumulation and crisis, a twofold result directly obtains. First, it becomes possible to think of crisis as a problem of disproportions or periodic outbreaks of speculative fever, both of which can be gradually eliminated through regulation and the perfection of the credit system.<sup>95</sup> This implies an enhanced appreciation of the prospects for reform, which of course leads to a reliance on the (bourgeois) parliament and efforts to 'perfect' the parliament. The conception of the 'interests' of the 'nation as a whole' is thus smuggled onto the arena, with clear implications for working class organizations.<sup>96</sup> Second, once value theory is abandoned, accumulation takes on the aspect of a process whose aim is the production of "riches" in the form of "masses of commodities" which appear merely as use-values.<sup>97</sup> Consumption, rather than the expansion of value, has become the object of capitalist production; all that is left for socialism is to effect a more or less equal distribution of these "riches."

It is in Bernstein's discussion of the nature of civil society that the implications of his theory of capitalist development are combined and their links with the theory most fully revealed. Bernstein openly states that acceptance of his arguments regarding the crisis theory leads directly

to the view that social democracy must proceed by "evolution," an imperative if the socialist movement was "to avoid the steady growth of social democracy by lawful means being interrupted by a political revolution."<sup>98</sup> There is an inference here: since for the SPD "lawful means" signified parliamentary methods, fealty to parliamentary methods also implied fealty to the parliament, i.e., the emergence of a state of affairs in which the supposed interests of the working class come to be linked and identified with the continued maintenance and development of the parliament, rather than its revolutionary supersession.

A similar theme is evident when Bernstein speaks of "[d]emocracy [as] the suppression of class government," and when he maintains that the "right to vote in a democracy makes its members virtually partners in the community, and this virtual partnership must in the end lead to real partnership."<sup>99</sup> Plainly, this line of reasoning leads somewhat beyond the mere renunciation of violent methods as a means of obtaining political power for the working class. Rather, it rejects any notion whatsoever of the state as guarantor or reproducer of particular social relations by conceiving the modern representative state as a perfectly class neutral or non-class institution.

To be sure, Marx had also made mention of the progressive aspects of capitalism (and its ideology, bourgeois liberalism) viz-a-viz archaic forms of social organization. But Marx had nowhere argued that even the most democratic

bourgeois government was anything but a class state.

Bernstein consequently places himself far afield from Marx's

theses<sup>101</sup> when he argued that "[t]here is actually no really

liberal thought which does not also belong to the elements

of the ideas of socialism,"<sup>102</sup> and that for the full reali-

zation of socialism the "liberal organizations of modern so-

ciety...do not need to be destroyed, but only to be further

developed."<sup>103</sup> It is not a major leap from here to the con-

tention that with the development of liberalism the worker

"moves from being a proletarian to a citizen...[and becomes]

a fellow owner of the common property of the nation." Ob-

viously, such a worker increasingly "has a fatherland."<sup>104</sup>

Whereas for Bernstein it thus comes to pass that West-  
ern workers can and should establish an identity of in-  
terests with the fatherland, the same cannot be said of the  
inhabitants of the colonies, since

only a conditional right of savages to the land occupied  
by them can be recognized. The higher civilization ulti-  
mately can claim a higher right. Not the conquest, but  
the cultivation, of the land gives the historical legal  
title to its use.[105]

And here Bernstein claims he is only following Marx [!],  
citing the following passage from Capital vol. 3:

Even a whole society, a nation, nay, all contempora-  
neous societies taken together are not proprietors of the  
earth. They are only its tenants, its usufructuaries, and  
have to leave it improved as boni patres familias to the  
following generation.

In addition to such non sequiturs, much of Bernstein's  
writing is infused with homages to Germany's "honourable  
share in the civilizing work of the world" and considera-  
tions of Germany's "future rights."<sup>106</sup> Here again, Bern-

stein's sympathetic biographer concocts an apologia. Conceding that Bernstein "supported" colonialism, Gay immediately warns that it would be a "grave misconception" to ignore the fact that this support was "qualified." In particular, Gay argues that Bernstein's favorable attitude to colonialism was confined to the British variety, insofar as this supposedly enlightened form was capable of "bringing advancement to backward nations."<sup>107</sup>

Bernstein was not alone in the SPD in voicing support of colonialism, and it must be said that others provided much less "qualified" endorsements. Ludwig Quessel, for instance, was unhappy with Germany's 'meager' endowment of colonies, and thought it only fair that Portugal should cede its colonies to Germany, since Portugal had shown itself to be manifestly incapable of performing the "civilizing mission."<sup>108</sup> In a similar vein, Gerhard Hildebrand saw that "our [Europe's--N.K.] well being, our civilization, is based upon the payment of tribute by foreign peoples." Should these "peoples" in the colonial areas begin on a course of independent economic development, Europe might find itself without adequate food supplies and markets for export. Clearly, the colonies had to be maintained in a state of dependence. Hildebrand justifies himself:

A mass of humanity consisting of 290-300 millions, crowded into the narrow space of the Western half of Europe, which is blessed with a superior civilization, must claim the right to colonize the backward, sparsely populated lands such as Africa, where the people have proved themselves incapable of progress.[109]

Alongside Bernstein's revisionism, and clearly linked

to it via the implicit or explicit abandonment of internationalist principles, a second 'ism' had thus made its appearance within the Second International: social imperialism, i.e., socialism in words and imperialism in deeds. Concretely, social imperialism manifested itself (as already discussed in subheading B above) in the struggle around the issue of colonialism. The manner in which the anti-revisionist Marxists now came to develop theoretical explanations of revisionism, social imperialism and the connections between them is discussed in subheadings D and E below.

D. Karl Kautsky, Georgi Plekhanov,  
and the 'Orthodox' Critique of Revisionism

The response to Bernstein and the revisionist tide was swift. From the 'center' camp, Georgi Plekhanov immediately launched a vituperative critique of Bernstein's philosophical theses, while Karl Kautsky (the 'High Priest' of doctrinal purity within the SPD) somewhat belatedly went on the attack against the economic theory of revisionism as well as its philosophical grounding.

When Bernstein began publishing his articles in Die Neue Zeit toward the end of 1896, Plekhanov was one of the first to react. Kautsky delayed, however, and continued to publish Bernstein's work without comment. Some have vaguely sought to explain Kautsky's hesitation as "symptomatic" of the general absence of an "articulate opposition" to revisionism within the SPD. <sup>110</sup> What this implies, of course, is that Bernstein's critique of Marxism was devastating. Probably closer to the mark are those explanations which emphasize Kautsky's friendship with Bernstein, and more importantly, the tactical considerations of SPD leaders over provoking a split with the revisionists, who had powerful <sup>111</sup> allies in the SPD affiliated trade unions. In their personal correspondence, Kautsky and August Bebel rather quickly concurred that Bernstein was beyond the pale. Viktor Adler, however, counseled that a break would be inopportune because Bernstein might prove more troublesome outside the constraints imposed by party discipline. By March 1899 even Adler had become fed up with Bernstein's contentions, and



Kautsky proceeded to work out a critique of revisionism.

\* \* \*

Plekhanov's earliest (Marxist) theoretical writings, however, appeared in 1883, long before the revisionist controversy. In that year, he published Socialism and the Political Struggle, followed a year later by Our Differences.

The former was a critique of the theoretical and political positions of the Russian populist Narodnaya Volya group from a Marxist perspective. In the pamphlet, Plekhanov denied that Marx had argued "that Russia must go through exactly the same phases of historical and economic development as the West," and insofar as Capital was concerned with "the history of West European relations," these were "used by Marx only as the basis of the history of capitalist production." The principal aim of Socialism and the Political Struggle was to show that class conflict is the motivating force of history, and that in modern industrial society, and increasingly in Russia, the proletariat would be the class which assumes the key historical role. <sup>113</sup> The Narodnaya Volya group erred, said Plekhanov, in regarding workers as merely an auxiliary force in the revolution, and in emphasizing the recruitment of intellectuals and members of "the officer corps." <sup>114</sup>

Having said all this, Plekhanov immediately grew cautious in his assessment of the prospects for socialist revolution in Russia.

The socialist organization of production implies such a

character of economic relations as will make that organization the logical conclusion of the entire previous development of the country.... In other words, socialist organization, like any other, requires the appropriate basis. But that basis does not exist in Russia.[115]

The most that could be hoped for in the Russia of the 1880s was "to achieve free political institutions...and to create elements for the setting up of the future worker's socialist party...."<sup>116</sup>

For Plekhanov, the appropriate political strategy was consequently to support the bourgeoisie (quoting the Manifesto) "'whenever it acts in a revolutionary way, against the absolute monarchy'."<sup>117</sup> Narodnaya Volya was mistaken in believing that an immediate transition to socialism was possible on the basis of the village commune, argued Plekhanov, and therefore the appropriate if paradoxical strategy to achieve socialism was to 'support' the development of capitalism.

Many of these same themes were further developed in Our Differences. Moreover, Plekhanov also sought to show that capitalism was already implanted and developing in Russia, citing statistics on industrial concerns, numbers of workers, the expansion of the market and the dissolution of the village commune.<sup>118</sup> The laws of motion of capitalism were at

work with the irresistible and blind harshness of laws of nature. But to discover this or that law of nature or of social development means, firstly, to be able to avoid clashing with it and, consequently, to avoid expending one's efforts in vain, and, secondly, to be able to regulate its application in such a manner as to draw profit from it.[119]

There was an historical "peculiarity" of Russian capitalism, according to Plekhanov, and it consisted in the fact

that because of a prior capitalist development in Europe, and the lessons which were drawn from it, "the socialist movement in [Russia] began when capitalism was only in the embryo."<sup>120</sup> Plekhanov's political conclusion is the same as previously: Russian socialists should "put aside all thoughts of siezing power, leaving that to our worker's socialist party of the future." Rather, efforts should be directed towards the creation of such a party.<sup>121</sup> The "character of the impending revolution" will be bourgeois, concluded Plekhanov, but socialists can take comfort in knowing that because of Russia's "peculiarity," the capitalist phase there will be shorter than in the West.<sup>122</sup>

The debates with the populists occupied Plekhanov during the 1880s, but shortly after the end of the decade he began to take note of the unwelcome trends within the SPD. As noted earlier, revisionism as a political practice was already firmly established in German social-democracy at least since the Erfurt congress (1891) of the party, thus well before Bernstein's formulation of the theoretical bases of revisionism. At the congress, von Vollmar had exhorted party members to seek an accomodation with the ruling classes and to confine the SPD's activity to the parliamentary arena. At the time, Plekhanov expressed pleasure at the rejection of von Vollmar's position by the congress, but also noted that the danger was not thereby eliminated.<sup>123</sup>

During the spring and summer of 1898, Plekhanov toured Italy and Switzerland, delivering a series of critical lec-

tures on Bernstein's philosophical arguments. These lectures ultimately served as the basis for several anti-revisionist articles which Plekhanov published in Die Neue Zeit.<sup>124</sup>

For Plekhanov, the critique of revisionism was in large part a continuation of his polemics against the "theory of factors" put forward in Russia by the "subjectivists" and liberal populists such as Nikolai Kareyev and Nikolai K. Mikhailovsky. Proponents of the "theory of factors" interpreted Marx's "materialist conception of history" to mean that only the economic "factor" played any active role; their critique then consisted in seeking to establish that numerous other "factors" (law, ideology, etc.) possessed an independent effectivity, which found expression in the complex interaction of factors.<sup>125</sup> Plekhanov had no objection to the observation that social phenomena are characterized by the articulation of a myriad of factors--the problem came when the observer of events

embark[s] on philosophising.... In that case I [the observer-turned-philosopher] shall not be satisfied with the external nexus between events, but shall wish to uncover their inner causes, so that those factors--human passions, public law, and the economy--which I previously set off and brought forward, guided almost exclusively by my artistic instinct, will now acquire a vast new significance for me. I shall see them just as those inner causes, those 'hidden forces', to whose influence the events can be ascribed. I shall create a theory of factors.[126]

The "theory of factors" was flawed, according to Plekhanov, in that it "split up social man's activities" and was consequently unable to take the "synthetic view on social life." Plekhanov maintained that the "theory of factors" stood in the same relationship to social science as

did the early notions of separate physical forces to the science of physics. In the same way as modern physics developed a unified concept of energy, so too did modern social science (i.e., "dialectical materialism")<sup>127</sup> adopt the "synthetic view on social life." Granted, the "synthetic view" was not unique to Marxism--it could be found in Hegel as well. The advance of Marxism over Hegelianism consisted in the former's "eliminat[ion of] teleology from social science." Marxism

has shown that men make their history, not so as to march along a predestined road of progress or because they must obey the laws of some kind of abstract evolution. They make it in a striving to satisfy their needs....

The ways of satisfying social man's needs, and, in considerable measure, those needs themselves are determined by...the condition of his productive forces.... To the idealists of all shades and varieties, economic relations have been a function of human nature; the dialectical materialists consider those relations a function of the social productive forces. [128]

In rejecting what he termed "eclecticism," Plekhanov insisted "that men are creating, not several and separated histories...but a single history of their own social relations...."<sup>129</sup>

The imagery of a unified or "synthetic" social ontology permeated Plekhanov's work. Just prior to the publication of the anti-Bernstein article quoted from above, Plekhanov produced The Development of the Monist View of History (1895), wherein he defined materialism as the view which "explain[s] psychic phenomena by these or those qualities of matter, by this or that organization of the human or, in more general terms, of the animal body." Moreover, "the most

consistent and profound thinkers were always inclined to monism," i.e., an unwavering commitment to either materialism or idealism. The eclectics simply did not understand "the worthlessness of [their] dualist outlook on the world" because they (the eclectics) could never

reply satisfactorily to the inevitable question: how could these two separate substances [i.e., spirit and matter], which have nothing in common between them, influence each other?[130]

And finally, Plekhanov (following Kautsky) asked how Bernstein could conceive of the possibility of scientific explanation at all without accepting determinism, i.e.,  
131  
causality. Bernstein could respond, of course, by claiming that he only objected to the explanation of "all occurrences" by the billiard ball-like "movement of matter." By contrast to what he deemed "purely" materialist explanations, Bernstein claimed he only wished to leave room for spiritual, moral, etc. principles. Plekhanov's monism was no less dogmatic than Calvinism.

But both Bernstein and Plekhanov muddled the issues. As already seen above, Bernstein had objected to the determinism of billiard ball explanations of social (as opposed to natural) processes, and claimed that Marx explained the "inevitableness of all historical events" by the "material  
132  
productive forces and the conditions of production." Bernstein himself did not seek to provide the (seemingly necessary) explanation of why a theory of history rooted in the development of the productive forces necessarily implied the "inevitableness" of any particular event in the sense

that the "movement of matter" might. Plekhanov, meanwhile, never elaborated his conception of history beyond general statements about the unified social history which "men are creating," and which is rooted in the development of the productive forces. Plekhanov thus certainly left himself open to charges of crudity, given his "definition" of materialism, when he referred to his theory of history as materialist.

On the other hand, Plekhanov's sketchy outline does not necessarily allow Bernstein's deduced criticism of ironclad determinism. Much depends on the content ascribed to "socio-economic relations" and the "productive forces." If it can be shown that the forces-relations couplet is conceived as "an antecedent sphere, prior to any human mediation" (in the words of Lucio Colletti),<sup>133</sup> and the 'economic factor' is seen in purely technical terms, then Bernstein might have a possible avenue along which to press his criticism. If, however, Plekhanov's "definition" of materialism is interpreted to mean only that the existence of matter is a necessary condition for thought, but that ideas, thoughts, etc., are not reducible to the "movement of matter," then Bernstein would be far wide of the mark.

So in the absence of further elaborations of the respective positions, which were not forthcoming, the dispute necessarily arrives at an impasse. Plekhanov continued the attack by heaping scorn on Bernstein, accusing him of ignorance in philosophical matters. Bernstein, on the other hand, could admit to being a philosophical "layman,"<sup>134</sup> and

yet remain smugly secure in the knowledge that the SPD's concrete activities suggested a world-view in keeping with his revision of Marxism.

Since Plekhanov did no more than take a few passing snipes at Bernstein's use of statistics,<sup>135</sup> the task of providing the refutation of Bernstein's economics fell to Karl Kautsky, the chief theoretician of the SPD.

\* \* \*

With Kautsky too, it is necessary to examine the theoretical writings which preceded the revisionism debates, both in order to better understand his critique of Bernstein (and its obscurities) as well as to grasp the general character of his approach.

In 1887, Kautsky wrote The Economic Doctrines of Karl Marx, intended as a straightforward and unoriginal synopsis and popularization of Capital and Marx's other major economic writings. The first two parts of the book consist of a rather rambling and far-ranging recapitulation of roughly the first eighteen chapters of Marx's magnum opus. In the third part, Kautsky begins with "Wages," corresponding to Part Six of Capital vol. 1, but then quickly moves ahead, dealing with reproduction, accumulation, primitive accumulation and crisis theory in the last fifty pages (out of two hundred and fifty in all).

This last part of the book is also the least satisfactory, being both vague and inconsistent. Economic crises are explained as a consequence of the struggle for markets



causing "a period of feverish production," followed by stagnation. Although the crisis is characterized as one of "overproduction," there is no indication given as to the specific source or cause of the demand gap. The prolonged crisis beginning in the 1870s was due to the gradual diminution of non-capitalist regions of the world. So "instead of a cycle of 10 years,...since 1873 we had chronic business stagnation and permanent depression..." due to the shrinkage  
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of markets.

The Class Struggle, Kautsky's commentary on the SPD's Erfurt Programme, was first published in 1892. Here Kautsky developed themes from the past, and introduced his own conceptions of the historical development of capitalism. Marx's theory of the tendency of the rate of profit to fall made an appearance early in the book, although no special significance was assigned to it other than as an explanation of the "narrowing" of the capitalist class, i.e., the de-  
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cline in the profit rate squeezed out smaller capitals.

Crises were once again explained in terms of an "overproduction," this time linked to the anarchy of capitalist commodity production. Due to the unplanned nature of capitalist production, Kautsky claimed, once an upswing began individual capitals would increase production and, unaware of the consequences of their actions, continue to raise output beyond the point at which demand was saturated. As before, no explanation of the origin or the nature of the demand gap was forthcoming.

Ultimately, according to Kautsky, this state of affairs

was caused by the fact that capitalist production was for exchange rather than for use. He provided a rather puzzling illustrative example of simple commodity circulation, showing how the process could break down if one of the producers sold but chose not to buy. Conceding that the example was perhaps oversimplified, Kautsky nevertheless claimed that it grasped the essential contradiction of capitalism, viz., that production for use "is crowded ever more to the rear."<sup>138</sup>

At this point, Kautsky began to distinguish periodic crises as just described from "chronic" overproduction, which he saw as rooted in the constant pressure to expand markets coming up against the continual decline in the number of non-capitalist areas around the world. The problem became aggravated by the proletarianization of pre-capitalist producers, which "lowers [their] purchasing power."<sup>139</sup> Capitalism thus digs its own grave by depriving itself of consumers,<sup>140</sup> and periods of prosperity become shorter while crises become longer. Adopting a highly modern-sounding turn of phrase, Kautsky argued that the "capitalist system begins to suffocate in its own surplus...."<sup>141</sup>

Although the theory of "chronic" overproduction would allow Kautsky to explain imperialism, both in this work<sup>142</sup> and subsequently, as the quest to annex non-capitalist agrarian areas for both markets and sources of raw materials,<sup>143</sup> the theory of periodic crises left itself open to Bernstein's criticisms. The latter had argued, it will be

recalled, that cartels facilitate planning and that any overproduction under capitalism could be (and in actuality was) overcome by increasing consumption, especially working class consumption. Kautsky's crisis theory was to remain in this very loosely formulated and incomplete state, for he never returned to a comprehensive treatment of the subject.

Perhaps the most noteworthy sections of The Class Struggle deal with Kautsky's general view of the process of social development under capitalism. It is here that one encounters Kautsky's efforts to reconcile a denial of crude determinism (and by implication, fatalism) on the one hand, with a strong desire to affirm the lawfulness of social processes (and the inevitability of socialism). On the same page, Kautsky spoke of "the irresistible and inevitable nature of the revolution," but nevertheless maintained "that men are men and not puppets," that "[p]atiently to yield to what may seem unavoidable is not to allow the social revolution to take its course, but to bring it to a standstill." The "breakdown of the present social system [is] unavoidable," but "we do not mean that some fine morning the exploited classes will find that, without their help, some good fairy has brought about the revolution."<sup>144</sup>

Similarly, in another part of the book, Kautsky described a logically necessary "final result" of capitalist development: "the concentration of all the instruments of production in the hands of one person or one stock company...." But this "final result" would never in actuality come about, since the "suffering" of the mass of people

"would be so great that [they] will first overthrow capital-  
ism."<sup>145</sup> The notion that the revolution will come about due  
to "unbearable conditions" and "degradation" is repeated  
elsewhere in the book,<sup>146</sup> and places in jeopardy Kautsky's  
later claims that he did not hold to an 'immiseration'  
thesis.

The 'official' response to Bernstein's revisionism was  
provided by Kautsky in 1899, in his Bernstein und das sozi-  
aldemokratische Programm.<sup>147</sup> Following some jabs at Bern-  
stein's critique of materialism, Kautsky moved to an attack  
on the economics of revisionism. Although extremely witty,  
Kautsky's passages in defense of the Marxist labor theory of  
value are rather short of economic-theoretical content.  
Recall that Bernstein had claimed that the "Boehm-Bawerk  
theory" (subjective value theory) and Marx's theory were, in  
effect, the same due to their 'one-sidedness'; Bernstein  
thus considered his own "eclecticism" to be the "rebellion  
of sober reason" against dogma.<sup>148</sup> Kautsky ridiculed  
Bernstein, remarking how strange it was that all of the  
smart people responsible for the development of the two  
theories of value had never before noticed the congruence  
pointed to by Bernstein, and continued to attack each other  
with undiminished vigor.<sup>149</sup> As for Bernstein's 'rebellious-  
ness', Kautsky argued that genuine rebels were rarely eclec-  
tics, that they searched for integrity and unity of ideas.  
When someone is able to equate an aspect of Marx with an  
aspect of Boehm-Bawerk, "it is a long way from rebellion!"<sup>150</sup>

In regard to Bernstein's unhappiness with a supposed Marxist theory of "breakdown," Kautsky argued that Marx and Engels never held a "breakdown" theory, that "the word stems from Bernstein...",<sup>151</sup> as does the notion of an "absolute immiseration" of the proletariat. Moreover, the Erfurt Programme of the SPD, which Bernstein helped draft, contains no mention of "breakdown."<sup>152</sup> As correct as these claims may have been, it has already been seen how Kautsky's own commentary on the Erfurt Programme might allow an interpretation such as Bernstein's.

Bernstein's use of statistics purportedly showing the persistent stability of small and medium producers (offered in opposition to Marx's theory of the concentration and centralization of capital), in Kautsky's view, was both shoddy and shallow. First, Bernstein did not trace developments over time, he merely pointed to the large numbers of small and medium producers in various countries at specific moments in time.<sup>153</sup> Second, Kautsky developed the argument that many of the independent albeit marginal small producers in the capitalist economy are merely another (the latent) form of the reserve army of labor. Especially in agriculture, a substantial portion of small producers are not so much viable in (capitalist) economic terms as they are merely marking time, and able to do so precisely because they are non-capitalist.<sup>154</sup>

And finally, when Bernstein spoke of cartels he did so seeking to demonstrate the possibility of a 'planned' capitalism, thereby supposedly disproving Marx's assertions of

the necessity of crisis under capitalism. But why then, asks Kautsky, did Bernstein completely ignore the cartels, pretending that they did not exist, when he developed his critique of Marx's theory of the concentration of capital? Bernstein simply could not have it both ways.

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Throughout the first decade of the twentieth century, as Lenin would later say, Kautsky was "still a Marxist." That is, he regarded the bourgeois state as a class state, and recognized the need for the proletariat to conquer state power. In The Road to Power (1909), for example, he attacks the reformers and revisionists for mistaking the development (concentration) of capital on the one hand, and the growth of the proletariat (and its organizations) on the other, for the "peaceable growth into Socialism" or even the "midst of Socialism." Rather,

[w]hat appears to the 'reformers' as a peaceable growth into Socialism, is only the growth in power of two antagonistic classes, standing in irreconcilable enmity to each other.[157]

But Kautsky was also cautious, a trait which earned him the scorn of Rosa Luxemburg, among others. Socialists, in Kautsky's view, should refrain from "any purposeless provocation of the ruling class" until such a time that capitalism can be simply pushed over. In an elliptic reference to Luxemburg and Karl Liebknecht, Kautsky criticized that "faction" of the SPD which seeks "to enrage the capitalist" rather than weaken him.

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The recurrent image of Kautsky is thus one of constant

ambivalence: freedom vs. necessity, revolution vs. parliamentarism. Nowhere is this ambivalence more clearly expressed than in his attitude towards militarism. The 'orthodox' Kautsky found it necessary to link imperialism with militarism and the arms race, concluding that capitalism (imperialism) leads to wars of conquest. By contrast, the interests of the proletariat were peaceful and "identical...in all lands where capitalist production prevails." <sup>159</sup> But after 1910, precisely as war seemed more and more likely, Kautsky (and other members of the Second International's center, such as Plekhanov) found that pacifism was the only approach consistent with determinism and a commitment to parliamentary tactics.

Although socialism was the only ultimate guarantee of peace, so ran the line of reasoning, it was not immediately on the agenda, i.e., capitalism had not yet reached a sufficiently 'mature' state for the revolution to 'occur'. Consequently, something had to be done in the short term to prevent war, until the inevitable advent of socialism abolished it forever. The official position paper of the SPD executive thus stated:

It will be too late to resist once war has broken out. What is vital is to avoid a spirit of belligerence spreading among the masses. Because modern war can hardly happen without the agreement of the masses and if it does happen the rulers have everything to fear from its deadly consequences.[160]

It was felt among the center that the labor movement in all nations was too weak to prevent war, and that therefore a common front needed to be forged, one which united

the worker's parties (whose commitment to peace was taken for granted) and pacifist elements from the petty bourgeoisie and the bourgeoisie. "The proper field of anti-war activity therefore was the press and the Parliament,"<sup>161</sup> rather than the 'adventurist' and 'semi-anarchist' mass actions advocated by, for instance, the majority of the French section of the International.

In the realm of theory, these pacifist politics combined with the deterministic strain in the center's social theory to produce a position which increasingly affirmed that capitalist development (during the imperialist phase in particular) generated detente rather than conflict. The inexorability of war had become transformed into the inevitability of peace. Kautsky in particular began to conceive of a peaceful phase of "ultra-imperialism," wherein the major capitalist nations would enter into an unholy alliance of sorts. He reasoned that two factors were responsible for the diminishing likelihood of inter-imperialist conflict. First, the growing "opposition of the more developed agrarian zones [colonies--N.K.], which threatens not just one or other of the imperialist states, but all of them together." Second, the arms expenditures required to maintain an empire were creating an ever growing economic burden on the imperialist nations, and would have to be renounced.<sup>162</sup>

Like Kautsky, the French historian Paul Louis, representing a minority tendency in the French movement, argued that capitalism was entering an epoch of peaceful policies



for three reasons. First, anticipating Kautsky, he noted the financial burden of the arms race. Second, he argued that the possibility of conflict existed only while there still remained uncolonized areas of the world, and since by the time he wrote the entire world had been partitioned, the imperialist nations would peacefully settle down to exploit their domains.<sup>163</sup> And finally, economic crises, with their concomitant uncertainties, would create cautious attitudes<sup>164</sup> and reduce the likelihood of war.

These views gained widespread currency. Similar theories were advanced by Rudolf Hilferding, Ledebour, Haase and Bebel.<sup>165</sup> The extent of delusion can be glimpsed by noting that Louis' article was published in June 1914, while Kautsky's appeared in print in September of the same year, when the war had already begun. The editors of Die Neue Zeit appended a short note to Kautsky's article which baldly stated that the work, which dismissed the likelihood of war, "has not lost its relevance" despite the outbreak of fighting.

Kautsky did not become a German patriot. Most accounts have it, as already noted, that he only 'acquiesced' to the war. Kautsky argued that "the International ceases to be an effective instrument in times of war. It is, on the whole, a peace instrument."<sup>166</sup> His view of socialist tactics against the war is summed up by G.D.H. Cole:

[N]ot to stir up the proletariat to mass strikes or armed insurrection, but to bring the Socialist Parties of the warring countries back to their senses, and thus to set on foot a powerful movement in favor of a negotiated peace.[167]

Rather than seeking to effect a split with the outright chauvinists in the International, Kautsky continued to express verbal opposition to the war, but only to the degree allowable from within the SPD. For instance, during the 3. August Reichstag Group debate he urged the parliamentary representatives of the SPD to condition voting in favor of war credits to a promise from the government as to the defensive character of the war. The proposal was rejected. Later, in June 1915, Kautsky collaborated in drawing up a manifesto "Against Annexations." The document had the political effect which one might imagine.

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So the pronounced ambivalence between freedom and necessity in Kautsky's work found its expression in his political positions. At first imperialism was seen as necessarily leading to war, but by 1912 imperialism had become only one 'policy' among many possible ones, so that it could be 'changed' even within the framework of the bourgeois state.

Finally, as must ultimately happen with any underconsumption theory, Kautsky's underconsumptionism caused him to seek the 'difficulties' of capitalism outside of capitalist production. The decisive factors became the (threat of) revolt of the colonies against imperialism, the fiscal crisis of the state, etc. These 'difficulties', which all of the national bourgeoisies had in common, would force them to co-operate, to pursue peaceful policies, as a means of simple survival.

As with Kautsky, Plekhanov's politics conform to his

his theoretical system. Plekhanov was strongly influenced by the Manifesto, which first introduced him to the work of Marx and Engels. Having become a Marxist, Plekhanov's central concern, in the Russian context, was to show that the mainspring of social development was the class struggle and that consequently the (populist) effort to achieve socialism via individual persuasion and/or terrorist acts was  
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misplaced.

This project involved, as was seen above, demonstrating that capitalism in Russia was already implanted and developing. Plekhanov found considerable support in (and took very much to heart) those passages from the Manifesto proclaiming the progressive mission of capitalism. Unlike Marx, however, Plekhanov never developed the corollary aspect--the uneven and contradictory nature of capitalist development.

As argued in Chapter I above, Marx arrived at his results when he ceased to treat history in a 'philosophical' manner and in very general terms. Plekhanov's weakness was never to have fully grasped this advance over the Manifesto, and its methodological consequences. Even when Plekhanov believed that he was conducting 'concrete' investigations, he remained trapped within his 'philosophical' theory of history. This accounts for his infatuation with the progressive character of capitalism in Russia, and it is also the source of the determinism which Colletti attacks. In the absence of an explanation of the determinism in Plekhanov's thinking, one is forced to conclude, with Colletti, that he was merely a philosophical simpleton--Plekhanov's real fail-

ing, however, was not that he held naive philosophical views (he was in fact an impressive thinker), but that he sought to understand history philosophically.

It is not so strange, therefore, that Plekhanov championed the socialist cause by 'supporting' capitalist development. Perhaps his greatest political concern was the premature seizure of power by the working class, a concern which surfaced both during the 1905 Revolution ("They should not have taken up arms....") and after October 1917.<sup>171</sup>

At the outbreak of World War I, Plekhanov became a staunch nationalist. In 1915, he published O voine ('On the War'), which consisted of a scathing attack on the "vulgar nationalism" of the German and Austrian social democratic parties. For Plekhanov, it was clear that since Germany violated Belgian neutrality, attacked France, etc., that Germany was more 'guilty' than the other imperialist nations and deserving of defeat. While this line of argument may have been convincing to some, Plekhanov no doubt weakened his case by including, amidst condemnations of "vulgar nationalism," passages which justified Russia's entry into the war on the grounds that it would not do to "lose all influence on the Balkan peninsula."<sup>172</sup>

In full conformity with his theoretical approach, Plekhanov's attitude to the war was also conditioned by the prospects for socialism (read: further capitalist development) which the possible outcomes of the war implied. A German victory, he reasoned, would "halt our [Russian] eco-

conomic development, put an end to the Europeanization of  
Russia and perpetuate the old order." <sup>173</sup> His biographer Baron  
notes the assymetry of Plekhanov's claim that while a German  
victory would dim hopes for socialism, a Russian victory  
would brighten them, in Russia as well as in the other  
countries which would "be spared the burden of onerous  
exactions, or, worse yet, foreign domination." <sup>174</sup>

E. Rosa Luxemburg, Vladimir I. Lenin,  
and the 'Left Revolutionary' Response to Revisionism

Along with Plekhanov, Rosa Luxemburg was among the first to enter the debates around Bernstein's revisionism. In large measure, she took over the task of pummeling Bernstein shortly after it was begun by Parvus (Alexander Helphand).<sup>175</sup>

As noted earlier, Luxemburg's most comprehensive assessment of revisionism<sup>176</sup> proceeded not so much from a direct assault on the foundations of Bernstein's critique (e.g., she only devotes a page to Bernstein's rejection of the labor theory of value); the bulk of her response revolved instead around efforts to draw out the 'other side' of the issues raised by Bernstein, i.e., to deploy Bernstein's own arguments against him. For example, where Bernstein placed emphasis on the "creative" functions of credit, Luxemburg argued that credit

immensely increases the capacity for the expansion of production, and thus constitutes an inner driving force that constantly pushes production to exceed the limits of the market. After having provoked overproduction, credit destroys, during the crisis, the very productive forces it itself created. At the first symptom of the stagnation, credit melts away. It abandons the exchange process just when it is still indispensable....[177]

And while Bernstein identified a "more [highly] developed credit organization" with enhanced "possibilities of adjustment,"<sup>178</sup> Luxemburg conversely considered that the increased "elasticity" which accompanies the advance of systems of credit

renders all capitalist forces extendable, relative, and sensitive to the highest degree. Doing this, it facilitates and aggravates crises, which are nothing but the

periodic collisions of the contradictory forces of the capitalist economy.[179]

Similarly, for Bernstein the emergence of cartels and trusts signalled the possibility of planned production and the amelioration of crises stemming from the "anarchic" nature of capitalist production, a claim to which Luxemburg offered a threefold counter-argument.

First, Bernstein's contentions would be valid only if cartels were dominant in all branches of production. But since the "aim" of a cartel is to appropriate for itself (for its own branch) a share of the profit produced in other branches, cartelization cannot become a "generalized" phenomenon because "when it is extended to all important branches of industry, this tendency cancels its own influence." Second, cartels generally succeed in obtaining 'monopoly' profits domestically only at the expense of 'dumping' a large portion of their output on foreign markets at low prices. "The result is the sharpening of competition abroad and increased anarchy on the world market...." Finally, once production has outstripped the capacity of the market, "the forced partial idleness of capital" reaches the point where those capitals which have been "'socialized' through organization [i.e., the cartels--N.K.] will tend to revert once again to the form of private capital." With the onset of crisis, "each individual portion will prefer to take its chances alone," and the cartels "will burst like bubbles and give way to competition in an aggravated form."

Luxemburg was perhaps rather more successful in her rejection of Bernstein's 'empirical' propositions. Recall that the accumulation of capital, in Bernstein's conception, was not at the same time a process of concentration of capital; evidence for this claim was found in statistics which indicated rising numbers of middle-sized enterprises.<sup>181</sup> Luxemburg's response consisted in pointing out that to understand concentration as merely the steady disappearance of smaller capitals was to miss the thrust of Marx's theory of accumulation, viz., that smaller capitals are the "pioneers" of industry, developing new techniques of production in established branches, and carving out entirely new branches of production. Having performed the 'entrepreneurial' function, these capitals immediately "find themselves under the influence of two antagonistic tendencies...."<sup>182</sup> On the one hand, the process of accumulation engenders mechanization and a concomitant rise in the scale of operations, while on the other, periodic crises and the attendant devalorization of old capital (temporarily) restore the conditions in which smaller capitals are able to introduce innovative techniques or extend capitalist production to new spheres of activity.

The struggle of the average-size enterprise against big capital cannot be considered a regularly proceeding battle in which the troops of the weaker party continue to melt away directly and quantitatively. It should rather be regarded as a periodic mowing down of small capital, which rapidly grows up again only to be mowed down once more by large industry.[183]

Bernstein simply misused the statistics: the concentration of capital empirically



shows itself, first, in the progressive increase of the minimum amount of capital necessary for the functioning of enterprises in the old branches of production; second, in the constant diminution of the interval of time during which the small capitalists conserve the opportunity to exploit the new branches of production.[184]

Bernstein had also provided statistics on stockownership, aiming to demonstrate that the observable increase in the number of shareholders further refutes Marx's thesis and suggests that the "increasing number of capitalists" attests to a dispersal, rather than a concentration of social wealth.<sup>185</sup> By finding an "increasing number of capitalists," while at the same time maintaining that he speaks only of "men and not of entrepreneurs,"<sup>186</sup> Bernstein committed an error, in Luxemburg's view, by moving the discussion "from the relation between capital and labor to the relation between rich and poor."<sup>187</sup> For Bernstein, the category 'capitalist' was merely "a fiscal unit." Rather than "a category of production"<sup>188</sup> it represented only a claim to income.

For various reasons, in Luxemburg's opinion, Bernstein's conception (and that of the other revisionists) of the transition to socialism was rooted in idealism.<sup>189</sup> In Social Reform or Revolution Luxemburg listed the limitations of trade union activity;<sup>190</sup> critiqued the notion that protective labor legislation was "a piece of 'social control', and as such--a piece of socialism;"<sup>191</sup> tried to point out the utopianism of seeking a road to socialism in the establishment of co-operatives;<sup>192</sup> etc. First and foremost, however, Luxemburg argued that Bernstein's idealism was a direct result of his rejection of the theory of capitalist

collapse. For Luxemburg, "the theory of capitalist breakdown...is the cornerstone of scientific socialism," without which the "objective necessity of socialism, the explanation of socialism as the result of the material development of society, falls away."<sup>193</sup>

A theory of breakdown in well developed or coherent form is absent in Social Reform or Revolution, but this hardly represents a failing of a short polemical pamphlet. Beyond the claim that "as a result of its own inner contradictions, capitalism moves toward a point when it will be unbalanced, when it will simply become impossible,"<sup>194</sup>

Luxemburg made no specific argument, although she several times hints that the root cause of capitalism's problems lies in the tendency of production to outstrip the capacity of the market.<sup>195</sup> Her full theoretical presentation of these issues appeared more than a decade later in The Accumulation of Capital (1913) and was further elaborated in The Accumulation of Capital--An Anti-Critique (written in 1915, first published posthumously in 1921).

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The early chapters of The Accumulation comprise a historical survey of theories of economic reproduction, which was used by Luxemburg to justify her claim that the investigation of economic phenomena must begin from the standpoint of reproduction. In particular, as Luxemburg later clarified in the Anti-Critique, under capitalism the question of reproduction was bound up with the accumulation of capital.

The latter was the sine qua non of the capitalist mode of production, and hence (methodologically) the correct point of departure.<sup>196</sup>

Moreover, argued Luxemburg, it was only possible to understand accumulation from the perspective of the "total," or social, capital. She reasoned that the contrary approach, the perspective of the "individual" capital ("the popular platform of vulgar economics"), created difficulties, viz., that the conditions which must obtain for accumulation to take place (e.g., realization) seem to 'disappear' into the circulation process of other (individual) capitals.<sup>197</sup> If the problem of reproduction was examined from the standpoint of the social capital, however, the requisite conditions of accumulation had nowhere to go--they could not vanish, they had to must remain visible.

Luxemburg believed that Marx went further than most in correctly posing the relevant problems, because "for the first time in the second volume of Capital" he approached the problem of capitalist reproduction "from the standpoint of total capital."<sup>198</sup> Having examined the (second) example of expanded reproduction which Marx offered in Chapter 21 of vol. 2, Luxemburg concluded that Marx's solution was formally correct--but whether this solution could be regarded as theoretically sound, or if it was merely an "exercise" in solving "fool-proof" mathematical models, could only be determined by reference to "the concrete social conditions of accumulation."<sup>199</sup>

What are the "concrete social conditions?" Accumulation

is impossible, Luxemburg argued, unless at least a portion of the total surplus value produced is realized and thrown back into production, i.e., the valorized commodity capital as it emerges from the production process must be successfully transformed into money capital and then capitalized in the form of additional means of production and means of subsistence. Marx's schemes of reproduction do indeed demonstrate where the surplus value goes once it is returned to production. But merely the ("subjective") "desire [!] to accumulate" on the part of capitalists, and the existence of correct (technical) proportions between the various departments of production, can only be the necessary conditions for accumulation to proceed--they are not in themselves sufficient. What is presupposed in all of this, Luxemburg argued, is "a previous capitalist incentive to enlarge production" in the form of an "effective demand" for the portion of the surplus product to be capitalized.<sup>200</sup>

So the "concrete social conditions of accumulation" require that an "effective demand" for the surplus product arise prior to its (the surplus product's) production (else the capitalists would have no incentive to produce it). What is the source of this demand? Luxemburg considered all of the possibilities, and concluded that neither the capitalists nor the workers could serve as the origin of the 'extra' demand.<sup>201</sup>

She argued that workers cannot consume the surplus product since they are only paid for the value of labor

power, and in the limiting case (if the 'surplus' accrued in its entirety to the direct producers) there could be no capitalism or, indeed, any class society. Capitalists, on the other hand, could not "spend the total surplus value like water [because then] there would be no accumulation," i.e., at least part of the surplus value must be saved, or there can only be simple reproduction (without accumulation).

It is at this point that Luxemburg's error can be readily identified. She had begun her analysis of reproduction by "imagin[ing] that all goods produced in capitalist society were stacked up in a big pile someplace," a pile of goods which must be adequate to (i) provide for the subsistence of all social classes, (ii) replace used up fixed and circulating constant capital, and (iii) provide a source for expanding production (accumulation).<sup>202</sup> Clearly, the "pile" was conceived in material terms, i.e., a "pile" of use-values.

On the same page that Luxemburg considered the disposition of this "total stock of commodities," however, she also made the assertion quoted above that the capitalists could not "spend the total surplus value like water" if accumulation was to be possible. But capitalists accumulate...precisely by 'spending' their surplus value, by throwing money capital back into circulation. Luxemburg merely confused 'spending' in the form of individual or personal consumption (in which use-values certainly do 'disappear', i.e., leave the process of circulation) with

'spending' in the form of productive consumption (in which money is thrown back into circulation in order to obtain use-values which do not disappear into individual consumption).

Several critics of Luxemburg's analysis find fault with this portion of her work without, however, pointing to the crucial failure to distinguish between individual and pro-<sup>203</sup>ductive consumption which is at the heart of the problem. Nikolai Bukharin, writing in 1924, and Michael Bleaney in 1976, both see Luxemburg's error as residing in the "imagery of heaps." Bleaney writes:

[Luxemburg] imagines the entire social capital being laid out as one lump, and that the whole of the surplus value has to be realized simultaneously, at the end of the period, rather than gradually throughout the course of it. Hence the images of commodity heaps rather than a continuous flow of production....[204]

The difficulty does not lie in the pace (gradual vs. all at once) at which surplus value is realized. Because of Luxemburg's incorrect posing of the matter, an insoluble dilemma necessarily appears from whichever side the problem is examined, irrespective of the pace of realization. Either the capitalists fritter away the surplus value, in which case there is no realization difficulty but there are also no savings left to be used for accumulation; or the capitalists save part of the surplus value, in which case there is a shortage of effective demand, some of the surplus product remains unsold, and there is no incentive for further accumulation. Either way, 'extra' purchasing power is needed.

Luxemburg did not perceive her error, and went on to

examine the possible sources of the 'extra' demand which she imagined was necessary for accumulation to proceed. The only conclusion, given the parameters established by Luxemburg, was that the increase in demand had to come from outside the two departments of social production <sup>205</sup> which appear in Marx's tableau, i.e., from outside capitalist society. And if the realization of surplus value, and hence accumulation, are dependent on the existence of non-capitalist "buyers," it follows that the

theoretical assumption of a society of capitalists and workers only...no longer seems adequate when we deal with the accumulation of gross social capital. As this represents the real historical process of capitalist development, it seems impossible to me to understand it if one abstracts from all conditions of historical reality.[206]

According to Luxemburg, Marx incorrectly held to the "bloodless theoretical fiction" of a purely capitalist society while correctly (and legitimately) conducting the investigation from the standpoint of the total social capital. Luxemburg thus maintained that the abstraction of a society composed only of workers and capitalists was adequate to vol. 1, where (she thought) the object of analysis was the accumulation of the individual capital, but that pre-capitalist strata and regions had to be considered as soon as the enquiry shifted to an analysis of the social capital.

But the pre-capitalist areas...are precisely non-capitalist, and in order for them to serve as markets, capital must transform the natural economies which prevail there into commodity economies. As Luxemburg puts it, slaves can

be forced to work, but only commodity producers can also  
serve as buyers.<sup>207</sup> The peoples of the peripheral areas are  
thus made 'free' in a 'liberation' which capital conducts  
with its familiar "'heroic means', the axe of political  
violence."<sup>208</sup>

Luxemburg felt that her demonstration of this impera-  
tive need for capital to penetrate non-capitalist regions  
constituted a "wholly new and strictly scientific analysis  
of imperialism and its contradictions."<sup>209</sup> Having established  
the basis of imperialism, Luxemburg continued the line of  
her reasoning:

[A]s soon as simple commodity production has superseded  
natural economy, capital must turn against it. No sooner  
has capital called it to life, than the two must compete  
for means of production, labor power and markets....

The general result of the struggle between capitalism  
and simple commodity production is this: after substitut-  
ing commodity economy for natural economy, capital takes  
the place of simple commodity economy.... Thus capital  
cannot accumulate without the aid of non-capitalist or-  
ganizations, nor, on the other hand, can it tolerate  
their continued existence side by side with itself. Only  
the continuous and progressive disintegration of non-  
capitalist organizations makes accumulation of capital  
possible.

The premises which are postulated in Marx's diagram of  
accumulation accordingly represent no more than the his-  
torical tendency of the movement of accumulation and its  
logical conclusion.[210]

Thus the purely capitalist society, said Luxemburg,  
which could not be legitimately 'assumed' into existence as  
Marx had tried to do in vol. 2, was nevertheless the logical  
final result of capitalist development on a world scale.  
Luxemburg's analysis, however, showed that in a purely capi-  
talist world, "accumulation, i.e., further expansion of  
capital, becomes impossible." The collapse or breakdown of



capitalism follows as an "objective historical necessity." The schema of expanded reproduction "is precisely in its insolubility the exact prognosis of the economically unavoidable downfall of capitalism...."<sup>211</sup>

With the twilight of imperialism, according to Luxemburg, the "decisive struggle" shifts away from colonial forays, and "catastrophe" comes full circle to haunt the imperialist powers themselves. In the centers, "the civilized peoples of Europe" experience the disaster of continuous war, and under these circumstances "the position of the proletariat with regard to imperialism leads to a general confrontation with the rule of capital."<sup>212</sup> Elsewhere, Luxemburg argued that the impending breakdown and "the absolute and undivided rule of capital aggravates class struggle throughout the world...to such an extent that...it must lead to the rebellion of the international proletariat against the existence of the rule of capital."<sup>213</sup>

There is an ambiguity here. Although Luxemburg speaks of a "general confrontation," in one passage the arena of conflict is Europe, while in the other it appears to be global. Despite this vagueness, one thing is absolutely clear: all traces of national differences have disappeared, and internationalism reigns. Luxemburg's theoretical conclusions thus strongly echo propositions found in the Manifesto sixty years earlier, *i.e.*, the internationalism of the working class is an objective condition which the historical development of capitalism enjoins upon the proletariat.

Actually (and paradoxically, given the next point to be made), Luxemburg's underconsumptionism places the critical determinant of capitalist development, working class internationalism, and the socialist revolution itself outside capitalist society, i.e., the possibility of capitalist development depends on the existence of non-capitalist areas.

One of the inferences drawn by Luxemburg from this analysis concerns the prospects of revolt against imperialism by the oppressed peoples of the colonies. Paradoxically, given the centrality of the 'non-capitalist areas' to her analysis, she ignored the possibility of a conscious, genuinely anti-capitalist revolutionary movement developing in those regions only recently penetrated by capital, i.e., the class struggles in the colonies (whether against imperialism or otherwise) are regarded as ineffectual. <sup>214</sup> The decisive conflict must either wait until the entire world is capitalist or, if it takes place sooner, must come through the <sup>215</sup> initiative of the European working class.

Luxemburg's inclination to disregard the internal dynamic of the dominated social formations is presented as a virtue by J.P. Nettl in his two volume biographical tome. While Nettl generally prefers to downplay Luxemburg's theoretical work, he argues that on the question of colonialism The Accumulation of Capital yielded a "meaningful result" and correctly anticipated certain trends in capitalist world economy. Specifically, he argues that

[o]nce the notion of colonial exploitation becomes cen-

tral and is brought up to date, the basic confrontation between rich and poor societies--which is today's real dialectic--subsumes the 'old' form of class conflict within society.... This then is an 'international' or 'class' line-up that cuts across national boundaries or rather makes these boundaries into mere markers of autonomy rather than absolute isolation--as Rosa Luxemburg actually advocated.[216]

Given Luxemburg's drubbing of Bernstein precisely on the conflation of 'rich-poor' and 'class' contradictions,<sup>217</sup> it seems plausible to doubt whether she would have accepted these efforts by Nettl on her behalf.

The Accumulation of Capital was characterized by Luxemburg herself as "a purely theoretical study on an abstract scientific problem...."<sup>218</sup> Yet the conclusions reached therein had earlier seen the light of day in their 'practical' incarnation as the polemic against Bernstein, and they subsequently re-appeared in her political writings during the war. Thus, for example, The Crisis in the German Social Democracy (The Junius Pamphlet), written in 1915, repeats Luxemburg's familiar theses: the "weakness" of the proletariat, i.e., its capitulation to patriotism, would be recognized and criticized by the working class as an "error" and rectified by "the inexorable laws of history" which "assure" the proletariat of "its final victory."<sup>219</sup>

Luxemburg never clearly articulated the theoretical relation between her abstract writings and the more concrete investigations,<sup>220</sup> although she was certainly aware that some form of connection existed. In particular, Luxemburg generally expressed this notion by reference to some necessary 'unity' of theory and practice.<sup>221</sup>

By way of a critique, it would doubtless be possible to identify instances where Luxemburg 'concretized' abstract theoretical results,<sup>222</sup> and then to link these with her conclusions regarding proletarian internationalism. There is, however, an even more striking characteristic of Luxemburg's theoretical work which portends her judgements on the international solidarity of workers--an extreme teleology renders internationalism the necessary consequence of a historical 'goal' pre-ordained by Luxemburg's theory of accumulation. This is clearly evident when she wrote that

the class struggle is only the ideological reflection of the objective historical necessity of socialism, resulting from the objective impossibility of capitalism at a certain stage.[223]

It really could not have been put more plainly: the class struggle, rather than being the mainspring of history, has been reduced to the pale mirror of a historical finality inscribed within and by the theory.

This particular vision of the historical process, coherently worked out only in 1913 with the writing of The Accumulation of Capital, had nevertheless been implicitly present in Luxemburg's work from the start. As early as 1899, in Social Reform or Revolution, Luxemburg characterized the revisionist and opportunist current as merely a normal and expected "vacillation and hesitation" along the movement toward "the great final goal."<sup>224</sup>

Despite her incisive and anticipatory condemnation of the opportunists,<sup>225</sup> the teleological thrust of Luxemburg's theory kept her from posing the emergence of revisionism as

a (theoretical, rather than practical) problem to be explained. Her inability to theorize a basis for opportunism beyond that of a minor eddy in the channel of history would later, in 1914, prevent Luxemburg from arriving at either a satisfactory account of the collapse of the International, or (more importantly) an effective, concrete and revolutionary anti-war strategy. These points will be discussed in subheading F below.

This would seem an appropriate place at which to stress that nothing in the present work seeks to impugn Luxemburg as a person or revolutionary. Her failure to articulate a coherent anti-war strategy does not, of course, in any way obscure her valiant and heroic opposition to the war, for which she was imprisoned. It is necessary to point this out because some authors perplexingly continue to interpret any theoretical criticism of Luxemburg as an effort to tarnish her image.<sup>226</sup>

Norman Geras, for example, has recently pointed out that Luxemburg's theory of capitalist breakdown provides grist for the mill of those political enemies who seek to ascribe a fatalism to her outlook.<sup>227</sup> In one of the more sophisticated efforts to "recover" Luxemburg, Geras claims that while it is undoubtedly true that she held to a theory of an absolute limit to accumulation (breakdown), Luxemburg did not believe that capitalist collapse assured the passage to socialism--for the latter, conscious political intervention was necessary.<sup>228</sup> Consequently, Geras argues, far from being a fatalist, Luxemburg left open the possibility of an

historical alternative, a contingency best expressed in her formula (borrowed from Engels): 'Socialism or Barbarism'.<sup>229</sup>

Geras advances an interpretation of this slogan which seeks to remove the apparent contradiction between the inevitability of breakdown and the open-endedness of 'socialism or barbarism'. How? For a 'dialectician', as Marx once ironically remarked, "nothing simpler...than to posit [these opposites] as identical,"<sup>230</sup> so Geras merely maintains that these seemingly irreconcilable perspectives,

these two ideas, so far from being contradictory, are not even different. They are one and the same idea. For Luxemburg, 'barbarism' signifies nothing other than the collapse of capitalism.[231]

Thus the breakdown merely shows "that it is not socialism but barbarism that is inevitable." And moreover, the collapse itself is "a process of which both the forms and the end result are a species of barbarism."<sup>232</sup>

It is not immediately obvious what this line of reasoning seeks to prove, what in Luxemburg's work it seeks to salvage, or how it is to be interpreted in light of Luxemburg's own insistence regarding the objective necessity of socialism. By counterposing the inevitability of barbarism (collapse) to the contingency of socialism in Luxemburg's work, Geras seems pleased to discover that for "Luxemburg...what the inevitability of capitalist collapse proves is not the redundancy, but the urgent indispensability, of conscious revolutionary struggle..."<sup>233</sup> Moreover, Geras holds that his operation has displaced the tension (between activism and fatalism) which many commentators have found in

Luxemburg's work.

But no displacement of the activism-fatalism couplet is accomplished merely by pointing out that for Luxemburg the emergence of socialism entails development of the 'subjective factor'. Rather, the contradiction remains precisely because Luxemburg affirms a strict separation of "social consciousness...as an active factor" from "the blind game of forces."<sup>234</sup> Thus everything is predetermined except the proletariat's active intervention--far from any displacement, the tension remains in the form of 'fatalism with a voluntarist twist'.<sup>235</sup> This brings an important point into sharp relief. Obviously, Luxemburg was not a fatalist (far from it) in the sense that she was a dedicated revolutionary activist. In fact, Luxemburg's formula reveals a belief in the power of activism such as to border on voluntarism, i.e., the 'choice' between barbarism and socialism hinges on whether or not we 'act'. There is naturally a trivial sense in which this is true, but the notion of revolution as a 'choice' remains a fundamentally idealist one.<sup>236</sup>

While conceding that "it is not easy to make sense" of Luxemburg's theory of breakdown, or of the attendant "apocalyptic vision," Geras argues that the chief virtue of Luxemburg's work, and his interpretation of it, consists in a recognition of "the profoundly and inescapably contradictory nature of the whole of capitalist development."<sup>237</sup> Geras condemns as "mechanistic" that view which conceives capitalism as a "progressive" system in its 'youth' but bound by

fetters in its 'maturity'. Rather, the "bad sides" of capitalism emerge with the "good" from "the very origins."<sup>238</sup>

These topics raised by Geras are important ones, to be sure, although hardly original. What seems inappropriate, however, is his effort to attribute such views to Luxemburg. Moreover, this effort is simply puzzling if another of Geras' articles on Luxemburg, "Between the Russian Revolutions," is taken into consideration. Rather than chronicling the "good sides" and "bad sides" of capitalist development, Geras here approvingly describes Luxemburg's attitude toward bourgeois democracy in terms decidedly similar to those just dismissed as "mechanistic:"

Bourgeois democracy, according to Luxemburg, had played a necessary though limited historical role in the bourgeoisie's struggle against feudalism and in its mobilization of the masses in that cause. But so soon as this struggle was completed or compromised, so soon as its 'stimulating fire' went out,...then bourgeois democracy lost its historical purpose, became useless and dispensable to the bourgeoisie itself.... Hence the assertions that 'democratic institutions...have completely exhausted their function as aids in the development of bourgeois society,' that 'liberalism...is now absolutely useless to bourgeois society,' that 'bourgeois democracy must logically move in a descending line'....[239]

The point is that unless the "process" of collapse is presumed to begin at the very dawn of capitalism, the only possible interpretation of the breakdown theory is precisely the one originally opposed by Geras, viz., that the main-springs of capitalist development gradually become its fetters. Likewise, it is not necessary to accept the misguided platitudes of the various "philosophies of pure progress" in order to oppose a notion of the capitalist 'dialectic' as leading to "the complete absence of culture and civiliza-



tion...total social breakdown, chaos." It is entirely possible to uphold the immanence of contradiction, crisis and unevenness in capitalist development, to affirm the historicity of the system itself, and to work for its overthrow, without subscribing to a teleological philosophy of history (even a sophisticated one). It is no accident that Geras closed his essay with a pithy quotation from the consummate prophet of darkness, Herbert Marcuse.

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For a variety of reasons, an adequate treatment of Lenin's position, given the objectives and context of this study, presents difficulties by comparison with, for example, Luxemburg or Bernstein. First, Lenin never furnished a theoretical treatise comparable to Luxemburg's The Accumulation of Capital (or even her Anti-Critique). Consequently, it is necessary to construct Lenin's theoretical system from fragments scattered throughout the forty-five volume Collected Works and from the theoretical approach which implicitly informs his 'practical' writings. Moreover, Lenin never exercised the central presence of a Kautsky, Bernstein or Luxemburg within the Second International (especially prior to the 1907 Stuttgart congress)--Lenin's real significance only became apparent after the outbreak of the war. Rather than producing, for example, a direct response to Bernstein, Lenin almost always conducted his encounters on Russian terrain--thus one finds polemics directed against "our Bernstein" or the "Russian revisionists." While this by no means suggests a necessary shortcoming on Lenin's part, <sup>241</sup> it

does complicate somewhat the task of contrasting his position to those held by Marxists more directly involved in the West European struggles. The most legitimate approach to the analysis of Lenin's thinking is one which 'straddles' the collapse of the Second International and the emergence of the Third International.

Aside from some elementary primers on Marx's doctrines, the most significant of Lenin's writings which explicitly put forward his theoretical considerations on the accumulation process are only three in number and were (unfortunately) all written before Lenin turned twenty-nine. It is by now a commonplace that these works were directed against the Narodniks (agrarian-populists), in opposition to whom Lenin sought to demonstrate the viability of capitalist development in Russia.<sup>242</sup>

The Narodniks took as their starting point the conditions which obtained in late nineteenth-century Russia: a relatively underdeveloped capitalist sector co-existing with (and within) a large, predominantly simple commodity and natural economy.<sup>243</sup> While correctly observing increasing poverty and destitution among the mass of the peasantry, the Narodniks were incorrect to see in this a perfectly generalizable trend of "impoverishment of the people." Rather, the process actually consisted in the differentiation of petty commodity producers into a relatively well-off stratum of embryonic 'entrepreneurs' on the one hand, and on the other, a multitude of increasingly landless, "depeasantized" peas-

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ants.

For the Narodniks, it seemed self-evident that a vigorous capitalism would be characterized by a thriving, well developed market for commodities, a feature which Russia decidedly lacked. Moreover, the "impoverishment" which the Narodniks observed and constantly drew attention to could only serve, in their view, to even further restrict the extension of the market. Eventually, any continued development along capitalist lines would simply become impossible.

Against these arguments, Lenin brought to bear the full force of his considerable polemical talents. "On the So-Called Market Question," an article directed against a Narodnik author, sought to rectify what to Lenin seemed an erroneous application of Marx's reproduction schemes. After correcting and clarifying some technical issues, Lenin undertook to critique the Narodnik counterposition of a capitalist "sphere" to the "people's system." The Narodnik efforts centered on articulating the relationship between the two sectors, but Lenin proceeded from what he considered to be a symptomatic weakness of their theory, viz., the impossibility of explaining, from the Narodnik point of view, how Russian capitalism arose in the first place.

For a Marxist it was possible to grasp, Lenin argued, not only how capitalism could develop from simple commodity production, but also to understand the further development and extension of the capitalist mode of production. From a tableau representing six production "periods,"<sup>245</sup> Lenin traced the process by which a natural economy in period one is

transformed first into a simple and then into a capitalist commodity economy with an extensive division of labor. Indeed, the "development of capitalism depicted in this table is accompanied by the 'impoverishment' of the 'people'"...<sup>246</sup> but also (!) by "an expansion of the market."

The first conclusion which Lenin drew from his analysis is that under a regime of commodity production, "the concept 'market' is quite inseparable from the concept of the social division of labor...."<sup>247</sup> The extension and deepening of the division of labor determine the "dimensions of the market," and since there are no theoretical limits to the division of labor under capitalism, there is also no "problem" as regards growth of the market. Contrary to the expectations of the Narodniks, the transformation of natural economy into an economy of simple commodity producers, and the differentiation of these into an incipient proletariat and rural bourgeoisie, far from restricting the growth of the market, are actually part and parcel of the extension of market relations.<sup>248</sup>

The emergence of capitalism, as Lenin informed the Narodniks, was not an "accident" or the result of "taking the wrong road."<sup>249</sup> A Marxist analysis could prove the genesis of capitalism in the conditions of simple commodity production, and Lenin provided statistics on land holdings, the employment of instruments of labor and the hiring of wage labor in order to explain the process of differentiation.<sup>250</sup> While the mass of poor peasants was becoming increasingly

dispossessed, an examination of the statistics on grain marketings shows that this

'impoverishment of the masses', the complete decline of the farms of 40% of the peasants, the formation of a rural proletariat have led to the produce of 90,000 [additional] dessiatines of land under crops being thrown on to the market.[251]

Impoverishment of the masses, but growth of the market--the solution to this Narodnik paradox consisted in showing that impoverishment was a phenomenon inextricably bound up with proletarianization.

The bulk of "On the So-Called Market Question" had been devoted to elucidating the argument outlined above, viz., that the development of capitalism is at the same time the extension of the market. The first portion of the article had also, however, schematically raised some separate (albeit related) problems concerning the relationship between the two departments of social production.<sup>252</sup>

Lenin's Narodnik adversary had argued that in Marx's reproduction schemes accumulation in Department I took place entirely "independently" of production in Department II. Lenin replied that this interpretation was incorrect if for no other reason than that accumulation (the expansion of production) required additional outlays on variable capital,<sup>253</sup> which would be spent on the product of Department II. The grain of truth in the Narodnik argument, however, concerned the "predominance" of Department I in capitalist development, in the sense that the inevitable mechanization of production under capitalism implied a more rapid growth of Department I relative to Department II.<sup>254</sup> But beyond purely

gestural indications, at this time Lenin provided neither a detailed investigation of this phenomenon, nor did he suggest the relationship of these issues to the "market question."

The latter connection was explicitly and systematically drawn out in "A Characterization of Economic Romanticism." This theoretical article linked the two previously disjointed domains, i.e., the accumulation of capital and the realization problem. Lenin posed the issue unambiguously:

To expand production it is first of all necessary to produce means of production, and for this it is consequently necessary to expand that department of social production which manufactures means of production, it is necessary to draw into it workers who immediately present a demand for articles of consumption, too. Hence 'consumption' develops after 'accumulation' or after 'production'; strange though it may seem, it cannot be otherwise in capitalist society.[255]

Likening the Narodnik doctrine to Jean Sismondi's underconsumption theory, Lenin pointed out that both incorrectly posit that "production must correspond to consumption, ... production is determined by revenue." <sup>256</sup> Also, both the Narodniks and Sismondi drew false inferences from their respective analyses:

'Those who urge unlimited production are mistaken', says Sismondi (I, 121). Excess of production over revenue causes over-production (I, 106). An increase in wealth is beneficial only 'when it is proportionate to itself, when none of its parts develops with excessive rapidity' (I, 409). The good Sismondi thinks that 'disproportionate' development is not development (as our Narodniks do); that this disproportion is not a law of the present system of social economy, and of its development, but a 'mistake' of the legislator, etc.; that in this the European governments are artificially imitating England, a country that has taken the wrong path.[257]

For Lenin, however, accumulation could be possible

precisely (and only) if there was an "excess of production over revenue." And the very process of accumulation, since it presupposes additional outlays on constant and variable capital, "creates a market for [its output] and itself determines consumption."<sup>258</sup>

Nevertheless, the rates of development of the two departments of social production must be unequal, for the same reason that Lenin gave earlier (the mechanization of production which accompanies capitalist development implies a more rapid growth of Department I). Under these conditions, therefore, the 'market' as a whole may expand, while the market for consumer goods stagnates or even contracts.

This development of the productive forces of society without a corresponding development of consumption is, of course, a contradiction, but the sort of contradiction that exists in reality, that springs from the very nature of capitalism.[259]

Thus Lenin clearly rejected any formulation of a 'realization problem' per se, i.e., any conception which poses the realization of surplus value as a special 'difficulty', and ascribes to this 'difficulty' the character of an immanent feature of the capitalist mode of production. Granted, as Lenin argued in The Development of Capitalism in Russia, the process of accumulation proceeds as a series of dislocations and crises, some of which appear in the form of crises of realization (unsold commodities). Indeed, capitalism 'knows' no other form of development. The point, however, is that

if one speaks of the 'difficulties' of realization, of the crises, etc. arising therefrom, one must admit that

these 'difficulties' are not only possible but are necessary as regards all parts of the capitalist product, and not as regards surplus value alone.[260]

The 'difficulty' is hence not one of realization as such, but of the disproportionalities which arise from the anarchy of capitalist production.

Roman Rosdolsky has recently drawn attention to an apparent problem in Lenin's theory. Since for Rosdolsky the "contradiction between production and consumption...plays a key role in Marx's theory,"<sup>261</sup> he is troubled by Lenin's treatment of realization. On the one hand, Lenin had argued:

'The consumer power of society' and the 'proportional relation of the various branches of production'--these are not conditions that are isolated, independent of, and unconnected with, each other. On the contrary, a definite condition of consumption is one of the elements of proportionality.[262]

Rosdolsky concedes that 'consumption' and 'proportionality' are related, but claims that "it in no way follows from this that the concepts...cannot be separated from one another, or that they should always be regarded as equivalent."<sup>263</sup> The reasoning here seems faulty. First, Lenin never claimed that consumption and proportionality were "equivalent." Second, it is the case that in Marxist theory consumption cannot be "separated" from proportionality--or more generally, from the pattern of accumulation. Consumption is determined by accumulation, i.e., the investment spending of capitalists fixes both the outlays on variable capital (hence workers' consumption) and the capitalists' own consumption. It is in bourgeois economic theory that consumption takes on the aspect of an independent category, govern-



ed by exogenously given 'preferences' and 'endowments'.

Rosdolsky then goes on to claim that Lenin contradicted the statement just quoted above when he (Lenin) wrote:

It follows from [Marx's] theory that even with an ideally smooth and proportional reproduction and circulation of the aggregate social capital, the contradiction between the growth of production and the narrow limits of consumption is inevitable.[264]

So it seems it must be one or the other: either Lenin is "uncomfortably close" to a disproportionality theory of crisis, or he recognizes the production-consumption "contradiction" and is consequently not fully consistent with his arguments on the realization problem. Rosdolsky, however, somewhat ungenerously chooses to attribute both shortcomings to Lenin, concluding that Lenin at the same time contradicted himself, and held what "essentially amounts to a disproportionality theory of crises...."  
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Now, Rosdolsky is entirely correct in his claim that Lenin's crisis theory is "essentially" one of disproportionality; this will be further discussed below. But Lenin is fully consistent, contrary to Rosdolsky's contention, on the production-consumption relation. The passage from Lenin just cited, which made mention of "the contradiction between the growth of production and the narrow limits of consumption," is read by Rosdolsky as an endorsement of the "overproduction" (i.e., underconsumption) theory which Lenin had earlier rejected (hence the seeming inconsistency). Lenin is very clear, however, regarding the content of the production-consumption 'contradiction':

In a developing capitalist society [the output of con-

stant capital] must necessarily grow more rapidly than all the other parts of the product. Only this law will explain one of the most profound contradictions of capitalism: the growth of the national wealth proceeds with tremendous rapidity, while the growth of national consumption proceeds (if at all) very slowly.[266]

Rosdolsky has thus not uncovered any inconsistency in Lenin's notion of the production-consumption 'contradiction'--he has merely overlooked the fact that Lenin ascribes an entirely different meaning to the expression than does Rosdolsky. Lenin's formulation is thus in full accord with his earlier rejection of realization as a particular 'problem'.

Rosdolsky's confused treatment of Lenin stems in part from his own lack of clarity on the 'overproduction' theory. From the rather surprising statement that Marx's views on the question were a "synthesis" of Ricardo and Sismondi, and after conceding that "capitalist production does in fact create its own market," Rosdolsky claims that capitalism nevertheless does not "abolish" the realization problem, but only "solves" it "dialectically." He says that

from this [dialectical] perspective the extended reproduction of capital is neither 'impossible', nor can it proceed ad infinitum, since the capitalist mode of production must reproduce its internal contradictions at a continually higher level, until the 'spiral' of capitalist development reaches its end.[267]

But if capitalism can "solve" the realization problem for one period, it can equally be "solved" for any number of periods. An overproduction "contradiction" postponed until the "end" of the capitalist "spiral" is, after all, still an overproduction problem. And leaving "dialectical" explanations aside for a moment, overproduction always has one

ultimate cause, viz., the inability of the system to generate sufficient effective demand to realize the entire commodity product--in other words, underconsumption. Rosdolsky's rejection of underconsumption explanations of the realization problem is thus purely gestural. He has simply fallen into the familiar and erroneous habit of considering "overproduction" as somehow 'different' from "underconsumption."

Strictly speaking, after 1899 Lenin never produced any 'theoretical' investigations of the accumulation process. In the year that Rosa Luxemburg's The Accumulation of Capital was published (1913), Lenin jotted down some unfavorable marginal comments, and also stated in a letter to Lev Kamenev:

I have read Rosa's new book Die Akkumulation des Kapitals. She has got into a shocking muddle. She has distorted Marx. I am very glad that Pannekoek and Eckstein and O. Bauer have all with one accord condemned her, and said against her what I said in 1899 against the Narodniks.[268]

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Beyond these strictly marginal and incomplete fragments, it is only possible to draw inferences regarding the mature Lenin's theoretical perspective from a critical assessment of what is perhaps his best known work, Imperialism: The Highest Stage of Capitalism (1916). From the start, however, the nature of the book imposes certain limitations which may make the undertaking unfeasible. Imperialism is a non-theoretical text (in the sense that it does not seek to develop a theory of imperialism as does, for example, Niko-

lai I. Bukharin's contemporaneous Imperialism and World Economy); as all 'non-theoretical' works, however, Imperialism is of course informed by an implicit theoretical perspective which the symptomatic reading can uncover and make explicit. The genuine obstacle to laying bare the implicit theory of Imperialism is suggested by the subtitle of the book itself: "A Popular Outline."<sup>269</sup> Less a book than a pamphlet, serious doubts must be expressed regarding the extent to which any significant theoretical points can be inferred from Imperialism. As Anthony Brewer has observed, however, the canonization of the booklet has created a situation in which criticism of the edifice of post-Leninist thinking on imperialism must begin with an assessment of the (implicit) theory of Imperialism itself.<sup>270</sup>

Lenin's aim in writing Imperialism was to refute Kautsky's notion of imperialism as the "preferred policy" of finance capital. Rather than a particular "policy," which could at a later time be supplanted by a different "policy," Lenin argued that imperialism was a specific, historically concrete stage of capitalist development and, as such, 'necessary'. "[I]mperialism is the monopoly stage of capitalism," according to Lenin's "briefest possible definition," a definition which must be supplemented by drawing out the five "basic features" of imperialism:

- (1) the concentration of production and capital has developed to such a high stage that it has created monopolies which play a decisive role in economic life;
- (2) the merging of bank capital with industrial capital, and the creation, on the basis of this 'finance capital', of a financial oligarchy;
- (3) the export of capital as

distinguished from the export of commodities acquires exceptional importance; (4) the formation of international monopolist capitalist associations which share the world among themselves, and (5) the territorial division of the whole world among the biggest capitalist powers is completed.[271]

Primarily the third, and to a certain extent the first, of these "basic features" are of immediate relevance here.

Lenin's treatment of the "monopolies" requires only brief mention. Cloaking his discussion in pseudo-Hegelian verbiage, Lenin writes of the particular "attributes" of capitalism which, at a certain stage of its development, are "transformed into their opposites." Thus:

Free competition is the basic feature of capitalism, and of commodity production generally; monopoly is the exact opposite of free competition, but we have seen the latter being transformed into monopoly before our eyes....[272]

I will only mention the problems which are apparent in this passage: (i) the discussion in Chapter I, subheading B above suggests that this formulation of the competition-monopoly relation is not adequate to Marxist theory; (ii) if "free competition" is the "basic feature" of capitalism, and "monopoly" is the "exact opposite" of "free competition," it becomes difficult to think of imperialism as a stage of capitalism, i.e., imperialism seems to become qualitatively different from capitalism. Textual evidence can be cited to support the claim that Lenin vacillated between the two positions.

The significance of the monopolies consists in their ability to earn above average profits, to forecast and plan raw material requirements and market demand, and to

establish "the most complete socialization of production."  
 Lenin stressed, however, that this socialization and rudimentary planning was incapable of ameliorating capitalism's recurring periods of crisis.

[T]he monopoly created in certain branches of industry increases and intensifies the anarchy inherent in capitalist production as a whole. The disparity between the development of agriculture and that of industry, which is characteristic of capitalism in general, is increased. The privileged position of the most highly cartelised, so-called heavy industry, especially coal and iron, causes 'a still greater lack of co-ordination' in other branches of industry....[276]

The above passage clearly links capitalist crises to the "anarchy" of capitalist commodity production, and is suggestive of a disproportionality theory of crisis. Lenin would therefore seem to be fully consistent (at least on the issue of crisis theory) as between 1916 and his polemics against the Narodniks almost twenty years earlier. But note that the reasoning which seeks to connect the appearance of monopoly (and the possibility of regulation) in some sectors with even greater anarchy in others is, at best, poorly developed; Lenin does no more than suggest that rapid rates of technological change in the monopolised sectors lead to greater "disparity" and, consequently, greater "anarchy and crises."  
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A few pages previously, speaking of the emergence of monopolies, Lenin cryptically suggested that monopolies and (partial) regulation do not abolish the contradictions inherent to capitalism because while "[p]roduction becomes  
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 social,...appropriation remains private." If he somehow intended this notion to be linked with the subsequent argu-

ments about crisis, Lenin gave no explicit indication of it in Imperialism.

The link was made nineteen years earlier, however, in the section on crises in "A Characterization of Economic Romanticism." There Lenin had counterposed the "scientific analysis of accumulation" (Marxism) to the views of the "Russian followers of Sismondi" (Narodniks). According to Lenin, the Narodniks explained crises "by the contradiction between production and consumption by the working class," whereas Marxists referred to "the contradiction between the social character of production and the private character of appropriation." On the same page, Lenin summed up the argument: "To put it more briefly, [Narodnism] explains crises by underconsumption, [Marxism] by the anarchy of production."<sup>279</sup>

Without ambiguity, Lenin thus equated the social production/private appropriation contradiction with the anarchy of production; they were, in his view, the same explanation of crisis. The difficulty is that Lenin never elaborated his understanding of this identification, and an elaboration would seem necessary since the reasoning involved is by no means transparently obvious.

Returning to Imperialism, there are two possible interpretations. On the one hand, Lenin could have intended to equate the anarchy of production with the social production/private appropriation contradiction as he had in the 1897 article. In this case, the same difficulty arises as

before--there is no adequate explanation provided. On the other hand, the two contradictions could be regarded as distinct. If this alternative is chosen, and Lenin's views regarding the monopolies' abilities to plan production and sales are taken at face value, there is no indication given of why crises should be intrinsic to the imperialist stage of capitalism except for the obscure and unexplained reference to the social production/private appropriation contradiction.

In Lenin's argument, the issues of crisis and monopoly are theoretically connected, albeit loosely, to the third "basic feature" of imperialism, the export of capital. The "monopolist position" of the "rich countries" leads to the accumulation there of an "enormous 'surplus of capital'."<sup>280</sup> But "there could be no question of a surplus of capital," continues Lenin, "if capitalism could develop agriculture,...[and] if it could raise the living standards of the masses."<sup>281</sup> In the same paragraph, Lenin advances the corollary argument:

The need to export capital arises from the fact that in a few countries capitalism has become 'overripe' and (owing to the backward state of agriculture and the poverty of the masses) capital cannot find a field for 'profitable' investment.[282]

By contrast to those nations where capitalism is "overripe," the prospects for profitable investment are relatively greater in the "backward countries," where "capital is scarce, the price of land is relatively low, wages are low,<sup>283</sup> [and] raw materials are cheap."

The argument seems clear enough, although incompletely



developed: monopoly, the underdevelopment of agriculture and restricted mass consumption in the developed capitalist countries combine to provide a dearth of profitable investment outlets. As a consequence, capital is exported to the peripheral areas in order to take advantage of the relatively more profitable investment opportunities there.

Somewhat surprisingly, Lenin's approach has been interpreted as an underconsumption theory. Anthony Brewer, for example, writes:

If the reference to the poverty of the masses and the backwardness of agriculture is to mean anything, it must surely represent an underconsumptionist analysis. Accumulation is held up by lack of markets.... This is the argument put forward by [John] Hobson, and Lenin thought very highly of Hobson and drew on his analysis extensively.[284]

On the other hand, however, Brewer qualifies his assessment by pointing to Lenin's anti-underconsumption polemics against the Narodniks. Brewer concludes by adopting a rather agnostic stance, claiming that "clearer evidence of a change of mind" from the anti-Narodnik writings would be necessary before Lenin could be characterized as an underconsumptionist.

Clearer evidence does exist, but not for a change of mind on Lenin's part. In the very paragraph in question, where Lenin points to the limited consumption of the masses as one of the causes of stagnant profitability, <sup>285</sup> he also rails against the "petty bourgeois critics of capitalism" who suggest that imperialism could be 'reformed' by a more just distribution of income, i.e., by raising the consump-

tion of the masses. Although he does not explicitly say so here, Lenin's allusion is no doubt to Hobson, because Lenin characterized Hobson in precisely the same manner on other occasions.<sup>286</sup> So while Brewer is correct to point out that Lenin "thought highly" of Hobson's work, this favorable assessment did not amount to an unequivocal endorsement-- notably, it was specifically Hobson's underconsumptionism<sup>287</sup> that Lenin singled out for criticism.

Moreover, a theoretical criticism may be addressed at Brewer himself. Underconsumption arguments typically fasten to an alleged difficulty in realizing the surplus value embodied in commodity capital under conditions of expanded reproduction.<sup>288</sup> In Lenin's case, there was never any reference to an unsaleable or unrealizable portion of the surplus product. Instead, the discussion in Imperialism concerned the existence of a relative surplus of capital seeking (more) profitable investment outlets. Lenin is explicit--the capital is in money (not commodity) form, i.e., surplus value which has already been realized. If Brewer interprets this as an underconsumption milieu, he is simply in error. On the basis of this evidence it seems reasonable to supplant Brewer's agnosticism with a stronger statement--<sup>289</sup> Lenin's theory is not a variety of underconsumptionism.

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Thus there are, to be sure, considerable weaknesses in Lenin's thinking. The real strength of Lenin's approach is revealed, however, precisely in and through an investigation of the tensions and seeming inconsistencies which are appar-

ent throughout his work. This is not an apologia. Certain of Lenin's theses may have been wrong, weak on internal logical consistency, or incompletely worked out. These limitations have been pointed to above. The favorable appraisal of his work as a whole, however, depends more on the demonstration that Lenin displayed considerable sophistication in linking concrete analysis with abstract theoretical principles, that he allowed the theory to guide the concrete work, without falling into the by now familiar trap of metamorphosing the abstract, of treating the concrete as merely the outward manifestation of abstract theory.

For example, it was no doubt a weakness on Lenin's part to hold a disproportionality theory of crisis (having decisively rejected underconsumptionism and failed to appreciate the falling rate of profit explanation), and simultaneously to insist on the inevitability of crisis under capitalism, without having clearly explained why a planned capitalism would be unable to do away with the anarchy of the market.

But it was a strength to maintain that the inevitability of crisis (despite the fact that this notion was poorly worked out) did not allow the deduction of the necessity of capitalist collapse, and certainly not the a priori elaboration of the necessary forms of that collapse as Luxemburg sought to do (see also in Chapter III below the discussion of the second congress of the Communist International, at which Lenin rejected the notion of a 'hopeless' final crisis of capitalism from which there is no escape). The crisis is inevitable, but the collapse is not; the socialist revolu-

tion is not made by will alone, nor is it automatically called forth by the crisis; yet the crisis creates the objectively revolutionary situation, which can be exploited by the intervention of political movements. Lenin's analysis of the concrete situation reveals a complex interplay of both abstract theory and highly particular, concrete investigation. The abstract is not merely a general (inferred) case of the concrete, nor is the concrete a metamorphosis of the abstract. Both (or several) levels of analysis co-exist throughout the analysis in constant interaction, one never predominates over the other(s), the two (or more) never collapse into one. There is no trace of teleology, but neither is there 'freedom'.

Before turning to an examination of Lenin's assessment of the prospects for working class internationalism, one more illustrative example will help to demonstrate his method and his conception of history and politics.

In the period of reaction after the Russian Revolution of 1905, especially during the tenure of Pyotr A. Stolypin as Chairman of the Tsar's Council of Ministers (1906-1911), the agrarian question loomed large in the debates among Russian socialists. Briefly, Stolypin's policies sought to break up the persistent communal form of Russian village agriculture, and solidify private ownership (in order to ensure 'stability', i.e., capitalism), but without dismantling the large landed estates and the 'superstructure' of the landed oligarchy. <sup>290</sup> In other words, Stolypin was

pursuing a path of development in agriculture along the lines that Lenin had for some time been describing as the path to capitalism in agriculture "via Junker." <sup>291</sup>

Briefly, Mensheviks such as Plekhanov, Pavel Axelrod and Theodore Dan were convinced that the success of Stolypin's policies was 'impossible'. Since, in their view, capitalist development was already underway in Russia, the only policy which could provide a viable capitalist solution of the agrarian question was a policy which banked on the liberal bourgeoisie, not the reactionary landed oligarchy. Stolypin's measures, which relied on the oligarchy and on the 'strong' peasant, flew in the face of the laws of historical development. Consequently, the Mensheviks sought to establish a "bloc" with the Kadets (party of the progressive bourgeoisie), and in general strove to promote the full development of a bourgeois republic (recall the discussion of Plekhanov's politics in subheading D above).

Lenin's analysis, by contrast, once again displayed a striking character. Abstractly, the laws of capitalist development were at play in the countryside, had produced a "peasant bourgeoisie" and a "peasant proletariat," and therefore had introduced a specifically capitalist class dynamic in the Russian rural sector. The task on the agenda was consequently land reform (and on this the Mensheviks and Bolsheviki, indeed the Socialist-Revolutionaries and Narodniks, were all in agreement). But the Menshevik vision of this reform, seemingly 'radical' because it anticipated the sweeping away of all vestiges of feudalism, obscured the

fact that "two objectively possible, and historically not yet finally chosen, 'solutions' of the agrarian question...are feasible." If things went "favourably" for Stolypin, he could succeed:

[Stolypin's plan] means the 'solution' of the agrarian question in bourgeois Russia in the sense of the final consolidation of private property over all the land.... This will be a solution of the Prussian type, which will certainly ensure the capitalist development of Russia, but an incredibly slow development, endowing the Junker with authority for many years....[292]

The Stolypin solution, contrary to the Menshevik's claims, was 'radical' in the sense that it was already breaking up the village commune and the archaic agrarian structures in Russia. True enough, the other option--the peasant-bourgeois, or "via farmer," path--was more radical yet because it involved the complete breaking up of the oligarchy's landholdings. But the Mensheviks were mistaken in thinking that the liberal bourgeoisie was capable, in Russia, of carrying out such inroads on the oligarchy's property. In the meantime:

The success of Stolypin's policy would involve long years of violent suppression and extermination of a mass of peasants who refuse to starve to death and be expelled from their villages. History has shown examples of the success of such a policy. It would be empty and foolish democratic phrase-mongering for us to say that the success of such a policy in Russia is 'impossible'. It is possible! But our business is to make the people see clearly at what a price such success is won, and to fight with all our strength for another, shorter and more rapid road of capitalist development through a peasant revolution. A peasant revolution under the leadership of the proletariat in a capitalist country is difficult, very difficult, but it is possible and we must fight for it.[293]

These examples offer a glimpse into Lenin's manner of

treating the "concrete analysis of a concrete situation." On the problem of the demise of proletarian internationalism, Lenin was able to offer a more successful materialist analysis than either the theoreticians of the center or revolutionaries such as Luxemburg. The center, it will be recalled, disintegrated into a variety of ad hoc responses to the war. Luxemburg, as will be seen in greater detail in sub-heading F below, emphasized the ideological bankruptcy of the International's leadership.

Lenin never denied the ideological component of revisionism, terming it "opportunism." Quite early on, in What Is To Be Done? (1902), he wrote:

That struggle is desirable which is possible, and the struggle which is possible is that which is going on at the given moment. This is precisely the trend of unbounded opportunism, which passively adapts itself to spontaneity.[294]

The theoretical and ideological aspects of revisionism were plain enough: the denial of a scientific socialism, the denial of the class struggle in 'democratic' bourgeois society, etc. All of this had been "presented by Bernstein," and finally (in 1899) the opportunist's political practice was "demonstrated by [Alexandre] Millerand" with his ac-  
ceptance of a portfolio in a bourgeois government. 295

The Marxist considers political questions concretely, from a class standpoint, and this "makes all the difference" between Marxism and opportunism which, for example on the national question,

imagines that democracy eliminates the class struggle, and that is why [the opportunist] presents all his demands in an abstract way, lumped together, 'without res-

ervations', from the standpoint of the interests of the 'whole people', or even from that of an eternal and absolute moral principle.[296]

Like Luxemburg, Lenin linked the emergence of revisionism to the effect of petty bourgeois currents within the working class movement:

The inevitability of revisionism is determined by its class roots in society.... Why is it more profound than the differences of national peculiarities and of degrees of capitalist development? Because in every capitalist country, side by side with the proletariat, there are always a broad strata of the petty bourgeoisie.... A number of new 'middle strata' are inevitably brought into existence again and again by capitalism.... It is quite natural that the petty-bourgeois world-outlook should again and again crop up in the ranks of the broad workers' parties.[297]

So there can be no doubt that Lenin recognized the importance of the ideological components of opportunism, viz., the incursion of petty bourgeois aspirations into the working class movement, faith in the neutrality and universality of bourgeois democracy, limiting the political objective to that which appears possible at a given moment, and so on. But beyond the characterization of opportunism as an ideological deviation, it was necessary for Lenin to explain the phenomenon by reference to the material development of capitalism. Moreover, the analysis of this development could not be a direct mapping of the theory found in Capital onto concrete reality (or vice-versa, the theorization of particular concrete phenomena into the general theory of capital), i.e., it could not be an approach such as the one Luxemburg's methodology repeatedly induced her to adopt as a consequence of her explicit requirement that the theory in Capital lay out the "concrete conditions" necessary for



capitalist development (recall pp. 105-106 above). In other words, there was more to the opportunist current than merely the incursion of a petty bourgeois ideological deviation, it was not merely a "hesitation" or "vacillation," as Luxemburg characterized it. Rather, opportunism found roots in, and was constantly reproduced by, a "negative feature in the European labor movement, one that can do no little harm to the proletarian cause." This feature consists of the concrete benefits of colonialism which accrue to workers in the industrialized nations. Lenin notes that

as a result of the extensive colonial policy, the European proletarian partly finds himself in a position when it is not his labor, but the labor of the practically enslaved natives in the colonies, that maintains the whole of society.... In certain countries this provides the material and economic basis for infecting the proletariat with colonial chauvinism.[298]

This phenomenon may only be temporary, in Lenin's view, but it must be understood as a material (and hence political) reality of the period in question. Lenin's estimation of the significance of this material basis for opportunism only increased with the unfolding of events. In his notebooks on imperialism (published as vol. 39 of the Collected Works), Lenin comments that "social-chauvinism is as inevitable a product of imperialism as wireless-telegraphy"; he repeatedly links working class opportunism and social-chauvinism with the "benefits" of colonial policy. With the publication of Imperialism, this emphasis became even clearer when Lenin chastized the Marxist Rudolf Hilferding for taking "a step backward on this question compared with the frankly

pacifist and reformist Englishman, Hobson." <sup>300</sup> The latter's insight, according to Lenin, was the recognition that imperialist "superprofits" enable the creation of a corrupt "labor aristocracy," which becomes "the principal social <sup>301</sup> (not military) prop of the bourgeoisie."

The only political deduction of a general sort which could legitimately be drawn from the analysis of the phenomenon of opportunism and its material basis was that of the necessity in general of decisive and conscious political intervention of a particular type--hence the deduction and evolution of the organizational forms of the Bolshevik political party. In the Bolshevik conception, the limits of the possible are given by the unity of the objective and subjective in the concrete moment. The 'objectively revolutionary situation' cannot in the literal sense be 'created', but it can (and will, given the chance) slip away...

As such, no strategic or tactical implications (other than party organization and the theory of intervention in the conjuncture) could be deduced from general principles, and the appropriate methods of the struggle for revolutionary and internationalist politics varied according to the circumstances. Prior to the war, the fight against opportunism could (had to) be waged from within a 'unified' International. After the outbreak of war, as will be seen below, the tactics of splitting off from the chauvinist currents and the formation of a new International became necessary. Even so, the question of a split at that time was not a 'simple' one, but was governed by the tempo of the develop-

ment of the crisis. The subtlety of Lenin's political sense often evades both critics and admirers. In one and the same (unflattering) analysis, therefore, it is possible to discern evidence of a Lenin who was at one time a mechanical determinist, seeing concrete events as inevitable stages of a pre-ordained process, and at another time hatching conspiracies and plots of which he alone was the master. 302

Lenin's associate Nikolai I. Bukharin, in his anticipatory Imperialism and World Economy (1915), provided an analysis of the material basis of working class national chauvinism which basically concurred with Lenin's 1916 Imperialism, although in a broader and more general fashion. In addition to the obvious conflict of interests between capital and labor which accumulation engenders, wrote Bukharin, there exists a parallel but contradictory tendency in capitalist development. During each of its concrete phases, capitalism is able to forge material and ideological ties which establish fleeting (but politically significant) commonalities of interest between capitalist and worker. In the early phase of capitalist development,

when the working class had just begun to emerge and to separate itself from the small entrepreneurs, when so-called patriarchal relations prevailed between master and worker, the latter to a considerable degree identified his interests with the interests of his exploiter.

This identification of interests which are in substance totally opposed to one another was, to be sure, not suspended in the air. It had a very real basis. 'The better the business of our shop, the better for me', the worker of that time used to reason.[303]

Somewhat later, working class opposition to capital came to be mediated by the "craft ideology" of trade union-

ism ("our sphere of production") and "the so-called working class protectionism with its policy of safeguarding 'national industry'." <sup>304</sup> Finally, in the imperialist era, when narrow trade unionism (and to a lesser extent, working class protectionism) is gradually overcome, there remains (and at times is strengthened) "the bond of unity between the working class and the greatest organization of the bourgeoisie, <sup>305</sup> the capitalist state." This bond, finding its expression "in the ideology of worker's patriotism," is cemented by colonialism, and the "industrial prosperity" (which includes <sup>306</sup> higher wages) accompanying imperialist "super-profits." Despite flaws, which will be further noted below, Bukharin's conceptualization of the bourgeois state was remarkable in its anticipation of corporatism in both the democratic and totalitarian forms.

The final subheading of this chapter analyzes the various responses to the outbreak of war among the revolutionary left.

#### F. Agitation for Peace, Revolutionary Action, and Defeatism

As noted at the end of subheading B earlier in this chapter, the commencement of hostilities completely transformed the political terrain of the Second International. Apart from those social imperialists who merely adopted positions identical to those of the ruling-class parties, the bulk of the Marxist and militant non-Marxist groupings fell into a 'defense of the fatherland' faction on the one hand, and a 'pacifist' faction on the other. The major figures (and their theoretico-political positions) in these tendencies have already been discussed in subheadings C and D above. At this point, attention will focus on the small group of revolutionary leftists, which became increasingly visible amid the debris of the International.

Among the revolutionary left there was uniform condemnation of the war and bitterness toward those socialists who supported it, particularly the hypocritical center. An examination of the revolutionary left's analysis of the war and the collapse of the International is especially illuminating precisely because of the very similar 'gut' reactions of its leaders: given the outrage and revulsion the revolutionaries all shared, it becomes all the more clear in their case how theoretical and methodological differences produced varying analyses and political stances, despite almost identical instinctual responses.

Trotsky astutely ascribed the capitulation of popular sentiment (in favor of the war) to the mass of unpoliticized

proletarians and petty bourgeois who tend to flow with the tide of great historical events:

Mobilization and the declaration of war awaken fresh expectations in [petty bourgeois and working class] circles whom our agitation practically does not reach and whom, under ordinary circumstances, it will never enlist.... The same thing happens as at the beginning of a revolution, but with one all-important difference. A revolution links these newly aroused elements with the revolutionary class, but war links them--with the government and the army![307]

On the other hand, when explaining the co-optation of the supposedly politicized leaders of social democracy, Trotsky emphasized the long history and effects of immersion in reformist politics. The revisionists wished "to perpetuate reformism theoretically," and although they were defeated in the realm of theory during the Bernstein debates, revisionism "continued to live, drawing sustenance from the actual conduct and the psychology of the whole movement."<sup>308</sup> Trotsky elaborated (altered?) this argument later, when he wrote that German revisionism stemmed from a "contradiction" between the SPD's phraseology and its practice. The revisionists did not see that this contradiction was "temporary," so they sought to make revisionism the permanent form of proletarian class struggle.<sup>309</sup> Either way, it was therefore the practical experience of activists and agitators, an experience mired in many years of reformist politics, which conditioned their behavior in 1914.

According to Trotsky, the English working class movement, which enjoyed the opportunities presented by a 'genuine' parliament, was nonetheless bound by the same historical limitations as the German. Despite the difference in

organizational forms (the English workers had a parliament, the German workers had a 'real' Marxist party), the movements in both countries "accommodated themselves" to the existing power, i.e., they were both limited to possibilist aspirations.<sup>310</sup>

Like Lenin, although somewhat later, Trotsky came to see that "the immediate trade interests of various strata of the proletariat proved to have a direct dependence upon the success or failure of the foreign [imperialistic--N.K.] policies of the governments."<sup>311</sup> Furthermore, agitation or persuasion alone could neither transform the International into a revolutionary organization, nor cure those large sections of the proletariat gripped by patriotic fervor.<sup>312</sup> The International had to be split,<sup>313</sup> and the revolutionizing of the proletariat required a great, historical upheaval.<sup>314</sup>

Unlike Lenin, however, Trotsky at this time lacked membership in an organization where his views could structurally influence events--since 1904 his standing with the Mensheviks had been ambivalent at best, and he joined the Bolsheviks only in the late summer of 1917. Contrary to his own advice, therefore, Trotsky was forced to rely on his individual persuasive skills and agitational talents. Isaac Deutscher chronicles Trotsky's juggling tactics on the emigre paper Nashe Slovo:

Broadly speaking, three groups tried to influence Nashe Slovo. Martov exerted himself to reconcile his loyalties to Socialist internationalism and to Menshevism; and gradually he transferred his old distrust of Bolshevism to the single-minded 'angular' internationalism which Lenin preached. At the other extreme were the prodigal

sons of Bolshevism, Manuilsky and Lozovsky.... Trotsky held an intermediate position; he tried to curb the pro-Bolshevik group and also to persuade Martov that he should disassociate himself from Menshevik social-patriots. 'The editorial conferences', Lunacharsky relates, 'dragged on in long debates, in the course of which Martov evaded with amazing elasticity of mind and almost sophistic slyness a clear answer.... Trotsky often attacked him very angrily'. In the first issue of the paper Martov had, in fact, denounced some of his followers; but after a few weeks he argued that it was wrong to charge the social-patriots with treason to socialism. The pro-Bolshevik group then indignantly turned against Martov; but Trotsky, for all his anger in debate, still shrank from a break with him.[315]

With regard to the decisive historical crisis which he believed was in the making, Trotsky sought its genesis in a transformation of the "psychology" of the working class. He pointed to the irony of the moment: the bourgeois governments of Europe were dependent for their survival on a mass of armed workers. "Is it not clear," reasoned Trotsky, that the workers must begin to see a contradiction between their heretofore willingness to remain merely a parliamentary opposition and the ease with which imperialism resorted to armed force in order to decide questions of 'bourgeois right'? Trotsky's political recommendation was a rather vague exhortation to "agitate for peace" (note the seeming incongruity with his earlier claim regarding the futility of agitation alone), and he issued the well-known slogan:

No annexations!  
No reparations!  
The right of all nations to self-determination!  
A United States of Europe  
--without monarchies,  
--without standing armies,  
--without feudal castes,  
--without secret diplomacy![316]

\* \* \*



Rosa Luxemburg, in her famous analysis of the outbreak of war (The Junius Pamphlet), provided a brilliant materialist account of the parallel forces leading Europe to war in the latter nineteenth and early twentieth centuries. The first "line of development" which culminated in war began with the constitution of the modern European nation-state. Luxemburg dates this from the time of Bismarck's war against France (1870), which "threw the French Republic into the arms of Russia, [and] split Europe into two opposing camps...." <sup>317</sup> The second "line of development" consisted in the imperialist expansion into non-capitalist regions; in the case of Germany, this largely meant the exploitation of Turkey and the subordination of the latter's government to <sup>318</sup> German financial interests.

Responding to those within the SPD who urged "suspension" of the class struggle for the duration of the war, Luxemburg forcefully argued that the

class struggle is known not to be a social-democratic invention that can be arbitrarily set aside.... The modern proletariat was not led by the social-democracy into the class struggle. On the contrary, the international social democratic movement was called into being by the class struggle....[319]

Moreover, Luxemburg maintained that in "capitalist society, invasion and class struggle are not opposites," i.e., invasion by a foreign power "is a measure to which the bourgeoisie has frequently and gladly resorted as an effective <sup>320</sup> weapon against the enemy within." And

[j]ust as invasion is the true and tried weapon in the hands of capital against the class struggle, so on the other hand the fearless pursuit of the class struggle has always proven the most effective preventative of foreign

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invasions.

None of this however, amounted to an argument for the right of national self-determination couched in 'radical' phraseology. On the contrary, in "the present imperialistic milieu there can be no wars of national self-defense," because in the imperialist era national self-determination implied the maintenance of colonial empires--a glaring contradiction. <sup>322</sup> Genuine national self-defense required the formation of a people's militia, "but above all, popular <sup>323</sup> decision making in all questions of peace and war."

As regards the failure of the European proletariat and its political parties to oppose the war, Luxemburg could only offer the explanation that the workers were not aware "of their own interests," i.e., they were victims of a false consciousness, and that working class leaders were either traitorous opportunists or naive dupes. <sup>324</sup> This conclusion is clearly linked to her analysis of capitalism, in which a teleological orientation is coupled with the theorization of the "concrete conditions" of capitalism. When combined, these twin pitfalls brought the result that working class allegiance to nationality could not but seem aberrant (insofar as there was no basis for such a phenomenon in the general theory of capitalism), while at the same time the concrete forms of the appropriate revolutionary response could only be left open for further capitalist development itself to determine.

Consequently, the political task carried a bold name ("revolutionary action"), but was quite modest in its actual

content: whereas the "great historical hour itself creates the forms that will carry the revolutionary movement to a successful outcome," the function of revolutionary social-democracy consists in combating the false consciousness of the working class by providing "a political slogan, clearness concerning the political problems and interests of the proletariat in times of war."<sup>325</sup>

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Lenin, living in exile near Cracow at the outbreak of the war, quickly provided an analysis of the war which formed the basis of the political tactics he would espouse over the course of the conflict.<sup>326</sup> In fact, Lenin's response can be seen as the logical culmination of his attitude on the question of war over the course of the debates in the Second International. Although Lenin did not present the precise political implications of imperialist war at the Stuttgart congress (1907) of the International, he was already drawing preliminary conclusions in his analysis of the congress. In his critique, Lenin naturally opposed the blatant chauvinism of rightists such as von Vollmar, but also remarked on the purely abstract "opposition to war" of the centrists Bebel and Guesde, and the semi-anarchistic views of Herve. While von Vollmar spoke of a need for the "defense of the fatherland," Herve responded with the slogan that "the proletarian has no fatherland," and demanded that the proletarian response to all wars must be an immediate military strike and insurrection. Lenin characterized this posi-

tion as

blind faith in the miracle-working power of all direct action; the wrenching of this 'direct action' out of its general social and political context without the slightest analysis of the latter: in short, the 'arbitrarily mechanical interpretation of social phenomena' (as Karl Liebknecht put it).[327]

While the slogan "the proletarian has no fatherland" is a principle (to be struggled for) of international socialism, it cannot be understood to mean that working class internationalism is a foregone conclusion, or that it can be realized with the mere issuance of a slogan.

Although his attitude toward the war was not yet concretized in 1907 (the particular conditions of the coming conflict were not yet visible), Lenin's refusal to adhere to inflexible or abstract formulas is fully consistent with a post-war (1922) declaration:

[I]t is impossible to 'retaliate' to war by a strike, just as it is impossible to 'retaliate' to war by a revolution in the simple and literal sense of these terms.

We must explain the real situation to the people, show them...that the ordinary worker's organizations, even if they call themselves revolutionary organizations, are utterly helpless in the face of a really impending war.[328]

In 1914, an approach such as Lenin's meant first and foremost the recognition of the imperialist nature of the war, i.e., a war between nations in the advanced era of capitalist development. This war had to be distinguished from wars which the bourgeoisie waged against feudalism, in order to constitute the modern bourgeois nation-state. The opportunists, in Lenin's view, uncritically transferred the "defense of the fatherland" slogan from an earlier epoch

(when it displayed a progressive aspect), to the imperialist period. In 1914, the socialist movement "cannot triumph within the old framework of the fatherland."<sup>329</sup>

Since it was not merely a question of betrayal by the leadership, since opportunism had a mass base, "refusal to serve with the forces, anti-war strikes, etc., are sheer nonsense." Revolutionary socialists above all had to recognize that the class struggle is not suspended at the out-<sup>330</sup>break of war, and that consequently

it is the duty of every socialist to conduct proaganda of the class struggle, in the army as well; work directed towards turning of a war of the nations into civil war is the only socialist activity in the era of an imperialist armed conflict...."[331]

This task could no longer be undertaken within the framework of the International, which meant that the labor movement had to be split. In this regard,

the worst possible service is being rendered to the proletariat by those who vacillate between opportunism and revolutionary Social Democracy (like the 'Center' in the SPD), by those who are trying to hush up the collapse of the Second International or to disguise it with diplomatic phrases.[332]

An effort to convert the world war into civil war, an effort intended to facilitate the defeat of "one's own" bourgeoisie, led to the startling formula of "revolutionary defeatism," or the struggle for the defeat of "one's own" country. This concept proved rather too shocking even for such revolutionaries as Trotsky. Indeed, in the initial period of the war, Lenin was virtually alone in advocating defeatism, even within the Bolshevik Party<sup>333</sup> (this fact, incidentally, should contribute to dispelling the myth,

widely held among the left as well as in bourgeois circles, that Lenin's will inexorably guided the Bolsheviks at every twist and turn). At the outset, Trotsky strongly opposed Lenin's thesis of revolutionary defeatism as

a connivance for which there is no reason or justification and which substitutes an orientation (extremely arbitrary under present conditions) along the line of a 'lesser evil' for the revolutionary struggle against war.[334]

Lenin's response demanded that Trotsky concretize the meaning of 'struggle against war':

A 'revolutionary struggle against war' is merely an empty and meaningless exclamation, ...unless it means revolutionary action against one's own government even in wartime.[335]

Trotsky hesitated, but eventually moved toward Lenin's position. He later wrote in his autobiography that "the essentially unimportant differences that still separated me from Lenin...dwindled into nothing during the next few months."<sup>336</sup>

Even more clearly than in the case of Trotsky, Bukharin's analysis of the material basis of working class patriotism led to political conclusions perfectly similar to Lenin's. The crisis unleashed by the outbreak of war

severs the last chain that binds the workers to the masters, their slavish submission to the imperialist state. The last limitation of the proletariat's philosophy is being overcome: its clinging to the narrowness of the national state, its patriotism.[337]

Steeled in battles forced upon them from above, accustomed to looking into the face of death every minute, [the workers] begin to break the front of the imperialist war with the same fearlessness by turning it into civil war against the bourgeoisie.[338]

Revolutionary defeatism, as Lenin and those who eventually followed recognized, did not turn on the whim of a

party (it was not a voluntarist position). Likewise, the strategy of defeatism very concretely specified the form of conscious intervention to be taken in the context of the objectively determined crisis. Good intentions or impeccable revolutionary credentials were not enough to provide a coherent, concrete, and feasible guide to action; the matter actually hinged on the implicit method behind "the concrete analysis of a concrete situation."

Perhaps even more clearly than in the period immediately following the outbreak of war, the manner in which Lenin linked the objective context to the prospects of intervention can be seen during April 1917. The well-known "April Theses" of this period are of course frequently pointed to as a manifestation of the audacious Lenin, returning from exile, goading those Bolsheviks still inclined to caution. It is true that the "Theses" insist on a republic of soviets, not a parliament, as "the only possible form of a revolutionary government,"<sup>339</sup> but the contemporaneous analysis in "The Dual Power" shows how the apparently almost unlimited voluntarism of the "Theses" in fact only urged particular forms of action in a situation where a multiplicity of outcomes existed, where victory or defeat for the socialist revolution were equally possible.

Did the Provisional Government need to be overthrown? Yes, ultimately, because it was a bourgeois regime. But this was not possible in April, it was not a question of 'simply' overthrowing the Provisional Government because the alterna-

tive, the "second government" or the Soviets of Workers' Deputies, at that time constituted the principal support of the bourgeois Provisional Government. The truly revolutionary outcome would be the transfer of power to the Soviets, i.e., only the Soviets had a genuinely revolutionary potential, but as yet this potential was merely a possibility. The Soviets themselves needed to be revolutionized, and hence the party of the class conscious proletariat needed to win the constituents of the Soviets over to their side--and then overthrow the Provisional Government.

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## Notes to Chapter II

1. The two most significant sections of the International were the German and the French. The SPD had over a million members, and garnered over four million votes in the 1912 elections in Germany, giving it 110 seats (28%) in the Reichstag. The Parti socialiste, section française de l'internationale ouvrière (Socialist party, French section of the Worker's International--the SFIO) captured a million votes in the 1914 French elections, giving it 101 seats (17%) in the Chamber. See Merle Fainsod, International Socialism and the War (New York: Octagon Books, 1966), 40.
2. Braunthal, Geschichte der Internationale vol. 1, 207-208. A comprehensive history of the International is of course outside the scope of this study. Braunthal's account is painstakingly detailed, albeit marred by 'lapses' stemming from a profound anti-Marxism. Another extensive work from a social-democratic perspective is G.D.H. Cole's A History of Socialist Thought. For a shorter, more easily read narrative, see James Joll, The Second International: 1889-1914 (London: Routledge & Kegan Paul, 1974).
3. Steenson, "Not One Man! Not One Penny!", 12.
4. The full text of the Erfurt Programme may be found reprinted in *ibid.*, 247-250. Emphasis in original.
5. The distinct organizations kept up separate memberships in the Second International prior to 1905.
6. Aaron Noland, The Founding of the French Socialist Party (1893-1905) (Cambridge: Harvard University Press, 1956), 184.
7. *Ibid.*, 184-185.
8. Known as the Social Democratic Party prior to 1911.
9. See A.L. Morton and George Tate, The British Labour Movement 1770-1920 (Westport: Greenwood Press, 1975), esp. pp. 225-271 for a history of the English socialist parties and their relationship to the International.
10. G.D.H. Cole, British Working Class Politics 1830-1914 (London: Routledge & Kegan Paul, Ltd., 1965), 228.
11. Joll, The Second International, 123-124.
12. Established in 1900, and intended to be an executive committee and secretariat for the Second International.
13. Joll, The Second International, 124. It is also interesting to note that once war broke out in 1914, all of the Russian Social Democratic parliamentary representatives,

both Bolshevik and Menshevik, refused to vote for war credits in the Duma--this was quite unique, since the other parliamentary groups of the International were either split or voted unanimously in favor of war credits. See Fainsod, International Socialism and the War, 35-36.

14. Joll, The Second International, 46.

15. Braunthal, Geschichte vol. 1, 331.

16. Georges Haupt, Socialism and the Great War (Oxford: Clarendon Press, 1972), 12.

17. Joll, The Second International, 63-66. Joll raises the interesting point that the SPD leadership was criticized for "reformism" and "opportunism" by rank and file members almost immediately upon the decision to embark down the parliamentary road. But in 1891, party leaders August Bebel and Wilhelm Liebknecht succeeded in expelling these leftists from the party. There is a certain irony here, because Liebknecht's son Karl, by 1918, came to occupy (with Rosa Luxemburg and Franz Mehring) a revolutionary left position in the Spartakusbund of the SPD.

18. Braunthal, Geschichte vol. 1, 334.

19. Cited in Haupt, Socialism and the Great War, 15.

20. Ibid., p. 16.

21. The theoretical and political bases of the 'right' wing of the International will be discussed further below.

22. Braunthal, Geschichte vol. 1, 341.

23. Ibid.

24. Joll, The Second International, 137.

25. Braunthal, Geschichte vol. 1, 341.

26. Lenin, Collected Works vol. 13, 91.

27. Joll, The Second International, 139, and Paul Froelich, Rosa Luxemburg: Her Life and Work (New York: Monthly Review Press, 1972), 168-169.

28. Braunthal, Geschichte vol. 1, 341-342.

29. While Jaures' position is certainly correct in the sense that the republic is a 'progressive' development viz-a-viz autocracy, it is all too easy for this same argument to be used as a justification for the 'defense of the democratic republic' in the event of war. Indeed, as will be seen below, Georgi Plekhanov adopted precisely this position in

his support of the French war effort (he had a somewhat different rationale for supporting Russia's entry into the war). Also, substantial numbers of French socialists found it easy to defend their 'fatherland', i.e., the 'fatherland' of the 1789 and 1848 revolutions. The linkage, seemingly rather arbitrary, between revolution and fatherland was completely unambiguously expressed in a 1914 speech by Vailant: "In the event of attack, French socialists will fulfill their duty to the Fatherland, the Republic and the Revolution." Cited in Braunthal, Geschichte vol. 2, 36.

30. Cited in Harvey Goldberg, The Life of Jean Jaures (Madison: The University of Wisconsin Press, 1962), 328.

31. Joll, The Second International, 140. The full text of the resolution is reprinted on pp. 206-208.

32. Ibid., 208.

33. Cited in Abraham Ascher, "Imperialists Within German Social Democracy Prior to 1914," Journal of Central European Affairs 20, 4 (January 1961): 404.

34. Ibid., 404-405; Braunthal, Geschichte vol. 2, 324-325; Lenin, Collected Works vol. 13, 75-77.

35. Braunthal, Geschichte vol. 2, 347.

36. Ibid., 347; Joll, The Second International, 144.

37. Cole, A History of Socialist Thought vol. 3, part 1, 91.

38. Haupt, Socialism and the Great War, 162.

39. Joll, The Second International, 156-159.

40. Haupt, Socialism and the Great War, 88-91.

41. Cited in Joll, The Second International, 157.

42. Haupt, Socialism and the Great War, 123-124.

43. Leon Trotsky, The Bolsheviki and World Peace (New York: Boni and Liveright, 1918), 173.

44. Lenin, Collected Works vol. 13, 80-81.

45. Haupt, Socialism and the Great War, 196-197.

46. Joll, The Second International, 168-169.

47. Haupt, Socialism and the Great War, 206-207.

48. Braunthal, Geschichte vol. 2, 21.

49. Ibid., 24.
50. Fainsod, International Socialism and the War, 27.
51. Braunthal, Geschichte vol. 2, 26-27.
52. Fainsod, International Socialism and the War, 29.
53. Braunthal, Geschichte vol. 2, 35.
54. Russia was the only belligerent nation where the Social Democratic parliamentary representatives unanimously refused to vote for war credits.
55. Leon Trotsky, My Life (New York: Charles Scribner's Sons, 1930), 245-246.
56. Kautsky was never enthusiastic about voting for war credits. Bernstein, in spite of his pacifism, at first did not balk in supporting the war, although his apologetic biographer Peter Gay describes him as "unhappy." Peter Gay, The Dilemma of Democratic Socialism (New York: Columbia University Press, 1952), 275. Bernstein was not so "unhappy" as to refrain from joining a faction of SPD deputies who decided to vote for war credits regardless of the Reichstag Group's decision, thus raising the serious possibility of violating party discipline. Gary Steenson, Karl Kautsky, 1854-1938 (Pittsburgh: University of Pittsburgh Press, 1978), 179. Bernstein finally recanted by 1916. At that time, those in the SPD who refused to continue voting for war credits were expelled from the party. A year later, most German anti-war socialists, revolutionary as well as pacifist, coalesced to form the USPD (Independent Social Democratic Party of Germany). The USPD included Haase, Kautsky, Luxemburg, Bernstein, Rudolf Hilferding and others among its members. Bernstein returned to the SPD immediately after the war, some of the others came back in 1922. Most of the Independents merged with the KPD (German Communist Party) shortly after the second congress of the Communist International in July 1920. Braunthal, Geschichte vol. 2, 69-74.
57. Cited in Gay, The Dilemma of Democratic Socialism, 254. See also S. Baron, Plekhanov (Stanford: Stanford University Press, 1963), 167-168.
58. Steenson, "Not One Man! Not One Penny!", 210-211. Rosa Luxemburg also came to identify this distinguishing characteristic of reformism. See her Social Reform or Revolution in Rosa Luxemburg, Selected Political Writings, ed. Dick Howard (New York: Monthly Review Press, 1971), 129.
59. Cited in Colletti, From Rousseau to Lenin, 49.
60. Which translates as: 'the presuppositions of socialism and the tasks of social-democracy'.

61. Eduard Bernstein, Evolutionary Socialism (New York: Schocken Books, 1967), xxviii.
62. Ibid., xxvi-xxvii.
63. Cited, along with the deleted passages from Engels' text, in Ernest Mandel, From Stalinism to Eurocommunism (London: New Left Books, 1978), 179. Emphasis in original.
64. Bernstein, Evolutionary Socialism, 2.
65. Ibid., 4.
66. Bernstein, Evolutionary Socialism, 6-7.
67. Ibid., 7.
68. Ibid., 9.
69. To J. Bloch on 21. September, 1890 and to H. Starckenburg on 25. January, 1894.
70. Bernstein, Evolutionary Socialism, 11.
71. Ibid., 14.
72. Ibid., 7, 11, 18.
73. Ibid., 21-23.
74. Cf.: "...it is the fall in the profit rate that provokes the competitive struggle between capitals, and not the reverse." Marx, Capital vol. 3, 365. Also refer to the extended recapitulation of Marx's theoretical arguments on this issue in Chapter I, subheading B above.
75. Bernstein, Evolutionary Socialism, 28-29.
76. Ibid., 32-33.
77. Ibid., 33.
78. Ibid., 34.
79. Ibid., 35.
80. Ibid., 39.
81. A third aspect also intermittently figures in Bernstein's reading of Marx's crisis theory when fluctuations in economic activity are linked to the need for replacement of fixed constant capital (roughly) every ten years. But this argument is brushed aside by Bernstein for the reason that one need not expect investments for this replacement to coincide between branches. "And therewith a further factor

- of the general crisis is done away with." Ibid., 91.
82. Ibid., 80.
83. Ibid., 82.
84. Ibid., 83.
85. Ibid., 90.
86. Ibid., 93.
87. Ibid., xxv.
88. Ibid., 48.
89. Ibid., 49-50.
90. Cited in Gay, The Dilemma of Democratic Socialism, 197.
91. The same is true in agriculture: "...we see everywhere the small and medium holding, as compared with the large one, not only greatly predominating, but also strengthening its position." Bernstein, Evolutionary Socialism, 98.
92. Ibid., 103-107, and Gay, The Dilemma of Democratic Socialism, 199.
93. Colletti, "Bernstein and the Marxism of the Second International," in his From Rousseau to Lenin. Colletti also faults Engels for endorsing a non-Marxian version of materialist philosophy and a correspondingly vulgar interpretation of the 'economy'. Once generally adopted by the orthodox wing of the International, Engels' flawed formulations, in Colletti's opinion, actually generated Bernstein's revision as a necessary reaction against themselves.
94. Ibid., 93.
95. It is interesting to note that in subsequent responses to Bernstein, e.g., by Luxemburg, the rejection of value theory is not regarded as of paramount importance. Rather, Bernstein's arguments are merely used against him by pointing to the 'other side'. For example, the 'other side' of the extension of the credit system is a greater interdependence and fragility which makes crisis more likely, etc. See subheading E below.
96. The logic of reformism ultimately leads supporters of the parliamentary road to support not only the bourgeois parliament, but capital and its aims as well. Adam Przeworski, "Social Democracy as a Historical Phenomenon," New Left Review 122 (July-August 1980): esp. 29-31, 56.
97. See the quoted passage on p. 72 above.

98. Bernstein, Evolutionary Socialism, xxvii-xxviii.

99. Ibid., 143-144.

100. Furthermore, while Marx considered the socialist doctrine to be a 'product' of liberalism, it was conceived as product precisely in and through a radical break with liberalism. For Marx, the critical aspect was thus a relation of opposition, whereas for Bernstein it seemed merely a continuation--to the extent that he could identify the 1789 French Revolution, and its conceptions of "right," as the source of the modern socialist movement. See *ibid.*, p. 166.

101. Although he does not say so. Indeed, Bernstein even quotes (twice) a passage from the 1872 "Preface" to the Manifesto, where Marx had applied the lessons learned from the experience of the Paris Commune. Marx had argued therein that "the working class cannot simply lay hold of the ready-made state machinery, and wield it for its own purposes." Bernstein interprets this passage as support for his exhortations against "the conquest of political power by the proletariat...by a political catastrophe." See *ibid.*, pp. xxvi, 155-156.

102. Ibid., 151.

103. Ibid., 163.

104. Ibid., 169.

105. Ibid., 178-179.

106. Ibid., 170, 178. This should not, however, be taken for some harbinger of German fascism, for similar sentiments found expression in the work of numerous socialists from all the European countries. Germany serves as an apt illustration simply as a consequence of the 'highly developed' social democratic movement there. In England, for example, the articles of H.M. Hyndman (British Socialist Party) in the BSP's organ Justice are remarkable for their jingoism.

107. Gay, The Dilemma of Democratic Socialism, 271. Gay's cynical defense of Bernstein is moreover inaccurate, for the latter also gave "qualified" support to German colonialism. See Bernstein, Evolutionary Socialism, 170-179.

108. Cited in Ascher, "Imperialists Within German Social Democracy Prior to 1914," 416.

109. Ibid., 409.

110. Baron, Plekhanov, 170

111. Massimo Salvadori, Karl Kautsky and the Socialist Revo-

lution 1880-1938 (London: New Left Books, 1979), 62.

112. Steenson, Karl Kautsky, 122-124.

113. Georgi V. Plekhanov, Selected Philosophical Works vol. 1 (Moscow: Progress Publishers, 1976), 79. Emphasis in original.

114. Ibid., 106.

115. Ibid., 112.

116. Ibid., 116.

117. Ibid., 119.

118. Ibid., 246-250, 263-266, 271-286.

119. Ibid., 310.

120. Ibid.

121. Ibid., 373-374.

122. Ibid., 311-359, 379.

123. Baron, Plekhanov, 168.

124. Not all of the articles which Plekhanov wrote were published, however, insofar as Kautsky (as editor) considered them too sharp in their attacks on Bernstein and other revisionists. The newspaper Vorwaerts! also declined to publish the articles. The entirety of Plekhanov's polemics against the revisionists finally appeared in 1906 in the Russian collection A Critique of Our Critics. Plekhanov, Selected Philosophical Works vol. 2, 695.

125. As Antonio Labriola pointed out in 1896, the "theory of factors" had become "so deeply rooted and...widespread" that many Marxists began to speak of historical materialism as a doctrine which merely emphasized the economic factor. Antonio Labriola, Essays on the Materialistic Conception of History (Chicago: Charles H. Kerr & Co., 1908), 140.

126. Plekhanov, Selected Philosophical Works vol. 2, 226. Emphasis added.

127. Plekhanov did not adopt the common distinction between a Marxist science of history (historical materialism) and a Marxist philosophy or world-view (dialectical materialism). He used the term 'dialectical materialism' to refer both to philosophy and to distinguish the Marxist theory of history from the vulgar 'economic materialism' which regarded the 'economic factor' as the predominant (or exclusive) explanation of historical change.



128. Plekhanov, Selected Philosophical Works vol. 2, 228. See also pp. 231, 238, 269, 323.
129. Ibid., 250.
130. Plekhanov, Selected Philosophical Works vol. 1, 544-545. Emphasis in original.
131. Plekhanov, Selected Philosophical Works vol. 2, 368.
132. Bernstein, Evolutionary Socialism, 7.
133. Colletti, From Rousseau to Lenin, 65.
134. Eduard Bernstein, "Das realistische und das ideologische Moment des Sozialismus," Die Neue Zeit 34-35 (1898).
135. Plekhanov, Selected Philosophical Works vol. 2, 372-373.
136. Karl Kautsky, The Economic Doctrines of Karl Marx (London: A. & C. Black Ltd., 1936), 170, 229.
137. Karl Kautsky, The Class Struggle (New York: W.W. Norton & Co., Inc., 1971), 58-62.
138. Ibid., 71-74.
139. Ibid., 83-84. Even a vague and simplistic underconsumption theory, as presented here by Kautsky, consistently leads to the conclusion of an ultimately 'impossible' capitalism.
140. Compare this reasoning with that of Rosa Luxemburg in subheading E below.
141. Kautsky, The Class Struggle, 85.
142. Ibid., 103-104.
143. Steenson traces the development of Kautsky's theorizing on imperialism from his earliest writings, where Kautsky regarded colonial expansion as rooted primarily in commercial and agrarian interests, to the "time he began to see imperialism as a modern phenomenon...intimately linked to mature capitalism," and finally to the link between imperialism and militarism. Steenson, Karl Kautsky, 174-175. Although Steenson cites an impressive array of titles, it is not clear whether Kautsky's writing on imperialism exhibited quite the sophistication and subtlety Steenson implies. While it is true that the themes indicated by Steenson are all present in Kautsky's work, they are for the most part jumbled together and appear side by side throughout Kautsky's career (which Steenson somewhat reluctantly admits). Indeed, in 1914 (in the article "Der Imperialismus,"

to be discussed below) Kautsky still merged these arguments without any indication that he intended to provide a rigorously historical analysis.

144. Kautsky, The Class Struggle, 90.

145. Ibid., 68-69. See also p. 117, where Kautsky writes that "[i]rresistible economic forces lead with the certainty of doom to the shipwreck of capitalist production."

146. Ibid., 90.

147. Which translates as 'Bernstein and the Social-Democratic Program'.

148. See pp. 67-70 above.

149. K. Kautsky, Bernstein und das sozialdemokratische Programm (Stuttgart: Verlag von J.H.W. Dietz Nachf. GmbH, 1899), 35.

150. Ibid., 41.

151. Ibid., 42.

152. Ibid., 43.

153. Ibid., 52.

154. Ibid., 64-67.

155. Ibid., 80.

156. This is in stark contrast to his post-war writings, where the liberal state is presented in an abstract sense, as a transhistorical entity. In an anti-Bolshevik diatribe, Kautsky wrote that "the democratic republic is the State form for the rule of the workers,...[it] is the State form for the realization of Socialism." Karl Kautsky, The Labour Revolution (London: George Allen & Unwin Ltd., 1925), 89.

157. Karl Kautsky, The Road to Power (Chicago: Samuel A. Bloch, 1909), 29.

158. Ibid., 55-56.

159. See e.g. Kautsky, The Class Struggle, 104, 159-160 and The Road to Power, 81.

160. Cited in Haupt, Socialism and the Great War, 40.

161. Ibid.

162. Karl Kautsky, "Presentation of Kautsky," New Left Review 59 (January-February 1970): 45-46. This is a translation of

Kautsky's "Der Imperialismus," which appeared in Die Neue Zeit 21 (11. September, 1914).

163. Note that this condition was seen by Lenin, in his Imperialism: The Highest Stage of Capitalism, as in fact contributing to pressures for war during the imperialist era.

164. Haupt, Socialism and the Great War, 127.

165. See *ibid.* for references to the works by these writers, and especially the discussion of speeches intended for the Vienna congress of the International (which was never held due to the war).

166. Karl Kautsky, "The Limitations of the International," Die Neue Zeit 8 (27. November, 1914).

167. Cole, A History of Socialist Thought vol. 4, part 1, 110.

168. Braunthal, Geschichte vol. 2, 28.

169. Fainsod, International Socialism and the World War, 63.

170. It may be of interest to note that Marx himself admired the terrorist Narodniks, and scorned the (voluntary) emigre politicians like Plekhanov. Marx and Engels, Selected Correspondence, Progress edition, 313.

171. Baron, Plekhanov, 267, 358-361.

172. G. Plekhanov, O voine (Petrograd: M.V. Popov, 1915), 8-10. Also cited by Baron, Plekhanov, 325.

173. Plekhanov, O voine, 70-71.

174. Baron, Plekhanov, 327.

175. Helphand was a fascinating mass of contradictions. Leaving the Russian pale, his birthplace, he arrived in Germany (via Switzerland) in 1891. Penniless, he took up a position on the left wing of the SPD. Later, he became an instant millionaire during the Balkan Wars (1912-1913) by selling arms to all sides. And at the outbreak of World War I, "the prophet of revolutionary internationalism turned into a fanatical German nationalist, ... [becoming] the confidential and much listened to adviser of the Wilhelmstrasse and the High Command on Russian affairs." He died in 1924 in his house near Berlin; twelve years later the estate was turned over to Minister of Propaganda Joseph Goebbels for his personal use. See Z.A.B. Zeman and W.B. Scharlau, The Merchant of Revolution (London: Oxford University Press, 1965) and J.L. Talmon, The Myth of the Nation and the Vision of Revolution (London: Secker & Warburg, 1981), esp. 91-95.

With regard to the revisionism debates, Helphand's position was quite similar to Luxemburg's, and there will be no separate discussion of his ideas herein. Parvus' most original theoretical work, on the so-called "long waves" of capitalist development, links him with Leon Trotsky. A description of Trotsky's subsequent break with Parvus can be found in Isaac Deutscher, The Prophet Armed. Trotsky: 1879-1921 (New York: Oxford University Press, 1954), 219-220.

176. In the two editions (1899 and 1908) of Social Reform or Revolution.

177. Luxemburg, Selected Political Writings, 61.

178. Bernstein, Evolutionary Socialism, 83-84.

179. Luxemburg, Selected Political Writings, 61-62. See also 90.

180. Ibid., 63-64.

181. Bernstein had consulted an 1895 census. A subsequent survey in 1907 showed that the trends identified by Bernstein had been temporary phenomena. See Steenson, "Not One Man! Not One Penny!", 212.

182. Luxemburg, Selected Political Writings, 70.

183. Ibid., 70-71.

184. Ibid., 71.

185. Bernstein, Evolutionary Socialism, 43-46, 51.

186. Ibid., 52.

187. Luxemburg, Selected Political Writings, 97.

188. Ibid., 96.

189. She received no argument from Bernstein on this score, since the chapter "Kant Against Cant" in Evolutionary Socialism explicitly sought to frame the issue in terms of an ethical and moral imperative.

190. Luxemburg, Selected Political Writings, 73.

191. Ibid., 76.

192. Ibid., 202.

193. Ibid., 59, 123.

194. Ibid., 57.

195. See *ibid.*, 61, 64-65, 69.
196. Rosa Luxemburg, The Accumulation of Capital--An Anti-Critique (New York: Monthly Review Press, 1972), 49.
197. *Ibid.*, 72 and Rosa Luxemburg, The Accumulation of Capital (New York: Monthly Review Press, 1968), 143, 349.
198. Luxemburg, Anti-Critique, 51, 61. Note that Luxemburg is profoundly mistaken on this point, because the concept of total capital is also a fundamental category in vol. 1. In fact, Luxemburg merely confused 'individual capital' with 'capital in general' and 'total capital' with 'many capitals'. See Rosdolsky, The Making of Marx's 'Capital', 63-66.
199. Luxemburg, The Accumulation, 119.
200. Luxemburg, Anti-Critique, 50 and The Accumulation, 131-133.
201. See Luxemburg, Anti-Critique, 55-59 and The Accumulation, 131-137 for her reasoning.
202. Luxemburg, Anti-Critique, 51-55.
203. Marx, Capital vol. 1, Vintage edition, 198, 290.
204. Michael Bleaney, Underconsumption Theories (New York: International Publishers, 1976), 200.
205. While Luxemburg's argument is understandably characterized as an underconsumption theory, this is not strictly speaking the case. As Bleaney has argued, underconsumptionism typically posits a chronic lack of demand for consumer goods (the products of Department II), whereas in Luxemburg's case the inadequacy of demand is seen as being general, and extends to means of production (Department II) as well. See *ibid.*, esp. p. 200.
206. Luxemburg, Anti-Critique, 61.
207. Luxemburg, The Accumulation, 386.
208. Luxemburg, Anti-Critique, 59.
209. Cited in J.P. Nettl, Rosa Luxemburg (London: Oxford University Press, 1966), 473.
210. Luxemburg, The Accumulation, 402, 416-417.
211. Luxemburg, Anti-Critique, 145-146 and The Accumulation, 417.
212. Luxemburg, Anti-Critique, 147-148.

213. Ibid., 60.

214. In the entirety of The Accumulation of Capital, Luxemburg makes only one passing reference (p. 371) to "native risings." The context, moreover, suggests that she envisions at most an 'outburst' rather than a conscious and organized revolution.

215. Luxemburg, Anti-Critique, 144-147.

216. Nettl, Rosa Luxemburg, 836-837.

217. See p. 103 above.

218. Luxemburg, Anti-Critique, 47.

219. Rosa Luxemburg, The Crisis in the German Social-Democracy (New York: Howard Fertig, 1969), 11. This work is also widely known as The Junius Pamphlet.

220. By theoretical relation I refer here again to the hierarchy of levels of abstraction and their mutual correspondence, the specific effect of teleological constructs, etc., rather than the mere recognition that there is some relation between 'abstract' and 'concrete' work.

221. See for example Luxemburg, Anti-Critique, 60 and Selected Political Writings, 55, 129-133. From these passages, it is manifestly clear that Luxemburg, while recognizing the theoretical nature of The Accumulation, would have rejected the thesis offered by her biographer Nettl, who argues in favor of a radical separation of Luxemburg's 'theoretical' ideas from her 'practical' concerns. Nettl claims that it is only the "critics" who ascribe a strain of inevitability to her work "by transposing (unjustifiably) her economic formulae into the political field...." Nettl himself is prepared to regard The Accumulation as having little or no relation to Luxemburg's 'practical' writings: "the two aspects of her work were kept in separate compartments." He moreover imputes the book's failings not so much to errors by Luxemburg as to "the peculiar difficulties of Marxist economics...." Nettl, Rosa Luxemburg, 217, 531-536, 538, 836 and Norman Geras, The Legacy of Rosa Luxemburg (London: New Left Books, 1976), 24-27.

222. To a large extent, Luxemburg's entire evaluation of the reproduction schemes (and her misrepresentation of their purpose) is reflective of her tendency to treat theoretical propositions as merely higher order representations of the (real) concrete. Rosdolsky's sympathetic critique points out these aspects of Luxemburg's methodological failings with exemplary clarity. See his The Making of Marx's 'Capital', 490-496, esp. 493.

223. Luxemburg, Anti-Critique, 76.

224. Luxemburg, Selected Political Writings, 132.
225. Luxemburg, as noted, provided one of the first vigorous responses to Bernstein. Furthermore, she perceptively broke with Kautsky over the latter's parliamentary infatuation in 1910, long before other representatives of the revolutionary left. Lenin, in fact, so trusted Kautsky and the SPD that upon reading of the Reichstag Group's August 1914 vote in favor of war credits, he decided that the newspaper must have been a forgery. Tony Cliff, Lenin vol. 2 (London: Pluto Press, 1976), 2-3.
226. Geras, The Legacy of Rosa Luxemburg, 13, 16-17.
227. Geras mentions Ruth Fischer from the 1920s and Gareth Stedman Jones, a contemporary commentator.
228. Geras cites many passages in support of his argument, but fails to notice that even at this level an ambiguity remains. On the one hand, Luxemburg sometimes argued that the 'ultimate limit' of capitalist development would never be reached, because socialist revolution would precede it; elsewhere, she maintained that the breakdown was itself a necessary pre-requisite for the expropriation of the bourgeoisie. Cf. Luxemburg, Anti-Critique, 146-147 and Selected Political Writings, 124.
229. Geras, The Legacy of Rosa Luxemburg, 22.
230. Marx, Grundrisse, 93.
231. Geras, The Legacy of Rosa Luxemburg, 31.
232. Ibid.
233. Ibid.
234. Luxemburg, Anti-Critique, 147.
235. I owe this phrase to Marilyn Power.
236. Dominique Lecourt, Marxism and Epistemology (London: New Left Books, 1975), 16.
237. Geras, The Legacy of Rosa Luxemburg, 39.
238. Ibid., 40-41.
239. Ibid., 54-55.
240. Ibid., 32, 39.
241. At times, however, Lenin's fixation with Russian conditions overreached itself. For example, he once commented

that the theory of ground rent comprised "the most important section" of Capital vol. 3 (Lenin, Collected Works vol. 21, 67). Undoubtedly, the theory of rent was central to the analysis of Russian capitalism. As will be seen below, however, this casual attitude to issues such as the formation of the general profit rate and crisis theory later produced shortcomings in Lenin's theory of imperialism.

242. The three works under consideration are "On the So-Called Market Question" (1893), "A Characterization of Economic Romanticism" (1897), and The Development of Capitalism in Russia (1899). For a review of the social and political conjuncture in which they appeared, consult Cliff, Lenin vol. 1, 1-41; Gabriel Palma, "Dependency: A Formal Theory of Underdevelopment or a Methodology for the Analysis of Concrete Situations of Underdevelopment?" World Development 6, 7/8 (July/August 1978): 890-893; and Rosdolsky, The Making of Marx's 'Capital', 472-474.

243. The arguments offered by the Narodniks are only schematically outlined here. For a more comprehensive (but still concise) discussion see Bleaney, Underconsumption Theories, Chapter 7.

244. The word used by the peasants themselves to describe their condition.

245. Lenin, Collected Works vol. 1, 96-97.

246. Ibid., 99.

247. Ibid., 99-100.

248. Lenin interjects a note of caution: the fact that the penetration of the market into all spheres of the economy seems to have no limit does not in the least suggest that this process unfolds smoothly, evenly and without contradiction. Rather, it is precisely (and only) through "a series of fluctuations" that this capitalist development can take place at all. See also Lenin, Collected Works vol. 2, 164.

249. Lenin, Collected Works vol. 1, 107-108.

250. Ibid., 112-115.

251. Ibid., 117. A dessiatine is equal to about 2.7 acres.

252. As always, Department I produces the means of production, and Department II produces the means of consumption.

253. Lenin, Collected Works vol. 1, 84.

254. Ibid., 87.

255. Lenin, Collected Works vol. 2, 155. Emphasis in



original.

256. Ibid., 146.

257. Ibid., 146-147. Lenin's page references are to Sismondi's two-volume Nouveaux principes d' economie politique, first published in 1819.

258. Lenin, Collected Works vol. 2, 148.

259. Ibid., 160.

260. Lenin, Collected Works vol. 3, 47. Emphasis added.

261. Rosdolsky, The Making of Marx's 'Capital', 479.

262. Lenin, Collected Works vol. 4, 58-59.

263. Rosdolsky, The Making of Marx's 'Capital', 478.

264. Cited in ibid., p. 479 from Lenin, Collected Works vol. 4, 87.

265. Rosdolsky, The Making of Marx's 'Capital', 479-480. The latter sin particularly impresses Rosdolsky, since it puts Lenin in the company of the "neo-Harmonists" (the right-wing of turn-of-the-century European social democracy). The fact that Lenin's theses were also substantiated by the Dutch leftist Anton Pannekoek does not, in Rosdolsky's view, redeem Lenin on the grounds that Pannekoek's work "does not carry any theoretical weight." Rosdolsky does not provide any more specific explanation of Pannekoek's shortcomings.

266. Lenin, Collected Works vol. 4, 79. Emphasis added.

267. Rosdolsky, The Making of Marx's 'Capital', 459. Rosdolsky's confusion is further evidenced by his claim that realization may indeed not present a 'problem' in an industrializing capitalist society, but that once "the basic phase of industrialization is completed,...the industrial apparatus which has been created must produce goods for individual use. Then the problem of the purchasing power of the masses enters the foreground...." Ibid., pp. 476-477. Considering Rosdolsky's normally implacable hostility to the work of Paul Sweezy, this admission is rather striking.

268. Lenin, Collected Works vol. 35, 94. Rosdolsky inexplicably contends that the marginal comments on Luxemburg's book show that by 1913 Lenin had "clearly changed his mind" and no longer held the unfavorable views of Sismondi which informed the essays written during the late 1890s (Rosdolsky, The Making of Marx's 'Capital', 474). The (only) note which Rosdolsky refers to reads: "Sismondi 'nado by otvetit' MacCulloch-u. Ha! Pochteny zhulik..." ["Sismondi 'should respond to' MacCulloch. Ha! Venerable swindler..."].

See V.I. Lenin, Leninskii Sbornik vol. 22, ed. V.V. Adoratski et. al. (Moscow: Partinoe Izdatil'stvo, 1933), 357.

269. Also, Lenin's characterization of the purpose of the booklet, given on the first page, suggests that he only intended it to be a critical overview or gathering together of material.

270. Anthony Brewer, Marxist Theories of Imperialism (London: Routledge & Kegan Paul, 1980), 108-109.

271. Lenin, Collected Works vol. 22, 266.

272. Ibid., 265.

273. Ibid., 205, 265, 267-268. This conceptualization of the monopoly-competition relation was not a 'slip' confined to Imperialism. See for example Lenin's "Report on the International Situation and the Fundamental Tasks of the Communist International," in his Collected Works vol. 31, esp. 215. See also vol. 22, 104-105.

274. Lenin, Collected Works vol. 22, 203, 206-207.

275. Ibid., 205.

276. Ibid., 208.

277. Ibid., 208-209. Matters become somewhat worse when Lenin's claim (pp. 208-209) that technological change in the 'monopoly' sector accelerates is compared to his subsequent (p. 276) argument that 'monopoly' causes technological development to stagnate.

278. Ibid., 205.

279. Lenin, Collected Works vol. 2, 167.

280. Lenin, Collected Works vol. 22, 241.

281. Ibid.

282. Ibid., 242.

283. Ibid., 241. There is no explanation given as to why a scarcity of capital would imply greater profitability. Presumably the justification would involve reference to a lower organic composition of capital and/or surplus profits accruing to the foreign investor by virtue of producing at a lower individual value than the host country capitals are capable of.

284. Brewer, Marxist Theories of Imperialism, 112.

285. Recall that the sentence read: "...(owing to...the pov-

erty of the masses) capital cannot find a field for 'profitable' investment."

286. Lenin, Collected Works vol. 22, 288.

287. Lenin commented favorably on Hobson's historically concrete definition of imperialism, his observation that imperialism is bound up with parasitism, and his arguments concerning the corruption of a stratum of the proletariat. See *ibid.*, 269, 276, 193.

288. The difficulty is conceived as residing in the transformation of commodity capital into money capital, the movement C' - M'.

289. It is of course also necessary to reject the portrayal of Lenin's and Luxemburg's theories as identical. One such attempt was by the late Al Szymanski, "Capital Accumulation on a World Scale and the Necessity of Imperialism," The Insurgent Sociologist 7, 2 (Spring 1977). A less simplistic but nevertheless incorrect argument to the same effect is contained in E.K. Hunt, History of Economic Thought: A Critical Perspective (Belmont, CA.: Wadsworth Publishing Co., Inc., 1979), 336-349. A reasoned response to Szymanski can be found in Harry Magdoff, Imperialism: From the Colonial Age to the Present (New York: Monthly Review Press, 1978), 262-279.

290. A liberal bourgeois historian's account of Stolypin's policies is found in Nicholas V. Riasanovsky, A History of Russia (New York: Oxford University Press, 1969), 458-461, 477-481.

291. As opposed to the "American" path, or "via farmer." The distinction is most clearly made in the preface to the 1907 edition of The Development of Capitalism in Russia. See Lenin, Collected Works vol. 3, 32-33. This argument is analagous to Marx's distinction of the two paths toward capitalism generally. Either the "producer may become a merchant and capitalist," which "is the really revolutionary way," or "the merchant may take direct control of production himself.... This method always stands in the way of the genuine capitalist mode of production and disappears with its development." Marx, Capital vol. 3, 452-453.

292. Lenin, Collected Works, vol. 15, 42.

293. Lenin, cited in Ernesto Laclau, Politics and Ideology in Marxist Theory (London: Verso, 1979), 29. See Lenin, Collected Works vol. 15, 44 for the original text. See also vol. 13, 142.

294. Lenin, Collected Works vol. 5, 392. Note that Bernstein would have had no objection to this characterization of his politics (with the exception of the reference to

spontaneity).

295. Ibid., 353.

296. Lenin, Collected Works vol. 6, 454.

297. Lenin, Collected Works vol. 15, 38-39.

298. Lenin, Collected Works vol. 13, p. 77.

299. Lenin, Collected Works vol. 39, 202, 238, 241, 420, 657-658, 741.

300. Lenin, Collected Works vol. 22, 193-194.

301. Ibid. The ideology of opportunism would also emerge as a major obstacle when the question of socialist revolution appeared on the agenda. See for example the "Theses on the Fundamental Tasks of the Second Congress of the Communist International," Lenin, Collected Works vol. 31, 193-194. It is possible to find a meticulous compilation of Lenin's statements on the material basis of opportunism and social-chauvinism in Max Elbaum and Robert Seltzer, "The Labor Aristocracy: The Material Basis for Opportunism in The Labor Movement," Line of March 11 (May/June 1982).

302. See Bertram D. Wolfe's chapter in Lennard D. Gerson, ed., Lenin and the Twentieth Century (Stanford: Hoover Institution Press, 1984).

303. Nikolai I. Bukharin, Imperialism and World Economy (New York: Monthly Review Press, 1973), 162.

304. Ibid., 162-163.

305. Ibid., 164.

306. Ibid., 164-165.

307. Trotsky, The Bolsheviks and World Peace, 134-135.

308. Ibid., 198.

309. Leon Trotsky, Voina i revoliutsia: kruschenia vtorovo internatsionala i podgotovka tretevo, second edition (Moscow: Gosudarstvennoe izdatel'stvo, 1923), 139.

310. Ibid., 137-138.

311. Trotsky, The Bolsheviks and World Peace, 214.

312. Ibid., 219.

313. In January 1915 Trotsky took up Lenin's call, issued in November 1914, for the formation of a Third International.

314. Trotsky, Voina i revolutsia, 146.
315. Deutscher, The Prophet Armed, 224. Trotsky himself later said of Martov that there would never be a socialist politician as gifted at using Marxism in order to justify a deviation from it. Trotsky, Voina i revolutsia, 16.
316. Trotsky, Voina i revolutsia, 146-151.
317. Luxemburg, The Crisis in the German Social-Democracy, 32.
318. Ibid., 41-45.
319. Ibid., 81.
320. Ibid., 92. She cites the struggle of the Bourbons and Jacobins in France, the Austrian counterrevolution of 1849, and the Paris Commune as examples.
321. Ibid., 93. Luxemburg here cites the example of Paris 1793.
322. Ibid., 95. Actually, Luxemburg's anti-nationalism was even more profound than suggested by her anti-war position. In 1895 she had published articles in Die Neue Zeit arguing against a struggle for Polish national liberation on the grounds that the Polish bourgeoisie was a comprador class unable to serve a genuinely progressive role, and more importantly, "that the emphasis on nationalism would give the workers the idea that their exploitation and bad conditions were the result of the nationality of their oppressors rather than of the capitalist system." Davis, Nationalism and Socialism, 135.
323. Luxemburg, The Crisis in the German Social-Democracy, 105.
324. Ibid., 65, 81.
325. Ibid., 110.
326. Cliff, Lenin vol. 2, 3.
327. Lenin, Collected Works vol. 15, 195.
328. Lenin, Collected Works vol. 33, 447.
329. Lenin, Collected Works vol. 21, 38.
330. Note that Luxemburg and Lenin agreed on this point, but that Lenin (as will be seen below) was perhaps rather more successful in translating the proposition into a clear and unambiguous political response.
331. Lenin, Collected Works vol. 21, 40.

332. Ibid., 31.
333. Cliff, Lenin vol. 2, 25.
334. Cited in ibid., 20.
335. Lenin, Collected Works vol. 21, 275.
336. Trotsky, My Life, 251.
337. Bukharin, Imperialism and World Economy, 167.
338. Ibid., 170.
339. Lenin, Collected Works vol. 23, 23. Emphasis in original.
340. Ibid., 38-41. See also the "April Theses," on pp. 21-26 of this volume and "Notes for an Article or Speech in Defence of the April Theses," pp. 32-33.

## CHAPTER III

### REVOLUTION, THE 'STABILIZATION' OF CAPITALISM, AND THE THIRD INTERNATIONAL

#### A. Introduction

Following the collapse of the Second International in August 1914, several efforts to salvage the organization came to naught. French and Belgian socialists refused to meet with German socialists, as the latter had not (with few exceptions) opposed the invasion of Belgium. Both blocs, the French, Belgians, and British on the one hand, and the Germans, Austrians, and Hungarians on the other, continued to issue resolutions which claimed that each was struggling only for the 'right of all peoples to self-determination'; in practice, this of course meant simply that each socialist party would continue to support 'its' country's war effort.

In this setting, it was only a matter of time before those tendencies which had not renounced internationalism would begin the work of restoring a revolutionary International. While Lenin (shortly followed by Trotsky) issued the call for the Third International in November 1914, most other internationalists had much vaguer notions of the appropriate line of march, and still clung to hopes that something would come of the old organization. A small, dispirited group of revolutionary Marxists and left-wing pacifists met in Zimmerwald and Kienthal (both in Switzerland) during September 1915 and April 1916 respectively.<sup>1</sup>

Although at both conferences the majorities would not support the formation of a new international, the decisive first step of operating outside the Second International had been taken. The particulars of the process by which the Zimmerwald movement haltingly stumbled toward the founding of the Third or Communist International are primarily of historical interest and will not be reviewed here. Comprehensive accounts from a variety of perspectives are elsewhere available.<sup>2</sup>

The founding congress of the Communist International took place in early March 1919, and was followed by six more congresses over the next sixteen years.<sup>3</sup> Initially convening every year, a full congress of the Third International began meeting less and less frequently after the fourth congress (1922). A full seven years elapsed between the important sixth congress (1928) and the final seventh congress (1935). Established at the first congress, the Executive Committee of the Communist International (henceforth ECCI) was vested with the official authority of the organization between congresses. It was the ECCI which ultimately dissolved the Comintern on 10. June, 1943.

Before proceeding further, however, it might be pointed out that the various histories of the socialist movement most clearly reveal their partisanship when they turn to address the question of the Third International. On the right, one finds that the portrayal of pre-Comintern socialists as vaguely well-meaning but hopelessly naive and inef-



fectual dreamers is replaced by the image of the Communist as a ruthless and calculating conspirator. On the other hand, writers like Julius Braunthal, who claim to profess a general sympathy for socialist ideals, nevertheless also undergo a transformation of style when they commence to relate the history of the Comintern. Braunthal's change of expression becomes evident when, by contrast with his earlier ambivalent (at best) attitude towards Marxism, he increasingly defends 'what Marx really meant' against the views of Lenin.<sup>4</sup>

Partisanship, of course, is no bad thing per se,<sup>5</sup> particularly if it is clearly stated and revealed--in such cases it is easy for the reader to make allowances. For example, in the preface to his book, the stridently anti-communist writer James Hulse claims to present the first "balanced, authoritative history" of the Comintern; a page later, still in the preface, he has already concluded that the International was no more than "a clumsy attempt to build a far-flung club of like minded fanatics."<sup>6</sup> Well and good--one knows what to expect, and reads accordingly. At the other extreme, some extraordinarily apologetic Soviet accounts are able, with the judicious use of hindsight, to cast embarrassing blunders in a favorable light.<sup>7</sup> Once again, the political relationship of the analyst(s) to the topic is clear and unambiguous.

A rather different and more difficult interrogation of texts is called for in the case of writers like Braunthal or the Spanish ex-Communist Fernando Claudin. Their ideological

relationship to the communist movement (narrowly defined) is manifestly more complex than that of either someone like Hulse or a coterie of writers at the Institute of Marxism-Leninism in Moscow; their sympathetic yet obviously critical perspective may appear at first sight to offer hope of a middle ground which will bear more objective results. As will be seen below, however, such is not the case.

### B. Missing the Mark

The multiformity of theoretical currents within the pre-war Second International prevented the ready identification of any single unifying principle or theme. By contrast, the development of the Third International's theoretical orientation was marked by the centrality of Lenin's writings on the national question and his theory of the imperialist stage of capitalism. This is not to say that there existed a uniform or homogeneous Third International theory; indeed, at least through the 1920s, theoretical disputes were considerable and there was no shortage of debate. The point is that the terrain of the debate was so shaped by Lenin's theory of imperialism (especially after his death) that the participants defined their own positions largely in terms of their (implicit or explicit) relationship with Lenin. At present it is not necessary to dwell on the reasons for this state of affairs beyond pointing to Lenin's stature as a revolutionary leader and to the weight (both quantitative and qualitative) of the Russian Communist Party (b) in the Comintern.

While it might appear that the presence of such a ready-made organizing principle would facilitate the task of sifting through the development of Comintern theory, this has not been the case. For example, some analysts (Anthony Brewer, Bill Warren) insist that Lenin was an underconsumptionist (a "crude" one at that),<sup>8</sup> while others (Roman Rosdolsky, Richard Day)<sup>9</sup> are equally adamant that he was a disproportionist. Adding further to the confusion, Day

maintains that it was precisely Lenin's adherence to a disproportionality theory of capital accumulation which constituted the salvation of revolutionary Marxism,<sup>10</sup> while Rosdolsky feels that Lenin's disproportionality approach led him perilously close to a reformism of the Austro-Marxist ("harmonist") variety.<sup>11</sup>

It should be admitted, as seen in the previous chapter, that Lenin himself is at least in part to blame for this confusion, as the theory in Imperialism is indeed marked by inconsistencies and incompletely formulated propositions (none of them necessarily fatal). It should also be clear from the previous chapter that a careful critique of his theory would not warrant characterizing Lenin as an under-consumptionist. This does not, however, imply agreement with either Rosdolsky or Day. The grounds for rejecting the former's views have already been chronicled; the following critique of Day will turn on his proposed schema for organizing discussion of the theoretical tendencies in the Comintern.

At the outset, Day distinguishes two camps in Marxism, "one associated with Rudolf Hilferding, the other with Rosa Luxemburg."<sup>12</sup> The reader is subsequently informed that the 'Hilferding tradition' was "faithful" to Marx, and numbered among its adherents Lenin, Bukharin, Trotsky, and Evgeny Preobrazhensky.<sup>13</sup> By contrast, the 'Luxemburg tradition', which included Kautsky and ultimately Eugen Varga and Joseph Stalin, was misled (Day speaks of a "fundamental reorienta-

tion" and a "departure") by certain of Engels' statements made after Marx's death.<sup>14</sup> The Hilferding tradition's orthodoxy, in Day's view, consisted in its acceptance of a disproportionality theory of the business cycle, while the Luxemburg tradition's error lay in its adoption of a theory of secular crises of overproduction-underconsumption. (It might immediately be noted that precious little besides some very vague shared perspectives on capitalist crisis unites the individuals who Day rather too easily groups into the respective 'traditions'). Day then proceeds to argue that the evolution of the Comintern's (and "Soviet Marxism's" generally) outlook was shaped by the conflict between the two traditions. In June 1930, with Stalin's "intervention" at the sixteenth congress of the All-Russian Communist Party (b),<sup>15</sup> the victory of the Luxemburgist line was complete.

To be sure, Day is correct to note that with the passage of time, the theory of capitalism prevalent in Comintern circles increasingly stressed supposed problems of underconsumption, i.e., inadequate aggregate demand--this will be discussed below. Indeed, with minor modifications, the same view continues to dominate the Soviet understanding of the workings of capitalism. Day's two-fold explanation of this outcome, however, is mystifying. First, Day notes how the effects of the political campaign against Bukharin led to the interpretation of the latter's arguments on "capitalist stabilization" as suggesting that an "organized" (i.e.,<sup>16</sup> without disproportions) capitalism could be crisis-free. In the highly charged political atmosphere of the Comintern,

such a view stood no chance of survival, and in Day's opinion Bukharin's writing contributed to the demise of the Hilferding tradition as soon as the two were linked. Himself in full agreement with the attack on Bukharin, Day must therefore hasten to absolve the disproportionality position in general (and Lenin in particular, who Day seems to regard as infallible) from any association with reformism.<sup>17</sup> As the second piece of supporting evidence for his thesis, Day suggests that the timely arrival of the 1930 economic crisis<sup>18</sup> clinched the case for the underconsumptionist view. Beyond these two items, Day has little to offer except a standard Trotskyist interpretation of Stalin's rise to power.

What Day's 'explanation' lacks is any account of how the Luxemburg tradition could possibly emerge victorious in a political climate where the 'Luxemburgist deviation' was regarded as a monumental transgression.<sup>19</sup> Day seemingly recognizes this when he notes that "[a]n overt rehabilitation of Luxemburg was politically problematic," and yet he maintains that Varga was successful in "refurbishing Luxemburg's thesis and presenting it as 'Varga's Law'.<sup>20</sup>" The question begs asking, naturally, just how was Varga able to accomplish this feat? It does no good to say that the Luxemburg-underconsumption link had been successfully denied<sup>21</sup> (by Varga) or merely overlooked, since the connection between Luxemburg and underconsumption had by then become so firmly established (for good reason) that such a maneuver would have been impossible.

Simply put, Day's account of the emergent Comintern theory as a product of struggle between the Hilferding and Luxemburg 'lines' is sustainable only through his remarkably selective reading of Lenin's Imperialism. At least implicitly, Day treats Imperialism as a fully consistent work, although such an approach is arguably misplaced (recall Chapter II above). Even more significantly, Day merely avoids mention of a pervasive theme in Imperialism which in fact represents the basis of subsequent interpretations of Lenin as an underconsumptionist and explains how 'Varga's Law' was able to dodge the charge of Luxemburgism. This theme is Lenin's characterization of imperialism as the "moribund" (or "overripe," "decaying," or "stagnating") stage of capitalism.<sup>22</sup> It is necessary to stress that Lenin's assessment of imperialism as "moribund" capitalism is neither passing nor incidental, as it runs like a red thread through the pamphlet. In fact, an entire chapter deals with the "Parasitism and Decay of Capitalism."

Day flatly ignores all of this. In his book, there are only two passing indications of the fact that "Lenin had<sup>23</sup> described monopoly capitalism as moribund and parasitic." In neither of these two instances is the issue developed or explored, and in one case its mention merely serves as a lead-in to a totally gratuitous attack on Bukharin around an unrelated matter. By closing his eyes to this problem from the beginning, Day is later able to identify Stalin, Varga, and others as Luxemburgist-underconsumptionists by deriding<sup>24</sup> their references to "monopolistic rottenness" without even

hinting that the imagery of "rotteness" unequivocally traces its origins to Lenin.

It is easy to agree with Day that over the course of the 1920s the disproportionality position became increasingly likely to be rejected in part for political reasons (although it surely seems more reasonable, as suggested earlier, to put the bulk of the blame for this development on the political behavior of Hilferding, Austro-Marxists such as Otto Bauer, etc., rather than on any pronouncements of Bukharin). Contrary to Day's principal argument, however, the eclipse of the disproportionality view and the subsequent consolidation of underconsumption as the centerpiece of Comintern theory did not represent a 'victory' of the 'Luxemburg tradition'. Rather, the underconsumption approach of the Comintern is rooted far less in the classical Luxemburgist problem (i.e., the supposed impossibility, under conditions of expanded reproduction, of realizing the entire surplus value produced in a fully capitalist society) than in a realization problem which was seen to be specific to, or at least increasingly made manifest in, capitalism's <sup>25</sup> monopoly phase ('Varga's Law'). Lenin's thesis of "moribund" monopoly was neatly adaptable to the latter view, and a selective (although arguably incorrect) assimilation of Lenin's utterances with a decidedly non-Luxemburgist version of underconsumption eventually became the dominant theoretical perspective within the Comintern. Day had claimed that "[b]y denouncing Rudolf Hilferding Soviet Marxists would in



fact cut their final ties with Lenin" and the disproportion-  
ality view,<sup>26</sup> but this is inaccurate. Correctly put: by  
retaining their ties to Lenin's statements on 'rottenness',  
the Soviet Marxists were able to rationalize both their  
abandonment of the disproportionality approach and their  
development of a 'new' (i.e., non-Luxemburgist) undercon-  
sumption theory as introduced by Varga. A survey and analy-  
sis of the relevant theoretical and historical material will  
be presented below, after a brief critical appraisal of  
Lenin's conception of imperialism as the "moribund" stage of  
capitalism.

In the 1920 Preface to Imperialism, Lenin mentions the  
"parasitism and decay of capitalism, characteristic of its  
highest historical stage of development" in connection with  
the split in the working class movement.<sup>27</sup> Both here and in  
the "Notebooks on Imperialism" John Hobson is favorably  
mentioned (at least viz-a-viz "the ex-'Marxist'" Hilferding)  
for pointing out that "the first habit of parasitism" con-  
sists in the "bribery" of a stratum of the working class--  
for Lenin, this bribery constitutes the "economic basis" of  
social chauvinism and working class support for the war.<sup>28</sup>  
At the same time, however, "parasitism and decay" are also  
linked to the emergence of 'coupon clippers'. Later in the  
pamphlet, this connection is repeated with the claim that  
the "rentier state is a state of parasitic, decaying capi-  
talism", and Hobson is again quoted on the possibility of  
bribery.<sup>29</sup>

The imagery of "rottenness" acquires a pseudo-theoreti-

cal content in Imperialism when it is used to support the thesis of a "surplus of capital" in the advanced countries:

The need to export capital arises from the fact that in a few countries capitalism has become 'overripe' and (owing to the backward state of agriculture and the poverty of the masses) capital cannot find a field for 'profitable' investment.[30]

The export of capital, Lenin proceeds to argue, "may tend to arrest development" in the exporting countries, but only by "accelerat[ing]" the development of capitalism in the recipient nations.<sup>31</sup>

Yet a third aspect of "rotteness" for Lenin involves the supposed retardation of technological progress under monopoly capitalism (which, "like all monopoly, ...inevitably engenders a tendency to stagnation and decay").<sup>32</sup> The argument that capitalist monopoly has "begun to retard progress" is repeated at a more general level with respect to capitalist development per se, and no longer appears confined to the technological aspect, although somewhat paradoxically Lenin also maintains that during "the epoch of imperialism, ...[o]n the whole, capitalism is growing far more rapidly than before."<sup>33</sup> Rather vaguely, Lenin seems to suggest that this "far more rapid" growth at some (unspecified) point leads to "parasitism" and to "the decay of the countries which are richest in capital (Britain)."<sup>34</sup>

As with other arguments in Imperialism, the lack of specificity on the "stagnation and decay" issue makes a definitive assessment unlikely. Somewhat charitably, it could be argued that Lenin's use of the imagery of "rotten-

ness" was primarily confined to the status of a metaphor, and was generally used to describe types of political behavior. More realistically, however, it must be admitted that Lenin seemed to presume (granted, not in a very rigorous manner) that "stagnation and decay" was a necessary feature of capitalist economic development in its advanced phase. It will be argued in what follows that precisely these ill-defined (and yet evocative) supposed features of capitalist economy during the 'monopoly stage' made their way into the theoretical framework of the Comintern.

### C. The Theoretical Metamorphosis

It is appropriate (in fact, necessary) to speak of a metamorphosis in the Comintern's theory of capitalism: the documents, theses, etc. to be reviewed in the next section will clearly indicate that a change (from disproportionality to underconsumption) in outlook took place, yet there was no explicit theoretical criticism of the disproportionality approach and no frank avowal of the underconsumption position. Disproportionality was de facto rejected for a complex combination of political and economic reasons; the contradiction of 'unlimited production vs. restricted consumption' under capitalism came to be regarded as the root of the problem, but with precious little forthright discussion of what exactly this meant or how it stood in relation to the existing body of Marxian theory. Richard Day noted these symptoms but, as argued above, his analysis of the transformation remains superficial and therefore stands silent when asked to explain how Varga was able to prevent the charge of 'Luxemburgism' from sticking. The following discussion aims to uncover the links which Day is unable or unwilling to provide.

Lenin's influence on the Comintern was both more considerable and less direct than that of his colleague Bukharin--considerable because of Lenin's enormous prestige, less direct because Bukharin rather than Lenin held executive positions in the Comintern, drafted resolutions and programs, etc. Bukharin's Imperialism and World Economy was the antecessor to Lenin's Imperialism by a year. The

essential theoretical perspective of Bukharin's book (and other of his contemporaneous works) will seem familiar in the course of a review of the early Comintern line in the next section of this text. Indeed, Bukharin's direct organizational ties to the International are evidenced by the not infrequent word-for-word similarity between early Comintern resolutions and Bukharin publications. The further evolution of the Third International's outlook, however, will reveal how the unelaborated (Leninist) notion of capitalist 'rottenness' first came to be integrated into the Comintern theory, and ultimately allowed the substitution of an under-consumptionist for a disproportionality perspective. The following analysis of Bukharin's theory of capitalism will show that the notion of 'rottenness' is absent in his work, and that its eventual appearance in the Comintern's stated view must be attributed to its transposition from Lenin's theory.

The general thrust of Bukharin's theory of imperialism was identical to Lenin's: imperialism is the 'necessary' (rather than merely 'preferred') policy of finance capital because imperialism is a definite stage in the development of capitalism. In a few respects, however, Bukharin's analysis was more coherent and developed than Lenin's.

Bukharin began with the claim that the phenomenon of imperialism must be conceptualized at the level of world economy, as an aspect of international production relations. The international exchange of commodities is not the deter-

minant, but the outward expression or indication of these relations:

The example of the commodity market shows that behind the market relations are hidden production relations. Any connection between producers who meet in the process of exchange presupposes the individual labors of the producers having already become elements of the combined labor of the social whole. Thus production is hidden behind exchange, production relations are hidden behind exchange relations.... [W]e may define world economy as a system of production relations and, correspondingly, of exchange relations on a world scale.[36]

In a rather modern sounding discussion, Bukharin goes on to detail the effects of the international movement of labor power (both permanent migration and the gastarbeiter phenomenon) "as one of the poles of capitalist relations," and the international flow of capital as the other "pole."<sup>37</sup>

At the "national" level, the processes of centralization and concentration cause the average unit of capital to grow larger. Ultimately, colossal corporations are increasingly able to gauge demand, 'plan' production through the vertical integration of their operations, and at times even restrict output in order to maintain selling prices above prices of production (the latter strategy becomes all the more viable with the formation of trusts and cartels). In turn, however, these immense units of industrial capital ever more regularly require equally immense injections of finance to carry on their activities (not only production activities of course--access to finance is the principal lever in the process of centralization). The transformation "of banking capital...into industrial capital (by financing industrial enterprises)...thus forms a special category:

finance capital."<sup>38</sup> At the national level, therefore, production exhibits increasing "rationality" in the sense of being somewhat 'planned', and less and less resembles commodity production.<sup>39</sup>

The entire process...tends to turn the entire 'national' economy into a single combined enterprise with an organization connection between all the branches of production.[40]

Increased rationality at the "national" level, however, could not eliminate capitalism's recurring crises. Indeed, economic disruptions would assume even more enlarged dimensions as the anarchy inherent in capitalist economy became "reproduced" on the world level.<sup>41</sup>

At this juncture, it is important to sort out Lenin's and Bukharin's arguments, since they not only appear to be similar, but also similarly ambiguous. In particular, they both suggest that the (at least partial) regulatory potential of the monopolies in actuality intensifies crises. The ambiguity: if planlessness is the chief cause of crises, why does 'a little planning' make the crises worse?

Naturally, this is not at all, in and of itself, an untenable position, but it does require some explanation. Lenin's two suggestive indications, as argued above, were inadequate at best and for that reason the ambiguity in his work remains. Bukharin's discussion is rendered more coherent than Lenin's by his systematic integration of the role of the capitalist state into the analysis.<sup>42</sup>

Bukharin's work has been frequently, and appropriately, criticized for its "tendency to absolutise state power and

treat the state as an all-embracing, omnipotent organization which embodies the collective will of capital." <sup>43</sup> Anthony Brewer is one of the few writers, however, to point out also the virtue of Bukharin's efforts: in an era which perhaps heralded the view (or at least the implication) that the nation-state had been transcended (Kautsky), Bukharin was one of the few who steadfastly posed the theoretical problem of the strengthening of the bourgeois national state and its 'economic' role during a time of pronounced internationali-  
<sup>44</sup> zation of capital. The passage of more than half a century has not diminished the validity of this insight, despite ongoing proclamations that the 'end of sovereignty' is at hand.

For Bukharin, the corollary of ever larger units of capital at the national level was a mutation in the 'economic' functions of the bourgeois state. Insofar as individual capitals become major actors at the national level, they seek to use the executive, legislative, and judicial apparatus of 'their' government to advantage in the struggle against other domestic capitals. This was of course nothing so terribly new, but as individual capitals (or blocs of capitals) more and more conducted their operations "with a view towards world economy," they also increasingly felt an imperative to cultivate an alliance with the state in its  
<sup>45</sup> foreign economic policy.

The processes of concentration and centralization, for Bukharin, imply a narrowing of the class of 'large' capitalists. Combined with the new forms of industrial organiza-



tion, the trend becomes one of an increasing monolithicity, with the coalescence of the various fractions of the bourgeoisie into a tight bloc of finance capital. All of this, together with the growing economic significance of the state power, heralds a change in the "inner structure" of the state, which "becomes more than ever before an 'executive committee of the ruling classes'."<sup>46</sup> In 1920, Bukharin expressed similar ideas in the following way:

The capitalist 'national economy' has changed from an irrational system into a rational organization, from a non-subject economy into an economic subject. This transformation has been made possible by the growth of finance capitalism and the cohesion between the economic and political organizations of the bourgeoisie.[47]

The result, according to Bukharin, is that "a growing discord" appears between the

world-wide...basis of social economy and the peculiar class structure of society, a structure where the ruling class (the bourgeoisie) itself is split into 'national' groups with contradictory economic interests...competing among themselves for the division of the surplus value created on a world scale.[48]

This form of the 'forces-relations' contradiction, coupled with the new economic significance of the state, means that

competition reaches the highest, last conceivable state of development.... Competition is reduced to a minimum within the boundaries of 'national' economies, only to flare up in colossal proportions [at the global level].[49]

The competitive struggle is 'settled', and at the same time the conditions for its resumption (relations of inequality among imperialist rivals) are restored, in the process of inter-imperialist war.<sup>50</sup>

Like Lenin, Bukharin could be interpreted as an under-consumptionist because he explains the export of capital by reference to a relative "overproduction" of capital. The first mention of overproduction in Bukharin's book, however, refers not to an excess of 'capital' (means of production), but to the overproduction of commodities of all types.<sup>51</sup> A true overproduction/underconsumption theory is one which regards the system as incapable of generating (or 'releasing') sufficient buying power, in the aggregate, to realize the entire output at its full value. Since Bukharin does not restrict himself to a particular type of commodity, it is tempting to interpret his argument as suggestive of general overproduction and to reject his own oft-repeated affirmations of adherence to a disproportionality theory of crisis.

This, however, would be an incorrect assessment. Rather than proceeding from an argument couched at the level of the social capital (i.e., the only level at which, as Rosa Luxemburg correctly saw, an overproduction/underconsumption theory can be coherently constructed), Bukharin quite unambiguously derives his 'overproduction' scenario from an analysis of the behavior of individual capitals in the process of self-expansion.

In its struggle to amass surplus value, says Bukharin, each capital seeks to drive its individual unit costs of production below those of its rivals (the struggle for surplus or 'super' profits) and to increase the number of units sold as rapidly as is feasible (both by securing new markets and by conquering a larger market share). Naturally,

cost reduction is also the most powerful weapon in the struggle for markets, as it allows the cost-cutting capital to undersell its adversaries. Fully in line with Marxian theory, Bukharin explains the declining unit costs of production in terms of a falling labor content stemming from mechanization and innovation. New and more mechanized production techniques, according to Bukharin, typically involve an expanded scale of operations and correspondingly high(er) levels of output.<sup>52</sup> The 'overproduction' which appears as a result of the pell-mell expansion of capacity in the various branches of production is a relative overproduction, i.e., the unplanned, anarchic character of the expansion means that the output of some branches outruns the prevailing social demand for their output. True enough, this is 'overproduction', but it is overproduction stemming from disproportionality, not from a lack of purchasing power in the aggregate.

This interpretation of Bukharin's argument is bolstered by context: Bukharin produced the discussion not as part of a theory of crisis, but as the explanation of capital's constant striving to expand into new regions and nations in order to capture new markets at the expense of rivals. Any individual capital benefits from international expansion first by being able to maintain a higher volume of sales than on the domestic market alone, and apart from any intrinsic advantages of growth in the course of the competitive struggle, a high level of sales also allows the suc-

cessful capital to reap the full benefits of the 'economies of scale' that the most advanced (high organic composition) production techniques possess. Second, expansion abroad allows a capital to capture surplus profits in countries where methods of production are less advanced (where the individual value of a unit of output produced by a domestic capital exceeds the individual value of the importing capital's production).<sup>53</sup>

The export of capital (as distinguished from merely foreign trade) is explained by Bukharin later in the book as the further, more developed, outcome of the same inherent tendencies of capital. As national capitals secure the assistance of 'their' governments by obtaining tariff and other protection against the import of commodities produced by competing capitals in other nations, the process of international expansion detailed above encounters impediments.

[H]igh tariffs put tremendous obstacles in the way of commodities seeking to enter a foreign country. Mass production and mass overproduction make foreign trade necessary, but foreign trade meets with a barrier in the form of high tariffs.[54]

Hence the export of capital, which permits capitals to jump over protectionist barriers to trade by directly establishing production facilities in foreign countries.

Nonetheless, although both the export of commodities and the export of capital necessarily arise from the self-expansion of capital, neither is the result of an impossibility of realizing the product domestically, as Luxemburg maintained. "[N]ot the impossibility of doing business at

home, but the race for higher rates of profit is the motive power of world capitalism. Even present day 'capitalist plethora' is no absolute limit."<sup>55</sup> An even more clearcut distance from Luxemburg was taken by Bukharin in 1924. At that time he wrote that "a conflict between production and consumption...is nothing other than a crisis," but that these "[c]rises stem from the disproportion of social production."<sup>56</sup> And further: "Rosa Luxemburg's theory of collapse is simply false.... The whole 'collapse' clearly rests on the impossibility of realization within the framework of a 'pure capitalism', i.e., on a false theory."<sup>57</sup>

In short, Bukharin is no more an underconsumptionist than Lenin. Moreover, Bukharin provided a more coherent and logical disproportionality theory of crisis and imperialism than Lenin's. Most significantly from the standpoint of an analysis of the development of Comintern theory, however, Bukharin's conceptual framework could not be metamorphosed into an underconsumption-based view of a 'moribund' capitalism because Bukharin's work lacked the incohesive yet vivid imagery of 'decay' so strikingly evident in Lenin's writing.

\* \* \*

Perhaps the best representative of the underconsumptionist strand in Comintern thinking, as Richard Day has correctly argued, was Eugen Varga. An extremely prolific writer, Varga continued to be intellectually active up to his death in 1964 at the age of eighty-five. The question (or rather, the problem) of "purchasing power" was central

to Varga's analysis of capitalism from the start. In the early post-war years he argued that even though capitalism in the United States was extraordinarily productive, it had managed to avoid an economic crisis in the years 1918-1919 only by virtue of exports to Europe. As a consequence of the war, however, the European nations had been "...economically weakened and deprived of purchasing power," with the result that European markets for U.S. goods dried up quickly, by the spring of 1920. It was this "...decrease of the purchasing capacities of [the European] countries in respect to the United States [that] called forth an overproduction crisis which had been looming even some time before...."<sup>58</sup>

In a contemporaneous article, Varga stated that "[d]uring the war, expenditures on goods far exceeded new production." This real expenditure (in both senses of the word) on arms, etc., was "veiled" by the creation of vast sums of "fictitious capital" (whose origins were government spending and unbacked issues of paper currency, according to Varga).<sup>59</sup> Illusory wealth masked a deepening real "impoverishment" insofar as the war effort soaked up not only existing stocks of goods but also dealt a "setback to the material basis of productivity," through the neglect of agriculture, transport, and the maintenance of means of production. This became simultaneously the explanation of inflation (higher nominal incomes, reduced quantity of real non-military output), and the irresolvable difficulty of post-war capitalism: the impoverished working class requires at minimum a return to pre-war living standards, but the di-

minished productive capacity of Europe makes this impossible without a prior "real accumulation" of new means of production. The latter is itself impossible, even in the unlikely event that capitalists would for a time be willing to forego profits: despite the very low real wages, productivity is itself so low that there is no basis for a real surplus<sup>60</sup> ("keinen realen Ueberschuss").

For Varga, this analysis appeared to demonstrate the "disintegration of capitalist economy" in central Europe, and allowed three conclusions: (i) the European economies will become ever more dependent on the English and American, (ii) within Europe, victorious France and Italy will seek to "exploit" the defeated nations through capital export, and (iii) the agrarian nations of eastern Europe will experience a windfall due to the inflated prices of foodstuffs. The upshot is that the proletariat will increasingly come to realize that a resolution of the crisis "is impossible on a capitalist basis" and will therefore "throng the revolution-<sup>61</sup>ary path."

The strands of thought in these two early articles were soon joined by Varga to form the judgement that the "direct economic consequences of the war were the separation of the world into spheres of relative over-production and absolute<sup>62</sup> under-production." But this ad hoc synthesis was merely the short-lived prelude to Varga's adoption of a classic underconsumption position. Having argued ca. 1921 that the European economies suffered primarily from a low productive

capacity and an inability to generate a significant surplus (which was reasonable, and perfectly compatible with the view that Europe also did not constitute a viable market for U.S. products), by 1925 Varga was saying something rather different, and claimed to see "a gaping contradiction between the production and realization possibilities of West European industries" which has been exacerbated by the process of centralization, specifically by the productivity enhancing potential of such "re-organization." The potential output of industry is very high,

[b]ut there are no possibilities of disposing of its products. As a result of the proceeding centralization process, the low wages and the severe unemployment, the inner market has little absorption power for mass consumption commodities.... Hence a large part of the industrial productive apparatus stands idle and there is widespread unemployment--not only as a crisis phase but as a permanent phenomenon.[63]

In other words, by 1925 the European productive apparatus was capable (in 1921 it was not) of producing a considerable amount, but this capacity was not being put to use because there was no evident demand for the output. In 1921 low real wages were, for Varga, the consequence of industrial disarray, but by 1925 they had become the cause of an "idle productive apparatus."

Varga himself does not specifically invoke any developments in European economy that account for the transition to his new outlook, which suggests the possibility that he was not particularly aware of it (the transition), but none of this has been presented as necessary evidence of some sort of lapse or contradiction in his reasoning. A consistent



underconsumptionist view could certainly allow for wartime devastation as a cause of diminished productive capacity, and then conjure an injection of products and demand from 'outside' as the explanation for reconstruction. Varga's article on the U.S.-English inspired Dawes Plan for rescheduling German war reparations payments (more on the Plan in the following section) came close to providing such a rationale. Varga wrote:

Since the acceptance of the Dawes Plan Germany has obtained considerable foreign credits.... This means, therefore, that the market possibilities of the other part of the world in Germany were increased to the same amount....

[This has resulted in] a pulling of the German economy and increased purchase of foreign goods by Germany. It goes without saying that this cannot last. The turning point must inevitably come in the near future. When Germany will have spent the first credits it will have to pay interest on the credits which it obtains and to remit the reparation payments provided for in the Dawes Plan.... When the time for this turning point will have come,...[i]nstead of absorbing a surplus of goods from the world market, Germany will throw a surplus of goods on to the world market and will thereby make the crisis of the West European industrial countries and the unemployment connected with it more acute.[64]

As just noted, the aim up to now was not so much to assess the strengths or weaknesses of Varga's thinking in particular or underconsumption theories generally. Rather, the point has been to demonstrate Varga's clear adoption of the underconsumption perspective in order to now proceed with a discussion of the manner in which the two preeminent Comintern economic theoreticians--Bukharin and Varga--employed their respective theoretical systems to comprehend the phenomenon of the "stabilization of capitalism" during the mid 1920s. In this discussion, it will be argued that

the underconsumption approach provided a theoretically less satisfactory (at least from the standpoint of Marxism) explanation of capitalist stabilization, although in many respects it possessed an intuitive appeal due to its apparent correspondence with several highly visible economic 'facts'.

\* \* \*

The slow and painful restoration of the European economies in the early 1920s naturally made its impression on Comintern theoreticians. At the third congress (June 1921) Trotsky delivered a speech on the economic situation which departed somewhat from his earlier assessments of capitalism's immediate prospects. Rather than "disintegration and collapse" (1919), Trotsky now held out the possibility of a cyclical upturn and linked the brief postwar boom to the growth in the "self-assurance" of the bourgeoisie. Nonetheless, Trotsky considered it premature to see in this the restoration of a capitalist "equilibrium."<sup>65</sup> The war had impoverished Europe, even Great Britain, and had shifted to the United States the role of leader of the capitalist world. Still, the 1920 economic crisis which followed the speculative postwar boom had its origins in the U.S. (and Japan), "precisely in those countries which were on the upgrade and not in decline in the recent period."<sup>66</sup>

The symptoms of the crisis were considered by Trotsky to be its causes as well: "America's productive capacity has grown extraordinarily, but her market has vanished because Europe is impoverished and can no longer buy American

goods."<sup>67</sup> Trotsky integrated this explanation of the proximate causes of the crisis with what would soon become his trademark--the theory of the supposed 'long waves' in capitalist development. According to this view, the developed capitalist economies had recently entered a downward phase of the 'long wave', which meant that while cyclical upturns were not ruled out, it could be expected that they would be "fleeting, superficial and speculative," whereas downturns would be of a "prolonged character."<sup>68</sup> The conclusion is that the bourgeoisie will not find it possible to restore "equilibrium," that "both the world situation and the future perspectives are profoundly revolutionary in character," that "a new upswing...can by no means act as a check upon the revolutionary development," although "full guarantees can be given only by our expert tactics, by our strong organization."<sup>69</sup>

Approximately a year and a half later, speaking to a Moscow party meeting in October 1922, Trotsky was less ambivalent. Rather than possibility, the upturn was now fact. Trotsky recalled a "chance remark" he uttered at the third congress "to the effect that this [i.e., 1920--N.K.] crisis, like every other crisis, is bound to be superseded by a revival" and then, characteristically, chided those who failed to perceive the significance of the prognostication.<sup>70</sup> The upturn was, however, cyclical and temporary, "not some kind of blossoming of capitalism, of which, assuredly, there cannot even be talk" because the general

"epoch" was one of "capitalist decline."

The characterization of the economic revival as a "stabilization of capitalism" was first provided by Bukharin at the thirteenth congress of the RCP(b) in May 1924. He delivered a wide-ranging report on recent changes in the world economy, the international political situation and, as an official liaison, developments in the Comintern. Contrasting the levelling off in the brief economic upturn which had followed the postwar recession in the United States with a "relative" (but nonetheless "clearly defined") improvement in European economic activity, Bukharin claimed that

the present crisis is a general crisis of the capitalist system, but not a conventional commercial crisis characteristic of the normal course of capitalism. It reveals itself quite frequently, and at times unevenly, from different sides. Undeniably, in a whole host of countries a rise in the economic conjuncture is underway, but this creeping crisis is penetrating into the pores of their political organisms.[72]

Note that while he correctly ascribes to Bukharin use of the expression "a certain stabilization" to describe the European conjuncture, Richard Day cannot resist this misleading elaboration: "Generalizing his analysis, Bukharin argued that capitalism had entered an equilibrium phase, which most Marxists had hitherto thought of as stagnation." <sup>73</sup> Now, it should hardly be surprising that Bukharin, comparing 1919-1920 (even 1923) with 1924, should refer to "a certain stabilization" of the economic situation in Europe--mere "stagnation" was an improvement. Bukharin, however, never referred to an "equilibrium," and in fact the passage quoted above suggests something altogether different. Day's inter-

pretation actually rests on a subtle but crucial distortion. Consider the quite different impressions conveyed by Bukharin's own words, quoted above, and the paraphrased rendition offered by Day: "Bukharin had proclaimed that the 'general crisis of the capitalist system', although continuing, had become a 'creeping crisis'." <sup>74</sup> In any event, the ability of capitalism to survive would entail, said Bukharin, defeat of and/or concessions by the working class (although Bukharin at this time also favorably cited Varga, whose own explanation of the stabilization suggested an illusory accumulation of wealth accomplished through speculative forms of centralization). Nota bene: under these conditions of "stabilization," Bukharin foresaw an "inevitable...sharpening of the class struggle," not 'equilibrium' <sup>75</sup> or a harmonization of relations.

At the fifth congress of the Comintern in June 1924 Varga delivered the report on the economic situation, and made no reference to capitalist stabilization. Having defined "crisis" as a period characterized by intensified (but unspecified) "contradictions of capitalist society," stagnating or declining production, stagnating or declining working class living standards and therefore "the objective possibility of successful struggle for power," Varga went on to argue that the capitalist world was in crisis, and that a yet further deterioration could be expected. The economic improvements in the United States and France were characterized by Varga as "isolated" and "special," since the general trend was that of "the decay of capitalist world economy."

And finally, Varga expressed skepticism concerning the viability of the Dawes Plan in terms similar to those already encountered above.<sup>76</sup>

Even so, delegates from the left (e.g., Dengel of Germany) objected that Varga's prognosis was overly favorable for capitalism, and that "Varga adopts the opinions of the English press...."<sup>77</sup> Responding to the discussion, Varga did speak of "a tendency towards strengthening capitalism,..." all the while insisting that "I do not mean to say that such a prospect of capitalism recovering exists; but what we must fight is the attitude that if such a prospect does exist, it is dangerous to speak of it."<sup>78</sup> Zinoviev, without adopting any explicit theoretical orientation, defended Varga's remarks by saying

that we must handle the term 'collapse of capitalism' very carefully.... We must remember that even in Germany, notwithstanding the many symptoms of the decline and disruption of capitalism, we have also certain symptoms of its consolidation....

The situation is very complicated, and it is not Varga's fault that certain symptoms of the strengthening of capitalism exist.[79]

Zinoviev equivocated by concluding that either "capitalism may vegetate for a comparatively long period, [or]...that a more rapid development of events are speeding up the collapse of capitalism...."<sup>80</sup>

Bukharin was quite visible at the congress, but primarily confined himself to reporting on and discussing the drawing up of a Comintern Programme. He did, however, make a few passing comments on crisis theory, in one place noting that "the creation of trusts does not prevent crises," and

in another offering this observation:

As you know, a theoretical discussion on the theory of crises is going on in Marxist circles. There are two formulas which are fundamentally different (disproportionality and underconsumption). We must have a formula which will express the contradiction between production and consumption as a component part of the anarchy of production. I will deal with this more fully on another occasion.[81]

Although Bukharin provided the first mention of "stabilization," he had done so at the thirteenth Russian party congress--the first Comintern reference to a "stabilization of capitalism" was apparently by Varga at the fifth enlarged plenum of the ECCI in March 1925 (almost a year after both the Russian party congress and the fifth Comintern congress).<sup>82</sup> Only a few months later, however, Varga was already changing his mind, and in a presentation to a meeting of Gosplan workers at the end of May he suggested that stabilization is "neither a Marxist nor a Leninist term; in addition I consider it to be a poorly chosen term."<sup>83</sup> Beginning with the claim that the centralization of capital was not 'really' accumulation because surplus value was employed to expropriate weaker capitalists rather than enlarge production, Varga asked how it might be possible to establish empirically whether 'genuine' accumulation or merely parasitic centralization was taking place. He immediately rejected value analysis (bourgeois statistics were inadequate); next, Varga considered the use of data on the installation of new means of production, but found that this might not count as accumulation either in the event that the subsequent output "cannot find a market." Varga finally

settled on growth of output in physical terms as the most  
adequate index of accumulation.<sup>84</sup> He presented series for  
several important commodities for the years 1900, 1913, and  
1924 which, with few exceptions (petroleum and rubber),  
showed stagnant levels of output in 1924 relative to 1913,  
by contrast with rapid increases in all series between 1900  
and 1913. "All my research points to the impossibility of  
showing a definitive rise in output," concluded Varga, and  
while he left open the possibility that the 1923-1924 con-  
juncture was merely a cyclical downturn, he immediately  
added that the situation in 1925 had deteriorated even  
further.<sup>85</sup> Finally, Varga suggested that "permanent unem-  
ployment" was a new feature of capitalism, and concluded  
that "Lenin, ten years ago, considered imperialism decaying.  
I see no reason to offer a brighter prognosis for capi-  
talism."<sup>86</sup>

So having introduced the notion of "stabilization" to  
the Comintern, Varga almost immediately abandoned it.  
Bukharin, however, maintained and continued to develop the  
argument that a conjunctural stabilization of capitalism was  
at hand. For most commentators, this appears as the logical  
analog of Bukharin's supposed role as the spokesperson of  
the 'right' in the Russian party, i.e., moderation in domes-  
tic politics coupled with a repudiation of the cataclysmic  
vision of capitalist collapse. In most such interpretations  
(a comprehensive listing follows shortly), it is generally  
presumed that "[w]hile Bukharin pondered the achievements of



'organized capitalism', Stalin predicted that "'recovery" contains within itself the germs of its inherent weakness and disintegration'.<sup>87</sup> Supposedly, Stalin issued Varga "[a]n implicit directive...to demonstrate that the 'problem of markets' [i.e., purchasing power--N.K.] would lead to the third period" characterized by "wars, revolutions, and economic collapse."<sup>88</sup>

The two principal contentions in this judgement are simply wrong. First, the notion that it was necessary for Stalin to urge on Varga, much less to issue an "implicit directive," in predicting the economic demise of capitalism is not convincing. Long before anyone began to take notice of Stalin, Varga had already been publishing books and articles "all of which could have carried the same title as his first book, The Decline of Capitalism."<sup>89</sup> (Moreover, Varga's resort to underconsumptionist explanations of capitalism's decline long predates any hint of similar thinking on Stalin's part).<sup>90</sup> Even at the fifth Comintern congress, with Varga at his most cautious, there was no indication that he regarded a 'real' recovery as possible, or that he saw the upturns then underway in a few countries as anything other than "special" or exceptional.<sup>91</sup> E.H. Carr surmises that at the time of the fifth congress Varga may not have genuinely believed that the capitalist world was in such dire straights as his own report suggested, and that the report may have been "a compromise between Varga's professional conscience and the need for a revolutionary platform which would satisfy the Left."<sup>92</sup> This may, of course, be

true. I will not venture to speculate on Varga's state of mind, although I have no objection to Carr's doing so. The point remains that this 'Left' pressure had been brought to bear on Varga long before any conceivable "implicit directives" by Stalin, supposedly decreeing the third period, could have made themselves felt.

Secondly, the supposition that contradictions internal to the process of stabilization operate to undermine it does not originate with Stalin, but with Bukharin. In his first tentative mention of stabilization (see above), Bukharin had noted primarily political contradictions of stabilization--capitalism could not be stabilized without a defeat of or concessions by the working class, so that the consequence of developing stabilization would be, as already noted, an "inevitable...sharpening of the class struggle."<sup>93</sup> Subsequent analyses of stabilization refer to the economic aspects of contradictions as well. The common element in failures to understand Bukharin's notion of stabilization (and I do not deny that Bukharin's continued use of the poorly chosen term contributed to clouding the issues) is the refusal or inability to see that Bukharin was almost certainly using 'stabilization' to refer only to the resumption of expanded reproduction in some of the capitalist countries after the chaos of the war and the immediate postwar period. There is no specific evidence in Bukharin's own writings or speeches that he imagined the process of stabilization to imply either a slackening of the contradic-

tions of capitalism or a new era of unbridled prosperity as envisioned by social democratic thinkers.

Now, it is true that for Stalin as well capitalist stabilization was being undermined, but he expressed this primarily in terms of the development of the 'other' stabilization, i.e., that taking place in the Soviet Union. In May 1925, shortly after the fifth enlarged plenum of the ECCI and Varga's introduction of stabilization to the Comintern, Stalin delivered a report to the Moscow party organization on the work of the fourteenth conference of the RCP(b). Stalin opened the discussion of the international situation by noting first a "lull" and then an "ebb" in the revolutionary process. This development did not at all signify, said Stalin, that the revolution has been "cancelled," because

we have not only the stabilization of capitalism; we also have the stabilization of the Soviet system. Thus, we have two stabilizations....

Who will win? That is the essence of the question. Why are there two stabilizations, one parallel with the other? Why are there two poles?.... Because the world has split into two camps.... Because the international situation will be to an increasing degree determined by the relation of forces between these two camps.[94]

These are not just different modes of expression, but reflections of quite divergent theoretical approaches. In the next section, a review of the concrete political and economic material will reveal that in the 1920s Stalin advocated a politics that was both 'traditional' (international give-and-take diplomacy 'from above' rather than mass mobilization) and cautious. Pressure from the left was building in the middle part of the decade, and Stalin ultimately acqui-

esced, but the turn to the left came despite Stalin, not because of him. This conclusion does not, of course, imply that the particular forms assumed by the politics of the third period owed nothing to Stalin. Moreover, the intent here is neither to absolve Stalin of any errors nor to suggest that no errors were made. At the same time, however, it might be interjected that from the theory that class struggle is the motive force of history it does not necessarily follow that proletarian political objectives (at least tactical ones) are only attainable through a politics which is directly class (mass) based. Stalin's resort to 'traditional' international diplomacy, therefore, did not by definition preclude (as frequently seems to be assumed) internationalist outcomes.

From the outset, Bukharin was careful to distinguish his understanding of stabilization from that of the Second International. In June 1925, speaking to a Komsomol (the Russian communist youth organization) conference, Bukharin attributed to the 'Hilferding-Menshevik' conception of stabilization the view that

a new cycle of sounder capitalist development is beginning. In the most important capitalist countries, things are again running on smooth lines, ...the curve of capitalist development is ascending and capitalism is assuming new forms.[95]

By contrast, according to Bukharin, the Marxist understanding of stabilization meant "only...that in the course of this epoch [the epoch of general capitalist decline--N.K.] there will be periods of ebb and flow, periods of decay and

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periods of expansion of capitalism." The general thrust of Bukharin's discussion incorporated the views that capitalist development will be cyclical even in the "epoch" of its demise (similar to Trotsky's contemporaneous opinions), that any upturns would be of a temporary nature, and that the cyclical expansions would be "variegated," i.e., neither universal nor uniform across regions or countries. One other basic difference between the social democratic and the Marxist conceptions of stabilization was stressed by Bukharin: in the Marxist view, stabilization did not imply the waning of inter-imperialist rivalries (indeed, the likelihood of inter-imperialist war was on the rise) and did not mitigate the imperialist threat facing the Soviet Union.

Sounding similar themes in his opening speech at the fifteenth conference of the Russian party in October 1926, Bukharin noted that pre-war levels of output had been by and large restored in the capitalist world as a whole, but that within this average striking imbalances (e.g., as between Europe and the U.S.A., or within Europe itself) remained. Such unequal development had "already existed during the normal period of capitalist development, but it has now... increased to an extent entirely unknown before the war." This implied that rather than abstract formulas regarding a 'stabilization in general', a "differentiated definition" of stabilization was required, one that analyzed the particularities and concrete differences between regions.

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It was an error to believe, continued Bukharin, that the restoration of pre-war levels of production signalled

the resumption of "normal" capitalist development with its "usual" cycles and crises--rather, a special analysis was called for to understand the "unique crisis" of postwar capitalism. Specifically, relatively slow rates of accumulation (coupled with grossly depressed working class living standards) meant that market creation was not proceeding apace, and that consequently "the problem of finding markets has become the main question for the capitalist world of today." The struggle for markets in turn implied even more intense pressures to reduce costs of production--hence the "process of capitalist rationalization." Rationalization would entail efforts to cudgel the working class into further submission, the development of new (more intensive) forms of labor organization, and the introduction of new productive technologies. Bukharin particularly lamented the reluctance of many comrades to acknowledge that technological change was taking place--as opposed to merely the a la Taylor reorganization or more intensive use of existing technologies--and catalogued a list of innovations in coal, steel, potash, and chemical production.

Bukharin's associates were kept busy turning out articles to buttress the case. C.H. Wurm depicted 1926 as "The Year of Rationalization in Germany," and like Bukharin contended that the "working class is beginning to understand that the struggle against the effects of capitalist rationalization is necessary and inevitable."<sup>98</sup> V. Demar likewise interpreted the Comintern line as urging intensification and

radicalization of political activity, but expressed concern  
over the apparent political lethargy of the unemployed. <sup>100</sup>

Heckert, by contrast, took note of a spate of strikes at the  
Hamburg docks and thought he detected in this a rising tide  
of working class activism. <sup>101</sup>

A critical juncture in the development of the analysis  
of stabilization and the deduction of political conclusions  
took place in November 1926 at the seventh enlarged plenum  
of the ECCI. Bukharin delivered keynote written and spoken  
reports which, besides repeating his now familiar injunc-  
tions on the need for a differentiated, concrete analysis of  
stabilization, ridiculed the Trotsky-Zinoviev opposition for  
their confusion. Leaving aside whatever shortcomings or  
strengths the already defeated opposition's arguments may  
have revealed, and taking note of Bukharin's more comprehen-  
sive and organized discourse as compared to his earlier  
somewhat casual presentations, the (in retrospect) most  
striking aspect of the report is Bukharin's extraordinary  
failure or inability to clearly demarcate his views from  
those of the underconsumptionist approach.

Bukharin began with the well-founded proposition that  
the distended unproductive consumption of the war effort,  
while producing 'growth' for a period of time, ultimately  
acted as a "brake" on the process of accumulation, and in  
turn, market creation. As Bukharin pointed out, this was  
essentially a reiteration of his opposition to the "incor-  
rect theoretical conceptions of Rosa Luxemburg, who...re-  
garded militarism as a form of capitalistic accumula-

tion...."<sup>102</sup> At the same time, however, this framework provided a plausible explanation of the economic relations within Europe ("Balkanization") and between Europe and the U.S.A (the former suffering a considerable setback relative to the latter).

Bukharin moved on to specify the "unique" nature of the European situation in the mid-1920s. In the course of the "'normal' crises of capitalist over-production....which Marx, it will be remembered, connected with the investment of basic capital" [i.e., disproportionality--N.K.], the unfolding of the "disproportion between production and consumption" took place "on the basis of the upward curve of capitalist development." The disproportion of the 1920s, which likewise found its expression in 'overproduction', was nonetheless fundamentally different in that its roots extended to "the shortage crises of under-production and underconsumption of the war epoch," i.e., to the breakdown of accumulation engendered by the war.<sup>103</sup> (Bukharin's 1920 references to war-induced "expanded negative reproduction" and its effects in his The Economics of the Transition Period therefore very clearly and consistently prefigure the 1926 analysis).<sup>104</sup> Empirically, the "unique" character of the crisis was expressed by "the absence of a regular periodical trend of the...economic situation [and by] the feverish curve on the economic chart...." The conclusion follows that stabilization is "conditional, temporary and unstable...."<sup>105</sup>



The contrast between Bukharin's approach and the under-consumptionist perspective of Varga was rarely more apparent or more overlooked than in Varga's comments at the plenum. Varga, like Bukharin, specified a crisis of "overproduction," but added for good measure "a chronic mass unemployment, a chronic shutting down of the means of production." Although Varga listed several postwar "structural changes" (the emergence of the Soviet Union, the intensification of colonial struggles for national liberation, and the economic decline of Western Europe) which led the 1920s overproduction crisis to display some specific features, its ultimate causes stemmed from a tendency to underconsumption "always" present under capitalism, one which "results from two basic facts that are inseparably bound up with capitalism." These "facts" were (i) the continual 'striving' of the capitalist class to increase the rate of surplus value, "whereby the purchasing power of the proletariat is weakened," and which comes into conflict with (ii), the tendency (forced by "competition") to increase "productive capacity" without limit.

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The presentation of Bukharin, said Varga, had provided "explanations which are inadequate because they establish only the fact [of overproduction--N.K.] without providing a class-based explanation of the narrowing of the domestic market." Such a "class-based explanation" would center, continued Varga, on the two facts listed above while at the same time incorporating the 'special features' of the post-war situation, these being the reduction of effective demand

stemming from the expropriation of the petty bourgeoisie and small capitalists due to inflation, and the virtual disappearance of the rentier from the European scene. It was this argument, according to Varga, which distinguished the Marxist from the social democratic analysis of overproduction. The social democrats "stupidly" suggested that the problem be resolved by raising wages, which the capitalists would never agree to; even if they did, and the "wage increase was linked to an increase in productivity of the work force [why this would necessarily be so was not explained--N.K.], one would not escape the vicious circle."<sup>107</sup>

As noted, it is remarkable that Bukharin either kept silent or took no notice of the gulf separating these conceptions. In his reply to the discussion of his speech, Bukharin did not address Varga's remarks, and indeed mentioned Varga's name only once (as someone familiar with the difficulties of compiling data on international trade). Apart from a rather inconclusive digression on the need to distinguish the value of the means of production from their material-technical aspect, and a reply to V. Lominadze, who had suggested the logical impossibility of overproduction because idled machinery was tantamount to no machinery at all (i.e., it should not be counted as part of the "productive apparatus"), Bukharin had little to say on the theoretical aspects of the stabilization question.<sup>108</sup>

It was also at the seventh enlarged plenum that another fated expression entered Comintern discourse for the first

time--the "third period" was at hand, it was said, in anticipation of which the task of the communist parties was "to mobilize the proletariat in preparation for the impending battles."<sup>109</sup> The term appeared at the plenum in Bukharin's spoken report. At the fifteenth congress of the Russian party in December 1927 Bukharin again described the class struggle as having entered "a new period...on the basis of the development of internal contradictions arising from stabilization."<sup>110</sup> Virtually the entire extant literature on the Communist International overlooks these first indications of the third period.<sup>111</sup>

The predilection to see Stalin as the founder of the third period, and to regard the left turn as merely a tactic in his coming campaign against the right deviation, is so pervasive that it has become virtually impossible to discern the origins of the new line as stemming from the Comintern analysis of capitalism. Even Theodore Draper, who so thoroughly chronicles the accumulation of errors in histories of the period, in the final instance mistakenly roots the explanation of the turn to the left in the struggle within the Russian party. Draper suggests that Bukharin, by speaking of "stabilization [as] forming the basis of acuter class antagonisms....was able to have his cake (capitalist stabilization) and eat it too (sharper class struggles)." This conclusion by Bukharin, in Draper's view, was drawn only as a consequence of the campaign against the left (Trotsky - Zinoviev) opposition and Bukharin's reluctance "to be put in the position of backing a right-wing line against a left-

wing one." In other words, Draper insists that Bukharin did not really believe that the growth of stabilization entailed also the growth of its internal contradictions, but only said so in order "to have his cake and eat it too."<sup>112</sup>

This claim, however, is not sustained by the historical record. First, Bukharin's analysis of stabilization incorporated an analysis of its internal contradictions from the start (i.e., the first mention of stabilization by Bukharin at the Russian party's 1924 congress). Second, Bukharin expanded and developed the analysis of the contradictions of stabilization long after the defeat of the opposition (which can be quite conservatively dated with Trotsky's formal expulsion from the party in December 1927). And finally, on the basis of his own analysis, Bukharin explicitly insisted on the existence of a "change in the situation," calling for a "new tactical line."<sup>113</sup>

This conclusion originated with Bukharin as well: the most successful and comprehensive "accomplishments" of capitalist stabilization were to be found together with the most acute expressions of the contradictions of stabilization. The empirical material for these views was obtained from Bukharin's observation of (primarily) Germany, the 'case study' of stabilization.<sup>114</sup> Perhaps even more significant than the coining of the term itself, the 'catastrophist' outlook so often associated with the third period, and so seemingly impossible to attribute to the eminently reasonable and respectable Bukharin, in truth emerged for the

first time in Bukharin's comments at the seventh enlarged plenum on the culpability of social democracy in the "preparation of even more horrible, even more grandiose wars."<sup>115</sup>

Bukharin similarly depicted the contradictions of stabilization as "leading inevitably to a catastrophe,...the 'second round of war'," at the Russian party's fifteenth congress.<sup>116</sup>

At the same party congress, in his political report, Stalin was pointing to "production in the capitalist countries [which] has transcended the pre-war level," in some cases "leaping forward," and "to technical progress, rationalization of capitalist industry, creation of new industries...." Such advances were being undermined, however, "by the fact that production is growing, that technical progress and production potentialities are increasing, whereas the world market, the limits of that market...remain more or

less stable...."<sup>117</sup> Stalin also remarked on the "preparation of new imperialist wars," but this and other similar comments neither prefigured nor went further than Bukharin's assessment.<sup>118</sup>

The recognition of "a rapid increase in production" in some capitalist countries came to Varga rather belatedly, only in 1928. The growth of output, admitted Varga, stemmed from higher intensity and productivity of labor, but he was not greatly impressed by technological progress other than that taking place in the generation of electricity and in the chemicals industry. Aside from the latter two cases, Varga claimed not to see much in the way of "fundamentally

new processe[s]" and maintained that most "innovations are on old lines.... The great changes have not taken place in machinery, but in the organization of labor within the factory." <sup>119</sup> The upshot of this was an aggravation of the "contradiction between possibilities of production and sale" stemming from the "reduced number of productive workers..." <sup>120</sup>

This was among the earliest appearances of 'Varga's Law', i.e., the notion that under conditions of advanced capitalism accumulation entails an absolute decline in the number of productive workers and thereby exacerbates the market problem (by reducing working class purchasing power). Note that Varga does not mention the possibility of increasing employment of unproductive workers, whose wages are paid out of surplus value (rather than variable capital). Rather, the prospect for displaced workers, according to Varga, was no employment at all: "[W]e today see the development of a structural unemployment, a growing army of unemployed, especially in the most advanced capitalist countries." <sup>121</sup>

Varga could point to high (and/or rising) unemployment rates in certain countries to bolster his arguments. Unemployment in Great Britain was of course high throughout the 1920s (due at least in some measure to deliberate deflationary policies intended to restore the prewar gold parity of the English currency). Implicitly, Varga treated the British situation as confirmation of his arguments. <sup>122</sup> Likewise, rising unemployment in Germany, the 'showcase' of capitalist

rationalization, squared nicely with 'Varga's Law'.

At the sixth congress of the Comintern (July 1928), Bukharin was the preponderant personality: he delivered the opening report of the ECCI, responded to the discussion of the report, chronicled the work of the commission drawing up a Comintern Programme, and delivered a major commentary on the ensuing debate. In his opening report, Bukharin described the third period as "the period of capitalist reconstruction," characterized by a "growth of the productive forces."<sup>124</sup> Richard Day siezes on these remarks to imply that Bukharin thereby envisioned "capitalism's longevity," but Day stops short of quoting the remainder of the paragraph, in which Bukharin links the "progress" of capitalism in the third period to "the growth of forces hostile to capitalism and [to] the extremely rapid development of its inherent contradictions."<sup>125</sup> The leitmotiv of the report, contrary to Day's needlessly sarcastic intimation, is that the

new lines [of capitalist development] in their turn cause all the contradictions of capitalism to become more intensified. This intensification of contradictions in turn leads to the great collapse, to the final catastrophe.[126]

Bukharin did argue against the view that the necessary expression of the contradictions of stabilization was a univocal collapse (or "decay") of capitalism in all nations along the lines of the underconsumptionist scenario. He maintained that the undermining of stabilization was apparent

not because capitalism in every country is declining, but

because the structural changes that have occurred in world economy are creating a new situation and are inexorably leading to the collapse of the whole system.[127]

These contradictions were not only 'external' ones, Bukharin was not implying (as many of his present-day critics charge)

that the contradictions exist only as between States and that the contradictions in each given imperialist country are not becoming sharper.... Partial stabilization is a two-sided process. On the one hand there is a certain technico-economical consolidation of capitalism, and on the other--which must not be left out of sight--contradictions grow, the class struggle becomes more acute, unemployment increases.[128]

Perhaps this theme was most clearly expressed by Bukharin in his reply to the discussion of the initial report. In a somewhat exasperated response to Kostrjeva (Poland), who argued that the appropriate "line of demarcation that is drawn between the second and third period is not the line of technical progress, [but]...the contradictions which accumulated on the basis of the stabilization process....," Bukharin asked: "Not technical development, but contradictions! But where do these contradictions come from?"<sup>129</sup>

Varga also participated in the discussion of Bukharin's report, and made the more extreme claim that any increases in output in the capitalist countries stemmed exclusively from an intensification of labor; "the productivity of labor--or what is the same thing, the productivity of the equipment set in motion by labor--remains unchanged."<sup>130</sup> Additionally, Varga took this opportunity to deny that he maintained the "theoretical" impossibility of realization in a fully capitalist economy as argued by Luxemburg. His



concern, said Varga, was with a specific "historical process," namely the transformation of "independent producers into elements of capitalist economy," which had almost exhausted itself in the United States and had exhausted itself in England. The "impulse" for the expansion of the market which this process provided was obviously non-recurring, and so henceforth the market would only grow very slowly, if at all, whereas output would continue to increase with the continually rising intensity of labor. The final result, as Varga had argued before, would necessarily be the emergence of a "structural unemployment" that was independent of the "conjuncture" (stage of the business cycle). The level of unemployment "increasingly ceases to be an indication of the conjuncture."<sup>131</sup>

It is certainly true that Luxemburg's posing of the problem differed from Varga's. For Luxemburg, the process of drawing 'third parties' into the capitalist sphere, precisely by eliminating the 'external' source of demand, would aggravate the realization problem. By contrast, Varga argued that it was this very same "historical process" which was responsible for a rapid but non-recurring expansion of effective demand. Both arguments are nonetheless varieties of underconsumption theories insofar as both maintained that a 'developed' or 'pure' capitalist system must experience a chronic crisis of realization ultimately causing the system to literally 'collapse' (Luxemburg) or remain mired in a state of permanent stagnation until it was overthrown (Varga). It is thus no accident that Varga, as he became

increasingly concerned to avoid being linked with Luxemburg, fastened onto the notion of 'decay' and the argument that advanced capitalism must be 'moribund', despite the fact that these ideas played no necessary theoretical role in his system.

From a theoretical standpoint, Bukharin's reply to the discussion was notable for his assessment of 'Varga's Law'. Although he defended (against Lominadze) Varga's empirical claim<sup>30</sup> of an absolute decline in the number of industrial workers in the United States, Bukharin maintained that Varga was "wrong to advance a new 'natural law' of capitalism at this time." Rather, it was necessary to distinguish the "various processes giving rise to unemployment," viz., cyclical factors in addition to the effects of rationalization and technical progress. It was premature, there was inadequate "empirical material," to provide "generalizations" such as Varga's, although to speak merely of certain concrete "facts" was another matter.

More to the point, Bukharin disputed Varga's grounding of his 'Law' in the proposition "that the internal possibilities of American imperialism have been 'exhausted'," a proposition that Bukharin claimed was "wrong," it was "the Luxemburg theory." An unidentified "Voice" from the floor here interjected: "This is what Varga said!" Bukharin responded that "Yes, Varga said it but I disagree with Varga on this point. It is wrong, it is a reiteration of Rosa  
<sup>133</sup>  
Luxemburg's theory." Note the ambiguity of the interjec-

tion. It is not obvious whether the 'this' that Varga was supposed to have said referred to the depletion of the "internal possibilities" of U.S. capitalism, or to his frequent repudiations of Luxemburgism. Bukharin's response clearly indicates that he understood the interjection as referring to Varga's underconsumption argument, and as such Bukharin merely reiterated his belief that accumulation did not depend on 'external' sources of demand. Varga had another opportunity to speak after this incident, but made no mention of it and only repeated his claim that the expansion of the market as a result of proletarianization was a one-time event.<sup>134</sup>

'Rottenness', as already argued, was imagery without theory. Varga succeeded in implanting this imagery in a highly receptive Comintern, where the absence of a coherent and explicit theoretical framework allowed the pseudo-concept to acquire an apparent profundity. Decay, by its nature, is an irreversible process, without 'contradictions'. As such, Bukharin's conceptualization of stabilization as self-limiting growth (this was precisely the strong point of his approach) was no longer sustainable. Once accepted, the logic of decay would allow of nothing else (except decay). Bukharin intuitively understood this, and suggested that there was "a tendency in our ranks to overestimate the so-called parasitic aspect of capitalism."<sup>135</sup> But his objections were not strenuous, and in any case Bukharin's increasingly precarious position in the Russian party and the Comintern made his views suspect.

By the time of the July 1929 tenth enlarged plenum of the ECCI, which relieved Bukharin of all Comintern posts, the principal report delivered by O. Kuusinen warned of the "overestimation of the technical development of capitalism."<sup>136</sup> In the epoch of decay, said Kuusinen, technical progress is not necessarily what it appears to be:

Big technical inventions are made which do not prove of special economic value at once, or even at all. For instance, radio, aircraft and some (not all) chemical discoveries, important in themselves, are for the time being of relatively small economic importance. Only the viewpoint of the development of the productive power of labor can be a decisive criterion.[137]

Of the latter, Kuusinen claimed to see no evidence--the "true sense" of capitalist rationalization was the intensification of labor, not the increase in labor productivity.<sup>138</sup> This was not among Kuusinen's more acute insights.

Ironically, Varga's theory for a time ran afoul of 'decay' as well. Rationalization, declared Kuusinen, necessarily "brings with it an absolute worsening of the position of the working class."<sup>139</sup> Varga had allowed for the possibility that intensification of labor could be accompanied by a rising real wage (this was evidently the conclusion he drew from his observation of Fordism), but Kuusinen argued that this conception of the standard of living was too "narrow." The correct conception was that the detrimental effects of intensification so greatly outweighed the benefits afforded by a higher real wage that "the standard of living is not rising in reality."

The full-blown 'theory of decay' also provided its own version of the necessity of capitalist collapse. Kuusinen

said:

I do not know if I am mistaken when I assume that 'the tendency of the decreasing number of workers' brought forward by Comrade Varga contains the germ of a new theory of the gradual decay of capitalism. The desire to find a consistent, unequivocal and terse economic motivation [sic] of the economic collapse of capitalism is a perfectly legitimate desire.[140]

But 'Varga's Law', continued Kuusinen, was unnecessary for such a purpose, as Marx himself had already provided "the general law which applies to the capitalist as well as to the older modes of production." All that needed to be said was that the existing (capitalist) relations of production had become a fetter on the development of the forces of production (i.e., capitalism had become 'rotten'). "Now is the time that Marx has predicted. The monopoly of capital has 'become a fetter upon the mode of production....'"<sup>141</sup>

In the setting of the third period and the corresponding turn to the left, acceptance of the 'theory of decay' naturally produced effects on the forms adopted by the Comintern's political practice--these will be more fully explored in the following subheading. But in order to accomplish this exploration in a rational manner, it has first been necessary to distinguish the claim (advanced here) that the 'theory of decay' influenced the forms of political practice, from the claim (e.g., by Claudin) that the 'theory of decay' caused or led to the notion of the third period.<sup>142</sup> The latter conception is no more correct than the widely held view, already discussed, which attributes the origins of the third period to Stalin or to the Soviet domestic situation.

D. The Communist International:  
Theses, Resolutions, and Conjunctures

Bourgeois writers frequently launch their crusades against communism by (quite suddenly) adopting a rather positive view of the Socialist International, and favorably comparing the congresses of the pre-war organization to the unrepresentative founding congress of the Comintern. <sup>143</sup> No doubt it is easy for hostile critics to complain of the haste in convening the Communist International, but the situation was undeniably urgent:

1. Allied military intervention against Soviet Russia began in April 1918 and expanded throughout June and August.

2. In Germany, after the resignation of dictator General Erich Ludendorff (September 1918) and the collapse of the subsequent effort to establish a parliamentary monarchy, state power was in the grasp of German socialists. From 10. November 1918 until 19. January 1919, a coalition of SPD and USPD People's Commissars (Karl Liebknecht at first refused to be seated as representative of the Spartakus League) <sup>144</sup> proclaimed socialism to be on the agenda. This changed quickly when a falling out between the SPD and USPD led to a confrontation and the establishment of a Revolutionary Committee (this time including Liebknecht, and representatives of the USPD and the Revolutionary Shop Stewards) ostensibly committed to the overthrow of the SPD Commissars. Masses of armed workers were in the streets, but the Committee delayed. After several days, the revolutionary energy of the workers dissipated, at which point the Committee inexplica-

bly 'acted' by decreeing the SPD government to be "overthrown." Seeing its opportunity, the regime instructed SPD stalwart Gustav Noske to "restore order", which Noske undertook by calling on a the-called Free Corps led by former imperial officers.<sup>145</sup> As might be expected, these latter took to their task with relish--among many others, Rosa Luxemburg and Karl Liebknecht were killed. On 19. January the 'socialist' Commissars relenquished power to a constituent assembly, the elections for which were boycotted (over Luxemburg's objections) by the recently formed Kommunistische Partei Deutschlands,<sup>146</sup> the KPD. The assembly quickly moved to establish a bourgeois parliamentary regime.

3. Even as the first congress of the Comintern was in session, revolution was breaking out in Hungary and Bavaria. By 21. March 1919, a Hungarian Soviet government came to power following the resignation of provisional President Count Michael Karolyi in favor of a communist/social democratic workers' coalition. This revolutionary government collapsed on 1. August 1919, following an ultimatum by the Allied Powers and military intervention by Czech, Serbian, and Rumanian troops. In Bavaria, following strikes and street battles since late February, a Soviet Republic was proclaimed on 7. April 1919 by a group of social democrats. Communists joined the government after the mutiny of the Muenich military garrison, but the regime was militarily overthrown on 1. May 1919.

First Congress of the Communist International  
March 1919

The invitation to the first congress (drafted by Trotsky) emphasized the need to distinguish the revolutionary parties and tendencies of the working class movement from reformist ones. It declared that the "present epoch is the epoch of the disintegration and collapse of the entire capitalist world system," and that the tasks of the revolutionary proletariat were immediate "seizure of State power" and the replacement of the bourgeois state with the dictatorship of the working class. The proletarian dictatorship was defined as consisting of the "destruction of the state apparatus of the bourgeoisie," the replacement of this apparatus by specifically proletarian organs of self-government (i.e., the soviets--simultaneously legislative and executive), and the abolition of private property in the means of production.<sup>147</sup>

As to the "right-wing" (social-chauvinist) and "center" (e.g., Kautsky) tendencies of the working class movement, it was said that the correct attitude toward the former was "unrelenting struggle," while the latter should be subjected to "the tactics of splitting off the revolutionary elements, and unsparing criticism and exposure of the leaders."<sup>148</sup> The invitation was issued specifically to some thirty-nine "parties, groups, and trends," and generally to any party which accepted the propositions outlined in the document.

The platform (drafted by Bukharin) ultimately adopted by the congress essentially repeated the major points of the



invitation with regard to tactics and objectives. Two novel items, however, merit attention. First, in a preamble to the platform, the "epoch of the dissolution of capitalism" was conceived as the culmination of a historical process in which (i) "[c]apitalism tried to overcome its own anarchy by organizing production" at the national level; (ii) although "[m]onopoly took the place of free competition [and i]nsane anarchy was replaced by organization" within each of the leading capitalist countries, "the anarchy in world economy grew ever sharper" in the form of the "struggle between the largest organized robber states...."; (iii) the proletariat in the advanced countries was "corrupted" by the bourgeoisie "[a]t the expense of the plundered colonial peoples...."; and finally, (iv)

the same method of steady corruption which created the patriotism of the working class and its moral submission was changed by the war into its opposite. Physical annihilation, the complete enslavement of the proletariat, tremendous oppression, impoverishment and deterioration, world famine--these were the final fruits of civil peace. It broke down. The imperialist war changed into civil war.[149]

In his greeting to the first congress, and in his concluding statement, Lenin was as optimistic as the others regarding the prospect of revolution in Europe. Nonetheless, he generally avoided, without explicitly criticizing or commenting on, the language of Trotsky ("disintegration and collapse") and Bukharin ("chaos").<sup>150</sup> It is tempting to emphasize these divergent modes of expression, and to ascribe great import to the difference in semantics. For some, the temptation becomes all the stronger when they examine

the accounts of the second Comintern congress, where Lenin did indeed comment unfavorably on the imagery of the ostensibly 'insoluble' crisis of capitalism. For now, it is sufficient to note that at the first congress, Lenin did not mention the choice of terminology. Furthermore, it will be argued shortly that it is all too easy to fasten onto Lenin's later comments, and to provide them an interpretation which is quite mistaken.

Another aspect of the program worth mentioning concerned the anticipated pace of the nationalization and socialization of production under the proletarian dictatorship. The program envisioned fairly rapid nationalization "of the big banks,...[the] syndicates and trusts, and of those branches of industry in which the concentration and centralization of capital makes this technically feasible." As regards smaller industrial concerns, "the proletariat must gradually amalgamate them by ways appropriate to their size"; the smallest properties "will not be expropriated" at all, and will be "gradually drawn into socialist organization by example, by the practical demonstration of the advantages following from the new regime...."<sup>151</sup>

These relatively moderate and pragmatic proposals stand in sharp contrast to much of the prevailing wisdom which views the period as one of unbridled 'radicalism' (all the more so because it coincides with the onset of war communism in Soviet Russia).<sup>152</sup> Granted, the 'ultra-left' first congress of the Comintern may have overestimated the prospects for revolution in Europe (in truth, they merely underesti-

mated the lengths to which social-democracy would go to thwart the revolution), but this 'ultra-leftism' most certainly did not extend to utopian visions of the immediate post-revolutionary period. Insofar as heroic illusions emerged over the course of the war communist epoch, these are properly regarded not as an antecedently formulated 'High Road to Communism', but as after-the-fact theorizations of desperate ad hoc measures in response to desperate (civil war and foreign intervention) circumstances. <sup>153</sup>

Apart from the above, one other matter of substance emerged at the first congress, and this concerned the argument of the KPD that the founding of the Comintern was premature. Basing itself on the late Rosa Luxemburg's organizational directives, the KPD mandated its delegates (Eugen Levine and Hugo Eberlein) to vote against forming an International on the grounds that the communist movement (at least outside the Soviet republic) lacked any national parties with a mass base. <sup>154</sup> As it happened, Levine was arrested at the German border and never reached Moscow, while Eberlein was swayed by an Austrian delegate and abstained (rather than casting a negative ballot) on the vote founding the Comintern.

\* \* \*

Despite the setbacks and defeats suffered by revolutionary uprisings outside Russia, optimism regarding the prospects of world revolution continued to prevail.

1. Hopes for a revolutionary resurgence in Germany had

been heightened by the rapid defeat of the Kapp putsch (March 1920). Troops under the command of General von Luttwitz had driven the Weimar government out of Berlin (an easy task, insofar as the Reichswehr refused to come to the aid of 'its' government), and installed a reactionary regime under Wolfgang Kapp. This government, however, quickly collapsed under pressure of a massive general strike called by the trade union federation and supported by communist rank and file. The KPD leadership opposed the strike on the grounds that it was not the proletariat's task to defend a bourgeois republic (also, they were still likely inclined to caution after the disaster of January 1919); the ECCI, however, was enthusiastic about the developments because the "German workers have got arms, that is the chief thing...."<sup>155</sup> The Kapp coup d' etat lasted only five days, and once again, given the disarray into which the Weimar coalition had fallen, a worker's government in Germany was a real possibility. Karl Legien, a trade union leader, called for the formation of a labor government (as opposed to either a coalition with bourgeois parties or a revolutionary soviet republic). Since this would not have been a bourgeois government, the KPD agreed to participate as a loyal opposition, but bickering within USPD ranks allowed the Weimar regime, in spite of itself, to maintain a tenuous hold on power.<sup>156</sup> The chance for a non-capitalist, much less revolutionary socialist, government once again slipped from the very grasp of those who professed to be struggling for the transformation of bourgeois society.

2. In April 1920, nationalist Polish forces under the reactionary-masquerading-as-socialist Marshal Josef Pilsudski invaded Soviet Russia with an army of half a million, and succeeded in capturing Kiev by May. Within only a few weeks, the Red Army under General Mikhail Tukhachevsky liberated Kiev, drove Pilsudski out of the Ukraine, and entered Poland. Pilsudski's request for armistice negotiations was rejected, and the Red Army approached the gates of Warsaw by July.

3. The civil war in Soviet Russia was essentially over, soviet power was being consolidated, and the allied military blockade against the regime had been lifted.

#### Second Congress of the Communist International July-August 1920

As if to appease subsequent critics, representation at the second congress was considerably broader than at the first, and this change found reflection in the fact that the serious organizational work of the Comintern only began with the 1920 congress. Over 200 delegates from 41 countries were in attendance, either as full member delegates or observers with consultative status. The SFIO and USPD found themselves in the latter category, although within a few months of the Congress, the majority of both the French socialists and German independents voted to formally affiliate with the Third International, causing splits in both parties. With the affiliation of the revolutionary sections of German and French socialism, the Comintern's membership came to include

several mass political parties: the Russian, of course, also the Italian Socialist Party,<sup>157</sup> the Norwegian Labor Party, and now the French and German Communist Parties.

On the opening day of the second congress, Lenin presented a draft document which was ultimately adopted as the "Theses on the Basic Tasks of the Communist International."<sup>158</sup> Lenin introduced the draft theses in his "Report on the International Situation," and explicitly noted that they contained "nothing that is materially new."<sup>159</sup> After elaborating on the notions of proletarian dictatorship and soviet power, Lenin turned to a brief discussion of the problem of internationalism.

As in the concurrent preface to the 1920 edition of Imperialism: The Highest Stage of Capitalism, in his speech Lenin tied the existence of an opportunist and national-chauvinist "labor aristocracy" to the "sop" obtained from the exploitation of the colonies.<sup>160</sup> In his comments to the congress, however, the theme was further developed and began to incorporate the notions (i) that revolutionary European and American socialists will find it more difficult "to get rid of this disease" than Russian socialists did, on account of the much more weakly developed material basis of opportunism in backward Russia; (ii) that the "treatment of this disease" will require deeper, more profound splits in the working class movement than previously thought;<sup>161</sup> (iii) and perhaps most interestingly, that the smashing of imperialism (and, presumably, the final defeat of the opportunist labor aristocracy) may hinge on

a union between revolutionary proletarians of the capitalist, advanced countries, and the revolutionary masses [i.e., not necessarily proletarian--M.K.] of...colonial, Eastern countries.... World imperialism shall fall when the revolutionary onslaught of the exploited workers in each country...merges with the revolutionary onslaught of hundreds of millions [of exploited persons in the colonies].[162]

This is a striking statement, interesting for a number of reasons. Firstly, it reflects what in 1920 represented for Lenin a novel political position--revolutionary internationalism was becoming as much identified, in Lenin's new thinking, with the political solidarity of workers in the developed countries and the oppressed masses of the colonies, as it was previously (during World War I) identified with proletarian attitudes to the imperialist war, i.e., as an aspect of the politics internal to the advanced social formation. The passage quoted above serves as one of the earliest indications of this theme, which would take on increasing importance during Lenin's few remaining years. Despite this change of outlook, note what remains the same as before: merely the shared experience of being oppressed by imperialism and threatened by inter-imperialist war did not provide assurances that the "union" between colonial toilers and European workers would simply be a condition which they found imposed upon themselves by 'blind' forces. Rather, "[i]t is on ourselves that the consolidation of unity depends." <sup>163</sup> Once again, the concrete situation is regarded as the particular set of constraints within which political intervention takes place, and hence the analysis reveals both the possibilities and the limits of what polit-

ical intervention can accomplish.

Secondly, Lenin's emergent 'third worldism' raises the question of the relationship between his and Luxemburg's theoretical views. For the latter, of course, the colonies were the 'non-capitalist areas' without which capitalism ostensibly could not exist, and her The Accumulation of Capital consequently accorded them explicit theoretical and empirical consideration. As already noted in the previous chapter, given the theoretical centrality of the colonial regions to her analysis, Luxemburg's subsequent discussion of their place in the revolutionary process was disappointingly brief and vague. But the real difficulty in Luxemburg's analysis had been that the socialist revolution in the developed nations was simply 'there', erected by the analysis itself as its own result. Luxemburg was not a fatalist, naturally she knew that revolutions did not just 'happen', and this was central to her life and thought as an activist. But she had failed to pose the question of the revolution as a theoretical problem for investigation in the sense that its failure to occur had to and could only be ascribed to betrayal by the leaders--there was literally no room in the analysis for anything else.

Lenin, upon first reading Luxemburg's Accumulation, thought that her graphic accounts of the brutal conditions in the colonies were "noisy, colorful and meaningless."<sup>164</sup> Naturally, Lenin knew that the colonies were an intrinsic and important aspect of the question of imperialism, and



indeed the colonies were where the capital went when it was exported and where the 'super-profits' came from when they were brought back. But he had failed to pose the theoretical problem of the colonies in the sense that for him they were merely 'there', being partitioned and re-partitioned. At that time, the (re-)partitioning of the world was interesting for Lenin neither because of the implications for relations between colonial masses and European workers, nor because of what the 'non-capitalist areas' spelled for the existence of capitalism per se (Luxemburg's problem). The latter two topics were ruled out as areas of inquiry in the course of posing the main question, viz., the significance of the (re-)partitioning of the world for the contradictions which it continually created between the ruling classes and the proletariats of the imperialist nations. However well or poorly, the question of the European revolution was being posed as a theoretical as well as a concrete, practical problem. The political conclusions which flowed from the analysis included the well-known 'weakest link' hypothesis, the strategy of defeatism, etc.

Nonetheless, as evidenced by the passage on the coming revolutionary "union," by 1920 Lenin was beginning to think seriously about political relations between classes in the developed capitalist countries and the 'periphery'. This 'third worldism' did not stem from any convergence of Lenin's theoretical approach with that of Luxemburg, as there is not a shred of evidence that late in his life Lenin appreciated the underconsumption argument any more than he

had earlier (recall the discussion on pp. 120-136 above). Neither was Lenin's interest in the colonies merely the expression of a political ploy "by Marxists, especially the Bolsheviks, for allies against the powerful centres of capitalist state power." <sup>165</sup> That explanation might be plausible if Lenin (and the Bolsheviks generally) had waited until 1922 or later, by which time it was fairly clear that the moment for the European revolution had passed, before expressing an interest in the revolutionary possibilities in the colonies. But Lenin was speaking of the "union" with colonial revolutionaries in July 1920, and in September of that year the Comintern organized the Baku Conference of the Peoples of the East, an effort to aid in the organization of revolutionary movements in Asia. Both of these events came long before there was any sign of a 'turn to the right' in Third International politics. The point is that an appreciation of revolutionary prospects in colonial areas was not simply an ad hoc tactic which "Marxists, especially the Bolsheviks," cast about for once the hopes for revolution in Europe dissipated.

There is a sense, however, in which the treatment of the colonial question was indeed ad hoc, and this has already been hinted at above. The 'colonial areas' were present in Lenin's Imperialism, but they were never objects of systematic theoretical scrutiny. At best, passing references to higher rates of profit, without further explanation, sufficed to establish the relevance of the colonies--they

were merely the destination of capital exports and the sources of 'super profits'. In many respects, this treatment was adequate; more precisely, given Lenin's primary concerns during the conjuncture of World War I, this poor theoretical grounding was not so inadequate as to prevent serviceable political deductions on matters of greatest urgency.

A failure to rigorously conceptualize the nature of the links between social classes in developed and developing regions did not prevent Imperialism from being a suitable guide to action during World War I and the onset of the revolutionary struggle. However, such an analytical gap could not but make its presence felt when Lenin and the others began to employ the framework of Imperialism to understand the politics and economics of the 'periphery'. To compound the difficulty, this theoretical gap was not perceived, and work proceeded as if the gap was not there. Such an oversight is not surprising, since the colonies did appear throughout the discussion. But it is one thing to 'appear', or to be 'discussed', and quite another to be an object of scientific investigation. <sup>166</sup> Pointing these things out is not intended to suggest that Lenin or anyone else was a theoretical ignoramus, for they were not. Rather, the object is to allow the benefits of hindsight to be of assistance in coming to grips with the very difficult task of understanding the theoretical conditions of the "concrete analysis of a concrete situation."

Among the effects of the failure to take note of the theoretical void in Imperialism and to fully rectify matters

has been the continual reproduction of the weakest aspect of the book--the empirical dimension of capital export and finance. <sup>167</sup> Perhaps even more serious consequences followed upon the effort (by Lenin to a certain extent, but especially by his followers) to grasp at concepts in order to fill this theoretical gap, either because the dearth was intuitively felt or because it simply came to be filled by default. In this regard, the ill-developed notion of a "moribund" capitalism performed a real disservice. Given the lack of an adequate theoretical grounding of the social and economic links between the imperialist nations and the colonies, the empty space came to be occupied by the pseudo-theory of an "overripe" capitalism, which seemed suitable (and continues to seem so) precisely because it apparently had something to say (e.g., capital export and its effects) about both developed countries and the developing regions. It is much easier to add two poorly developed concepts together and arrive at a third, and to be deluded into thinking that thereby progress has been made, than it is to force vague notions, little more than metaphors or unsorted observations, to 'fit' within a coherent, well-developed theoretical system.

The political effect of grafting the idea of an "overripe" capitalism onto a fledgling theory of imperialism became the tendency to overestimate the revolutionary potentialities of 'anti-imperialist' movements in the colonies, specifically the movements of the national or colonial bour-

geoisie. Although the overzealous pursuit of alliances with 'anti-imperialist' national bourgeoisies led to disastrous results only after the mid-1920s, the origins of these efforts can be traced back at least in part to Lenin's initiatives at the second Comintern congress. <sup>168</sup>

Lenin arrived at the congress with a set of "Preliminary Draft Theses on the National and Colonial Questions" to be submitted for discussion. The text called for "the closest alliance, with Soviet Russia, of all the national and colonial liberation movements" with the aim of fighting for a worldwide federation to be followed by "the complete unity of the working people of different nations." <sup>169</sup> In "the more backward states and nations," Lenin first of all pressed the need to "assist the bourgeois-democratic liberation movement," and only secondarily to carry on a struggle against religious and/or medieval elements. <sup>170</sup> Although vague enough to be (subsequently) interpreted in a fairly 'nationalist' manner, these arguments were strongly qualified by Lenin. Specifically, he warned against giving a "communist coloring to bourgeois-democratic liberation trends," and argued that while it was necessary for the Comintern to enter into "temporary alliance with bourgeois democracy," communist forces "should not merge with it, and should under all circumstances uphold the independence of the proletarian movement even if it is in its most embryonic form." <sup>171</sup>

Even with the qualifications listed by Lenin, the theses as written raised objections from some Asian dele-

gates to the congress. Sultan Zadeh of Persia, and especially the Indian delegate Manabendra Nath Roy, warned against the danger of allowing proletarian movements in the colonies, however tenuous they might be, to fall under the sway of the national bourgeoisie through the expedient of a 'temporary' alliance. As a member, along with Lenin, of the Comintern's Commission on the National and the Colonial Questions, Roy countered with a set of "Supplementary Theses." In general terms, Roy argued that rather than socialism in the less developed areas being dependent on the 'aid' which might be extended by revolutions in Europe, it was closer to the truth that "English imperialism has succeeded in keeping the British proletariat under the domination of the bourgeoisie." Not revolution in Europe first and then the liberation of the colonies, but these two developments "together...will overthrow the capitalist system in Europe."<sup>172</sup>

Lenin was ambivalent: in the "revolutionary union" quote, there is very much a sense of the complementarity yet autonomy of the colonial and European revolutionary processes, which puts Lenin close to Roy. In the meetings of the Commission on the National and Colonial Questions, however, Lenin still mentions the necessity of "aid" by the proletariat in the advanced countries if the socialist revolution is to be accomplished in the developing regions.<sup>173</sup> In any event, there was nothing entirely antithetical in Lenin's and Roy's views on this matter, particularly as the latter

buttressed his case with the familiar argument (also advanced by Lenin) that colonial 'super-profits' allowed the bribery of a European labor aristocracy. The real difference with Lenin came when Roy maintained that the bourgeois-democratic movement and "the mass struggle of the poor and ignorant workers and peasants...grow farther apart every day." Although he did not completely eschew temporary co-operation with the national bourgeoisie, Roy emphatically argued that rather than scrambling to secure 'alliances' with nationalists, "the foremost and immediate task is to form communist parties" in the colonies, since in most cases the "revolutionary strength of the liberation movements [there] is no longer confined to the bourgeois-democratic nationalists." Not only must the colonial masses maintain their "independence" and avoid "merging" with the nationalists (as Lenin had put it), but they must furthermore not abdicate "the leadership of the revolution...to the bourgeois democrats."<sup>174</sup>

Roy's amendments failed to make a major impression, and succeeded only in Lenin's agreeing to a largely rhetorical modification of his own theses by substituting

the term 'national-revolutionary' for the term 'bourgeois-democratic'. The significance of this change is that we, as Communists, should and will support bourgeois-liberation movements in the colonies only when they are genuinely revolutionary....[175]

Unfortunately for revolutionary socialism, history would come to show that bourgeois 'anti-imperialists' were also quite capable of making expedient alliances, and that indeed they were often more adept at the practice than the parties

of the Comintern.

It is not difficult to find evidence of the confusion sown by the (often implicit) injection of the "decaying capitalism" notion into the field of political debate. If imperialism was capitalism which had developed to the point of being "overripe," then it could readily be concluded that to oppose imperialism, to be 'anti-imperialist', was to be 'progressive'. Political action based on this interpretation, however, ran the risk of supporting capitalism in the colonies by urging workers' parties, for 'practical' reasons, to co-operate with bourgeois nationalists in ways such that the latter defined strategies and objectives. Naturally, it was this danger to which Roy so assiduously sought to draw attention. On the other hand, by taking this risk 'too far' and issuing concrete warnings about alliances with colonial bourgeois nationalists, one ran the opposite risk of appearing insufficiently committed to the overthrow of colonial rule. That this confusion could arise is amply demonstrated by the following exchange on the floor of the second congress. Note how close an indignant Roy comes to arguing against himself:

[M.N.] Roy: Serrati has referred to my theses and to those of Comrade Lenin as being counterrevolutionary.

[G.M.] Serrati: Oh, no!

Roy: I am sure that no proletarian can regard the assistance rendered to the oppressed peoples in their struggle against foreign oppression as being reactionary. Every national revolution in a backward country is a step in advance. It is unscientific to distinguish the various forms of revolution. Every revolution is one of the varieties of the social revolution. The peoples of the exploited countries, whose economic and political evolution has been hampered, must pass through the stages



which the European peoples have passed long ago. One who regards it as reactionary to aid these people in their national struggle is himself reactionary and the advocate of imperialism.[176]

The second congress had, however, explicitly rejected the notion that all societies must pass through necessary, sequential stages of development, and affirmed the view that the capitalist 'stage' could in fact be 'skipped'.<sup>177</sup> Nevertheless, a tension (and therefore, at times, confusion) developed between this stated position and the evolutionist/stages conception of history which the "moribund capitalism" theory of imperialism certainly encouraged in a tacit way. Interestingly, rejecting the "moribund capitalism" view can still be compatible with thinking of history in terms of necessary stages, although of course the political conclusions in that case will be quite different.<sup>178</sup>

It will be recalled that at the first Comintern congress, Lenin expressed no objection to comrades (e.g., Trotsky and Bukharin) who spoke in terms of "collapse" and "chaos." At the second congress, however, Lenin chided (without naming) those revolutionaries who

sometimes try to prove that the [capitalist] crisis is absolutely insoluble.

This is a mistake. There is no such thing as an absolutely hopeless situation.... [N]obody can 'prove' that it is absolutely impossible for [the bourgeoisie] to pacify a minority of the exploited with some petty concessions, and suppress some movement or uprising of some section of the oppressed and exploited. To try to 'prove' in advance that there is 'absolutely' no way out of the situation would be sheer pedantry, or playing with concepts and catchwords.[179]

Having made this point, Lenin immediately explained the constrained determinacy of political intervention in the

concrete situation:

All over the world, the bourgeois system is experiencing a tremendous revolutionary crisis. The revolutionary parties must now 'prove' in practice that they have sufficient understanding and organization, contact with the exploited masses, and determination and skill to utilize this crisis for a successful, for a victorious revolution.[180]

Richard Day takes note of Lenin's admonitions, throws in some other scattered remarks made by Lenin at various times in various places, and presents the lot as further evidence of the supposed dramatic divergence between Lenin and Day's favorite scapegoat, Bukharin. <sup>181</sup> Aside from the fact that Day's representations of Bukharin are generally transparently jaundiced, there are good substantive reasons for doubting Day's appraisal of these comments by Lenin.

Firstly, having thrown out his barb Lenin immediately blunted it by declaring that "[i]t is mainly to prepare this 'proof' [i. e., of the necessity of the demise of capitalism--N.K.] that we have gathered at this Congress of the Communist International." <sup>182</sup> Day creates the impression that the 'left' which Lenin subjected to such "harsh...criticism" represented some sort of 'left-in-general' and therefore included anyone, as for example Bukharin (or Trotsky), who was employing 'left' sounding catchwords such as "chaos" or "collapse." But the full context of Lenin's comments suggests something different, because immediately after the critical observation just quoted, Lenin spends two and one-half pages of manuscript belaboring not 'leftists', but reformists; next, a passing comment that the defeat of opportunism will be much more difficult in Europe and the

United States than in Russia; and finally, the conclusion that in comparison with the task of combatting reformism and opportunism, "the rectification of the errors of the 'Left' will be an easy one."<sup>183</sup> And the characteristics of this 'left' deviation? Lenin specifically lists only dogmatic anti-parliamentarianism, which makes it clear that just as in his contemporaneous 'Left Wing' Communism--An Infantile Disorder,<sup>184</sup> Lenin was singling out for criticism the anarchist and syndicalist elements within the International, not figures like Bukharin or Trotsky. Neither of the latter two had ever rejected in principle the notion that revolutionaries should make use of the bourgeois parliament in order to overthrow capitalism. Secondly, in order for his argument to hold, Day would seemingly have to explain Lenin's failure to take note of and criticize the terminology of 'collapse' at the first congress, over a year earlier, when it was if anything even more pronounced. It is difficult to believe that this was the result of simple oversight on Lenin's part, since he was not one to overlook "shades of meaning" which could congeal into principled differences at critical moments.

The reason that Lenin had failed to raise the issue at all during the first congress, and only pursued it so mildly at the second, is very simply that the theoretical terrain on which the capital accumulation debates of the Second International were conducted was now irrelevant--neither the Bolsheviks nor, for that matter, any other significant ad-

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herents of the Third International thought that capitalism would 'collapse' in the sense that Luxemburg or Kautsky believed, or the sense in which Bernstein thought Marxists by and large believed. Talk of 'collapse' was conjunctural, collapse was not (especially not its concrete forms) deduced as a necessity from abstract premises and, as such, when Lenin at this time made references to a capitalism which was "doomed"<sup>186</sup> and to the victory of the socialist revolution as "assured",<sup>187</sup> he was not saying anything so different from what Bukharin or Trotsky said. At this time, the real issue that Lenin regarded as the line of demarcation between Bolshevism and the ultra-left was not around the terminology (or, for that matter, the immediacy) of capitalist 'collapse'--the real difference lay in the choice of tactics to spur the coming European revolution. The feeling in the party and in the Comintern generally was that capitalism in at least some of the leading European countries was finished. While it is true enough that in a few years it would be necessary for all (including Lenin) to speak of "illusions," it is a far different thing to claim that at this time a significant voice in the party was deducing the necessity of 'collapse' from a study of the reproduction schemes in Capital volume two. Had there been such persons, it would have made little sense for them to have become Bolsheviks in the first place.

Lenin's efforts to restrain the anarchist and 'ultra-left' inclinations, both before and during the second congress, brought some results. The "Theses on Communist Parties

and Parliament" adopted by the second congress, despite some objections from the left, instructed Comintern affiliated organizations not to forego as a matter of course participation in bourgeois parliaments. The guidelines were quite clearly spelled out:

The communist party does not enter this institution to function there as an organic part of parliament, [but to carry out] activity inside parliament which consists chiefly in revolutionary agitation from the parliamentary tribune, in exposing enemies, in the ideological mobilization of the masses....[188]

While it was of course never suggested that parliamentary activity be anything but "wholly and completely subordinate to the aims and tasks of the mass struggle outside parliament," the directive stated that any "absolute and categorical rejection of participation in elections" was a "naive and childish doctrine...beneath criticism."<sup>189</sup>

Perhaps even more significantly, Comintern cadre were ordered not to reject work within reformist trade unions. The "Theses on the Trade Union Movement, Factory Councils, and the Communist International" adopted at the second congress instructed communist trade unionists to utilize the 'economic' struggle to overcome the "indecision of the working masses...[and] their susceptibility to the specious arguments of the opportunist leaders." The objective of trade union work must be to convince the workers of the need "to get rid of the opportunist union leaders," and for "communists to get at the head of the trade union movement and make of it an organ of revolutionary struggle...."<sup>190</sup>

Again, the theses on trade unions were not adopted

without misgivings, voiced particularly by the U.S. and British delegations. The Americans and British argued that the existing reformist trade unions could never be won over to communism, and that new revolutionary unions must be formed. The theses, however, strongly inveighed against such views, and condemned any

voluntary abstention from the unions, all artificial attempts to create separate trade unions, unless compelled thereto either by extraordinary acts of violence on the part of the trade union bureaucracy, or by their narrow policy of serving only the labor aristocracy which makes it impossible for the less skilled workers to join....[191]

At the same time, however, communists

should not shrink from a split in the union organizations if the refusal to split would be tantamount to abandoning revolutionary work in the unions.... But even if such a split should prove to be necessary, it should be effected only if the communists succeed in convincing the broad working masses...that the split is to be made not for the sake of distant revolutionary aims which they do not yet understand, but for the sake of the most immediate practical interests of the working class....[192]

Finally, for most histories of the Communist International, all the happenings at the second congress pale in comparison to the adoption of the infamous "21 Conditions of Admission" to the organization. The essential provisions of the "21 Conditions" required the immediate (and periodically repeated) purging of centrist elements from adherent parties; mandated the creation of parallel illegal organizations which would enable revolutionary work to be carried on in the event of the suspension of bourgeois 'democracy'; obligated the member organizations to conduct agitation within the military, in the countryside, and in reformist

trade unions; required an open disavowal of social-patriotism and social-pacifism; ordered each "party which wishes to join the Communist International...to give unconditional support to any Soviet republic in its struggle against counter-revolutionary forces"; stipulated that the organizational form of the Communist International and its member sections would be that of democratic centralism, with supreme authority vested in the regular world congresses of the Comintern (the power to issue binding decisions resided with the ECCI in the interim periods between congresses).<sup>193</sup>

In his discussion of the second congress, Fernando Claudin makes mention of "the new catechism" and "a sectarian and dogmatic spirit." For a moment, he even finds it opportune to make an unusually favorable (for him) appraisal of the Russian Communist Party (b), so as to be able to contrast its genuinely revolutionary heritage and flexibility with the "verbalism" of the Comintern "[u]nder the influence of the '21 Conditions'."<sup>194</sup> Braunthal likewise notes the "uneasiness" which the "21 Conditions" created among Comintern moderates like Giacinto M. Serrati (who objected to the demand for expulsion of rightists and centrists from the communist parties) and Artur Crispian (who wished a clearer distinction between the use of force, which he claimed he did not oppose, and civil war and terrorism,<sup>195</sup> which he felt social democracy must reject). In order to highlight their odious nature, Braunthal points out that not only the moderates raised objections to the "21 Conditions." He describes the opposition of the 'left-wing' trade un-

ionists (already encountered above in the discussion of the "Theses on the Trade Union Movement") to working within reformist trade unions, and their argument that since the existing trade unions could not in any significant measure be won over to the communist cause, new revolutionary trade unions had to be formed. Braunthal quotes William Gallacher, a Scottish trade union leader, who somewhat condescendingly argued that "[w]e left-wingers have already been active in the British trade unions for twenty-five years and we have not succeeded in revolutionizing them from within." <sup>196</sup> This was true, no doubt, but the point was that neither had the "left-wingers" succeeded in building an independent, non-reformist alternative. It is rarely mentioned, and Braunthal is no exception, that in the actual vote the "21 Conditions" <sup>197</sup> were carried with only two ballots opposed.

Braunthal hence arrives at an impasse, some version of which recurs throughout his work. Intimating that his socialist vision is a revolutionary one, he begins by insisting that the revolutionary outcome is only compatible with the support of the "great majority" of the masses (citing <sup>198</sup> Luxemburg, who Braunthal professes to admire). From this, Braunthal somewhat illogically concludes that the unity of the working class must be maintained at all costs, even if this means unity with unabashed reformists or outright anti-socialists. <sup>199</sup> The Bolsheviks, in Braunthal's estimation, erred by seeking to effect a Blanquist coup d' etat, without mass support. But insofar as the Bolsheviks particularly,



and the Comintern generally, pursued support for the revolutionary socialist project within the greater labor movement, Braunthal objects that any such activity threatened the sacrosanct unity of the proletariat. Leaving aside the fact that any claim as to the 'unity' of the working class in the conjuncture of World War I Europe is an empty one, Braunthal constructs a sophism from which there is no escape, and then chides those who sought to break out of it.

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The period following the second congress of the Comintern saw a series of defeats and setbacks for the revolutionary proletariat.

1. Following its early success in repelling the Polish invasion of March 1920, the Red Army was flung back from Warsaw in mid-August by the Polish counter-offensive under (French) General Weygand. The Riga armistice, on terms favorable to Pilsudski's regime, was finally signed in March 1921.

2. The political situation in Italy became increasingly volatile over the summer and fall of 1920. Following the breakdown of wage negotiations between northern Italian workers and employers, a series of work slowdowns finally led to a lockout in early September, and several hundred factories in Milan, Genoa and Turin closed. The workers responded by breaking in and seizing the factories, and proceeded to operate them under workers' control. The movement spread, the police and military avoided confronting the workers, but the process faltered when banks and raw mate-

rials suppliers refused to deal with occupied factories. Representatives of the Italian Socialist Party and its trade union federation rather narrowly voted to limit demands to very modest, reformist objectives. The government of Premier Giovanni Giolitti agreed to wage increases and recognition of union participation in management--the workers' action was quickly defused.

By autumn, Italian fascism had become a mass movement, funded by capitalists and landowners and supported by the Vatican. Armed squads carried out attacks against trade-union offices, socialist publishing operations, municipal offices in the socialist controlled towns, and peasant organizations.

3. Having acquiesced in employers' efforts to provoke workers in Prussian Saxony in March 1921, <sup>200</sup> the Social Democratic government there sent in security forces to occupy the area. The KPD responded by calling first for insurrection and later, in view of the very uneven and often tepid response to the signal for an uprising, a general strike. Apart from miners in the area around Mansfeld, Saxony generally, Hamburg and the Ruhr, working class support for the infamous 'March action' was sparse, and indeed, much of the fighting was between striking workers and those who remained on the job. Many hundreds of people were killed, and the KPD suffered not only a major tactical defeat, but also a substantial decline in its membership over the next several months.

4. The 'March Action' had been preceded by internal struggles and a split within the KPD. With a selective lapse of memory, Braunthal forgets his previous admonitions on the paramount importance of "the sticking together of all workers' tendencies,"<sup>201</sup> and warmly praises the moderate leader "Paul Levi, an exceptionally capable and cultivated intellectual who had been a close friend of Rosa Luxemburg, [for having] expelled the 'putschists' and Anarchists from his [sic] party."<sup>202</sup> The latter tendencies had formed the Kommunistische Arbeiters Partei Deutschlands (KAPD), or German Communist Workers' Party, and were admitted to the Comintern as sympathizing members. Unfortunately for Levi, he came into conflict with the Central Committee of the KPD over his opposition to the "21 Conditions." Outvoted on the CC, Levi resigned and the leadership of the party passed to August Thalheimer and Heinrich Brandler.<sup>203</sup> After the failure of the 'March Action', Levi wrote slanderous pamphlets attacking the leadership of both the KPD and the ECCI. Eventually, he and his supporters went on to join the USPD.

The 'March Action' had taken place with this volatile state of affairs inside the KPD for a backdrop. Historians continue to debate the extent of Comintern involvement in the decision to stage the uprising, and while there is no doubt that there were Comintern representatives in Germany, who "may have had [specific] instructions from Zinoviev," arguments that the KPD was simply manipulated from Moscow for purely Russian ends do not appear to hold up in light of documentable evidence.<sup>204</sup> It should not be overlooked that

the sense of opportunities lost because of the KPD's inaction during the Kapp putsch a year earlier had led to significant support for a policy of action within the party. Indeed, although the leadership which replaced Levi was not from the left wing, it did subscribe to the notion that the time was ripe for a transition from revolutionary propaganda to revolutionary action, i.e., the so-called "theory of the offensive." This view had already begun to conflict with the increasingly cautious Comintern policy.

5. In Soviet Russia, also during March 1921, the sailors of the Kronstadt naval garrison mutinied following a winter of rising discontent over the policies of war communism. Even as the Kronstadt rebellion was unfolding, the tenth congress of the Russian Communist Party (b) was in session, and acting to replace the mechanisms of war communism with those of the New Economic Policy. It must be repeated that while war communism, being a series of ad hoc responses to conditions of civil war and foreign intervention, had certainly not been implemented as a consciously conceived vehicle for an heroic 'leap' into pure communism by an act of will alone, "illusions" did emerge over the course of the period. Lenin and other leaders later frequently made references to such "illusions"--consequently (particularly in its early stages), the N.E.P. was widely regarded as a 'retreat'.

The beginning of 1921 is for all these reasons frequently seen as marking the apogee of revolutionary volunta-

rism within the Comintern until the 'turn to the left' of the late 1920s. Some historians suggest that during the years 1919-1920 the communist parties had come to conflate their optimism regarding the prospects and imminence of the European revolution with their own capacity to determine the course and pace of events. <sup>205</sup> There is no doubt that the Comintern regarded the situation in the post-war years as revolutionary, and that the member sections expected and worked toward the overthrow of capitalism in one or several countries of Europe. But this is not so strange, as many members of the bourgeoisie and its ideologues, not least among these John Maynard Keynes, <sup>206</sup> demonstrated by both rhetoric and action that they shared at least somewhat the assessment of the situation (if not the goals) provided by the Comintern.

While it is one thing to take note of the sense of revolutionary optimism within Comintern circles prior to the third congress, it is quite another to leap from this to the following 'analysis' by Braunthal:

The Third Congress of the Communist International, which met in July 1921, no longer called upon the Communist Parties, as the Second Congress had done, to 'hasten' the revolution; its slogan was: 'Go out to the masses!' The congress declared that Communist parties should avoid revolutionary action which had no prospect of succeeding [such action had of course never been encouraged--N.K.], but should try to capture the majority of the working class by pursuing a day-to-day struggle to win immediate benefits for the workers.[207]

Braunthal misleadingly implies that a concern with mass politics was absent until the 'To the Masses!' slogan. But a year earlier, the second congress had also instructed the

member sections "to keep always in closest touch with the broadest masses of the proletariat." <sup>208</sup> Jane Degras similarly writes that "although Levi had been expelled for attacking the policy of artificially creating revolutionary situations, it was his policy which was in fact adopted" at the <sup>209</sup> third congress. But the "ECCI Statement on the Expulsion of Paul Levi" which Degras herself supplies reads:

In the name of the small bureau and the entire ECCI, comrade Zinoviev declared, 'It is an abominable lie that the ECCI or its representatives provoked the March rising. This fable was needed by the German counter-revolution, on whose side Levi stood....' Even if Paul Levi were nine-tenths right in his views of the March offensive, he would still be liable to expulsion from the party because of his unprecedented violation of discipline and because, by his action, in the given circumstances, he dealt the party a blow in the back.[210]

One might also recall Lenin's comments on Levi, noted above, which were once again cited by Degras herself without in any apparent way affecting her conclusions regarding the Levi <sup>211</sup> affair.

Far from accurately reflecting either the state of mind or the issued proclamations of the second congress, opinions such as Braunthal's or Degras' considerably and misleadingly overstate the extent to which voluntarist delusions came to be codified in Comintern instructions. Leaving aside the fact that communist action during this period was only intermittently and sporadically audacious, and that there was no talk of "revolutionary war" after Brest-Litovsk, it is necessary to point out again that the "Theses on the Basic Tasks of the Communist International" (already referred to above) approved at the second congress was in fact a

rather pragmatic document. The idea that "to accelerate the revolution" is an "immediate task" of the communist parties appears embedded in the fifth thesis in the section on preparatory work, and is not mentioned again in fourteen pages of manuscript. <sup>212</sup> Note also that to call something an "immediate task" does not necessarily imply that it is the only or even most consequential one. When seen in the context of the document, "to accelerate the revolution" does not leap out as a dominant 'slogan' or theme, but rather as one "task" (among many others) which is "immediate" in the sense of proximate--the situation was a revolutionary or at least potentially revolutionary one. That politically active persons regarded the period as such should not seem so strange, except perhaps to those who have never been able (then or since) to see anything but "a world that was either indifferent or hostile to Communist revolution." <sup>213</sup> The directive "to accelerate the revolution" is immediately qualified by the warning that the communist parties must proceed by "taking care not to provoke [the revolution] artificially before adequate preparations have been made." The bulk of the document, indeed, consists precisely of a chronicling of the necessary tasks of preparation rather than acceleration:

[T]o attract not only the entire proletariat, or its overwhelming majority, but also the entire mass of working people.... [T]o rally the scattered communist forces, to create a united communist party in each country.... [To secure the support of] the overwhelming majority of the proletariat.... [To seek this support in] all organizations, unions and associations of the working and exploited masses without exception.[214]

The third congress does mark a watershed in Comintern

politics, but it represents not as dramatic a reversal as Braunthal, Degras and others suggest. In this regard at least, the 'official' Comintern periodization of its own history, which speaks only of a "high point" in "direct revolutionary action" around the end of 1920 and the beginning of 1921, is nearer the mark than the assessment offered by social-democratic writers. <sup>215</sup> There was recognition of an "ebb in the revolutionary tide," but the sense of retreat was certainly not so general as to precipitate a complete and thorough break with extant tactics. The Communist International's 'turn to the right' was a protracted maneuver, it was not cleanly executed, it was not undertaken without vacillation and ambivalence. Moreover, as will be seen shortly, even before the 'turn to the right' was complete in any real sense, it already became possible to detect elements of the subsequent 'turn to the left'!

Third Congress of the Communist International  
June-July 1921

At the congress, Lenin presented "Theses for a Report on the Tactics of the RCP" which served as the basis of his spoken report. In both the document and the speech, Lenin introduced the theme which he would develop in the coming months, viz., that "the development of the international revolution, which we predicted, is proceeding, but not along as straight a line as we had expected." <sup>216</sup> The result was "that a certain equilibrium has now undoubtedly set in between the forces that have [until now been] waging an open, armed struggle." <sup>217</sup> This did not mean a victory or



defeat for either side, or even a decisive shift in the tide of battle. Rather, this "brief respite" did not rule out an upsurge in revolutionary action, even as it offered an opportunity to "thoroughly prepare for revolution and make a deep study of its concrete development;...adapt our tactics to this zigzag line of history;...[and win] over the majority of the proletariat."<sup>218</sup>

The general "Theses on Tactics" (drafted by the Russian and German delegations) adopted at the third congress sounded similar themes. "The world revolution...will require a fairly long period of revolutionary struggle," although "in the period of chronic capitalist decay, the continuous revolutionary sapping comes at times to a head in an acute crisis." Moreover,

the world economic crisis which began in the middle of 1920 and spread over the whole world, increasing unemployment everywhere, proves to the international proletariat that the bourgeoisie are unable to rebuild the world anew.... [T]he illusion that by renouncing the conquest of political power in revolutionary struggle [social-democracy] could gradually and peacefully achieve economic power and self-government, is fading away....

The most important question before the Communist International is to win predominating influence over the majority of the working class.... For despite the objectively revolutionary situation...the majority of the workers are not yet under communist influence....[219]

Contrary to Braunthal's implication, the emphasis newly placed on partial demands in the Comintern "Theses" was not the result of a fundamental strategic re-orientation. The "Theses" state:

Communist parties can develop only in struggle.... The entire agitation and propaganda, all the work of the communist parties, must be informed with the consciousness that no lasting improvement in the position of the proletarian masses is possible on a capitalist basis....

But this should not imply a renunciation of the struggle for the practical, urgent needs of the proletariat until it is ready to fight for the dictatorship....

The task of the communist parties is to extend, to deepen, and to unify this struggle for concrete demands. Every partial action undertaken by the working masses to achieve a partial demand, every serious strike, mobilizes the entire bourgeoisie, who...also bring into action their entire State machine.... The workers who fight for partial demands will be automatically forced into a struggle against the entire bourgeoisie and their State apparatus....

Any struggle may turn into a struggle for power....[220]

Fundamentally, the Comintern continued to regard the period as belonging to "the epoch of world revolution," in which the communist party must be "by its very nature an attacking party,...obliged, whenever a defensive struggle grows in depth and extent, to turn it into an attack on capitalist society."<sup>221</sup>

G.D.H. Cole, like Braunthal, considers that "in 1921 and for the next two or three years, Comintern policy moved sharply rightwards."<sup>222</sup> Insofar as Cole succeeds in making good his case, he does so primarily by getting the dates all wrong. Writes Cole, without citation: "Thus was born, in June 1921 [i.e., at the third congress--N.K.] the notion of the 'United Front'."<sup>223</sup> In fact, however, the "Directives on the United Front of the Workers" were only issued at a meeting of the ECCI in December 1921. They allowed for joint action by Comintern affiliated workers on the one hand, and sympathizers of the Second International and the Independents on the other. This was permissible insofar as "the influence of the mounting capitalist attack...has awakened among the workes a spontaneous striving toward unity" which could, through the use of united front tactics, win over

workers to the revolutionary camp. It was stressed, of course, that this 'unity' could under no circumstances be allowed to lead to "tendencies which would in fact amount to the dissolution of communist parties and groups into the united but formless bloc." This meant among other things that "communists must retain the unconditional right and possibility of expressing their opinion...not only before and after action has been taken but also, if necessary, during its course." More significantly, several member sections objected to the tactics of a united front as presented, with the result that they were not finally approved until the June 1922 meeting of the ECCI, almost a year after the third congress. Even so, there was sufficient continued objection to the united front that the question was added to the agenda of the fourth congress (November 1922). By that time, a 'left' distinction was already being drawn between a united front "from above" (collaboration of communist and socialist leaders in organizing joint action) and a united front "from below" (an "agitational and organizational rallying of the working masses"). Only the latter, it was said, could ever signify the "true realization" of the united front tactic. <sup>224</sup> Cole, however, incorrectly (by about a year too late) dates the united front "from above" and "from below" distinction only from late 1923, saying that with <sup>225</sup> this change "Comintern policy swung again leftwards." Stranger still is Cole's claim (again without reference) that "other slogans" such as "the cry for a 'Workers' Gov-

ernment'" originated with the third congress. <sup>226</sup> In fact, however, the tactic of communist participation in "Workers' Governments" was officially approved only at the fourth Comintern congress, a year and a half later than Cole <sup>227</sup> suggests.

Both the extent and decisiveness of the Communist International's 'turn to the right' are thus greatly exaggerated by a writer like Braunthal, who overlooks all of the considerable elements of continuity between the second and third congresses, or Cole, who inaccurately ascribes all aspects of the rightward drift to the third congress. Cole's assessment therefore has a twofold effect: it makes the rightward turn seem much more decisive than it actually was, and it creates the false impression of a fairly well-defined period of several years duration in which 'right-wing' policies and tactics were in place. In fact, however, a slightly less cavalier attitude to the dating of events shows that even over the course of the drift to the right, counter-tendencies of a leftward inclination were operative.

At one of the early sessions of the third congress, Trotsky delivered a speech on the "World Economic Crisis and the New Tasks of the Communist International," and together with Varga he drafted the "Theses on the World Situation and the Tasks of the Comintern," which were unanimously adopted by the congress. In the speech, Trotsky noted that the bourgeoisie had grown considerably in "self-assurance" between 1919 and 1921, but that it was too early to see in this the restoration of a capitalist "equilibrium." The

general tenor of the speech certainly suggests neither that Trotsky felt the revolutionary moment had passed by, nor that he believed (any more than Lenin) that a full-scale strategic re-orientation was in order. <sup>228</sup>

Although Trotsky participated in drafting the "Theses," the document also clearly bore the stamp of Varga's thinking. The "Theses" reiterated Trotsky's argument to the effect that the brief post-war recovery was but a fleeting "reaction to the fictitious prosperity of wartime. The "normal sequence of boom and crisis, [which] used to occur on a rising curve of industrial development," had been replaced by a long term downward trend in which cyclical upturns would be brief and "largely speculative in character [whereas] crises will be prolonged and severe. The present crisis in Europe is a crisis of under-production...." <sup>229</sup>

The European war, the "Theses" went on to declare, had produced contradictory effects on the development of capitalism in the United States. On the one hand, the annihilation of European industrial capacity together with the continent's demand for materiel stimulated U.S. industrial output (reversing the traditional composition of U.S. exports from predominantly agricultural), and turned the United States into the world's largest holder of gold. On the other hand, the decline of Europe represented the loss of markets for the United States: "Europe needs American products but has nothing to offer in return. Europe is suffering from anemia; America from plethora." Moreover, the

depreciation or outright collapse of many European currencies exacerbated the difficulties of resuming trade. <sup>230</sup>

In a somewhat confused manner, the "Theses" maintained that the process of "proletarianization...[has] made enormous progress..." despite the crisis of accumulation. The "Theses" failed to clearly distinguish proletarianization from "pauperization," and concluded only that impoverishment would provide "the class struggle a tense, bitter, and convulsive character." At the same time, it was argued that the only means by which European capitalism could be restored would be an even more profound depression in working class living standards. "This is what the capitalists are asking and this is what the treacherous leaders of the Yellow International are recommending.... But the European proletariat is not ready to sacrifice itself." The conclusion was by no means quiescent: "[T]he curve of capitalist development is downwards, with a few passing upward movements, while the curve of revolution is rising although it shows a few falls." <sup>231</sup>

Speaking several months after the third congress on the (domestic) question of the transition to the New Economic Policy, Lenin had recourse to a metaphor also applicable to <sup>232</sup> the (international) question of the European revolution. During the Russo-Japanese war, Lenin recalled, the Russian fortress at Port Arthur was captured by the Japanese General Nogi in two distinct steps--a "first stage...of furious assaults," which was unsuccessful and entailed heavy losses for the Japanese, and a second step of protracted, "extreme-

ly difficult and slow...siege," which eventually led to the surrender of Port Arthur. Lenin maintained that while unsuccessful, the first step was necessary and in actuality represented "the only possible tactics that could have been adopted under the conditions then prevailing, i.e., the opening of hostilities," for two reasons. First, an attempt at direct assault was worth the (not unanticipated) heavy cost, in that had it been quickly successful "it would have released the Japanese army for operations in other theaters of war...." Secondly, "without testing the enemy's power of resistance, there would have been no grounds for adopting" the tactics of siege. The New Economic Policy on the domestic front, and by extension the shift in Comintern tactics on the international front, did not (at least not yet) represent a retreat--the period of direct revolutionary action was not over, but a different approach was required in the face of a renewed "general capitalist offensive" against the revolutionary proletariat. <sup>233</sup> The Comintern had never countenanced ultra-leftism or putschism, but at this juncture it was all the more necessary to discourage thinking along the lines of the "theory of the offensive" so prevalent in, for example, the KPD.

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1. Throughout the spring of 1922, efforts aiming to establish a basis for unity between the Second and Third Internationals were undertaken by the wizened Vienna (or Two-and-a-Half) International, but these came to naught. In

June 1922 the Second International declared it would no longer engage in dialogue with the Comintern and that, in essence, the Vienna International could do as it wished. By May 1923 these 'right' and 'center' tendencies in the international labor movement came to be amalgamated "under the name 'Labor and Socialist International'. It laid down no conditions for admission and formulated no policy programme." The statutes of the new International left the internal policies of the member parties to be formulated entirely at the national level although it was declared, recalling the ignominy of August 1914, that in the event of war the affiliated parties would be required to recognize the International as a higher authority. Even Braunthal obliquely recognizes the ingenuousness of the scheme, conceding that this was the most that "could be done by statutes."<sup>234</sup>

2. With the resumption of diplomatic relations between Germany and Soviet Russia after the Rapallo agreement of April 1922, the uneasy ambivalence of Soviet attitudes to the European capitalist powers moved toward "a single coherent foreign policy in which rapprochement with Germany pre-<sup>235</sup>dominated over rapprochement with the western powers." Under the terms of the agreement, the Russian republic would (secretly, of course) aid Germany in avoiding the extraordinary Versailles prohibitions on armaments production, while Soviet Russia would share in German technological expertise. The treaty contained no secret clauses specifying political or military obligations; the principal binding agreement was



to consult one another prior to commencing on an economic undertaking (with a third party) that could affect the partner.

3. Following the fascist march on Rome, Mussolini was installed as prime minister of Italy on 30. October 1922, with his party holding fewer than ten percent of the seats in parliament and only four of fourteen cabinet positions. Mussolini's ascent to power did not cause much of a stir in bourgeois circles. Indeed, insofar as the European elites at this time did not merely ignore Mussolini and fascism, they were actually rather positively disposed toward the developments in Italy.  
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4. At the end of 1922, the Russian Socialist Federal Soviet Republic became the Union of Soviet Socialist Republics (U.S.S.R.), and a constitution formally establishing the Union was drawn up in 1923 to replace the earlier treaty which had linked the Russian, Ukrainian, White Russian, and Trans-Caucasian republics.

Fourth Congress of the Communist International  
November-early December 1922

It was in his report to the congress on "Five Years of the Russian Revolution and the Prospects of the World Revolution" that Lenin made his oft-quoted comments on the importance of "the idea that we must prepare ourselves for the possibility of retreat," and "not only from the viewpoint of a country whose economic system [is very backward]...but also from the viewpoint of the Communist Inter-

national and the advanced West-European countries." Rather than immediately drawing up a new program, Lenin suggested that the "most important thing for all of us, Russian and foreign comrades alike, is to sit down and study." <sup>237</sup> With his familiar habit of utilizing the analysis of one problem to illustrate or highlight the central features of another, Lenin employed a discussion of the New Economic Policy to designate the nature of the retreat underway inside Soviet Russia, seeking thereby to specify the characteristics of the retreat on the international front whose "possibility" had to be "prepared." Insofar as most commentators dwell on Lenin's words regarding the preparation for "retreat" (more precisely, its "possibility"), they tend to overlook a parallel theme in the speech, viz., the way in which the formulation of a "possible line of retreat" could actually represent a "step forward." These two lines were undoubtedly present in Lenin's thinking at that time, and their appearance was an indication of a strategic shift, albeit one of a different sort than would be identified from an exclusive <sup>238</sup> focus on the issue of retreat. Lenin had in fact regarded the N.E.P. purely in terms of retreat for only a rather brief period. At the time of the fourth Comintern congress, only a year and a half after the implementation of the N.E.P., Lenin already conceived of the strategy in the dual sense outlined above. And significantly, by early 1923, Lenin would write of the N.E.P. as the vehicle which, admittedly, "is still not the building of socialist society, but <sup>239</sup> it is all that is necessary and sufficient for it."

Whether this was a correct or realistic outlook (it was neither) on the prospects of the New Economic Policy is entirely beside the point here. What matters is that the N.E.P. on the domestic front, and the strategic re-orientation on the international front, were not perceived as unequivocal retreats any more than backing out of a blind alley and proceeding along a different route would be perceived as failing to arrive at one's destination (or changing the destination).

The united front tactic already referred to was not a retreat per se, it was not synonymous with an embrace of reformism, and finally, it was not "exactly what Levi had fought for."<sup>240</sup> The similarity between Levi's conception of the united front and the view of the Comintern extends little further than beyond the shared name. In the interests of a 'united front' Levi, in 1921, had campaigned to allow the Serrati faction of the Italian Socialist Party to remain in the Comintern despite its clearly evident refusal to apply in practice the "21 Conditions." As noted earlier, the party split over this issue, with the Serrati faction departing from the Communist International. It is simply not true, as Ben Fowkes maintains, that the situation after the Comintern's adoption of united front tactics was somehow substantially altered and that the attitude toward Serrati would have been different. There is no indication that the Third International moved to dispense with or even weaken its organizational directives (indeed, a more thoroughgoing

'bolshevization' was in the offing). More accurately, activity under the rubric of the united front was a refinement of the 'splitting' tactics encountered a few years previously, and so often regarded as an index of the 'leftist' Comintern. "The reformists need a split," declared the "Theses on Tactics" adopted at the fourth congress, and the united front was the vehicle by which this would be accomplished.<sup>241</sup> Significantly, both Karl Radek and Zinoviev (respectively, the ECCI spokespersons for the united front 'from above' and 'from below') very emphatically declared that the united front was "but a first attempt to drive the social-democrats to the wall" and that an interpretation of the united front as a unification of communism and social-democracy "would be the biggest crisis we could commit."<sup>242</sup> At a June 1923 meeting of the ECCI, Zinoviev stated that the united front was a "strategic maneuver [which] consists in our appealing constantly to people who, we know in advance, will not go along with us."<sup>243</sup>

Similarly, the virtue of the struggle for a workers' government was seen to reside in the possibilities it offered "for invigorating the revolutionary labor movement" and for "concentrating the proletariat and unleashing revolutionary struggles." Communist support of social-democratic (and "liberal") workers' governments was specifically prohibited; "[o]n the contrary, [communists] must vigorously expose to the masses the real character of these pseudo-workers' governments."<sup>244</sup>

In sum, the mood at the fourth congress was cautious,

but not unequivocally so. Lenin's speech, with its enigmatic appraisal of the "possibility of retreat," nonetheless held to an outlook for "excellent" prospects.<sup>245</sup> Trotsky at this time was particularly adamant that following the political defeats recently suffered by the revolutionary proletariat, "the industrial revival will not come as a blow hurling us back but as an impulse propelling us forward" because the workers will "begin to feel more secure...and begin to press forward."<sup>246</sup> As always, Trotsky emphasized the subjective and organizational factor:

If we cancel out the revolutionary nature of the working class and its struggle and the work of the Communist Party and of the trade unions, that is, if we cancel out that for the sake of which we exist and act, and take instead the objective mechanics of capitalism, then we could say: '...capitalism will restore its own equilibrium'.[247]

The attitude of the Comintern sections was by no means quiescent, and substantial opposition to united front tactics (including the 'from below' version) was voiced by the left.<sup>248</sup> Finally, the earlier Comintern prognosis of the inevitability of capitalist collapse was not only left unaltered, it was strongly reaffirmed. The "Theses on Tactics" adopted by the congress, in the second heading titled "The Period of Capitalist Decline," stated:

The general picture of the decay of capitalist economy is not mitigated by those unavoidable fluctuations which are characteristic of the capitalist system both in its ascendancy and in its decline. The attempts of bourgeois and social-democratic economists to explain the improvement which began in the second half of 1921...rest partly on the desire to falsify the facts, partly on the lack of insight of these lackeys of capital....

Capitalism will be subject to cyclical fluctuations till the hour of its death....

What capitalism is passing through today is nothing but its death throes. The collapse of capitalism is inevitable.[249]

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1. In January 1923, soon after the fourth congress, the French army occupied the Ruhr in response to Germany's failure to meet certain war reparations deliveries specified by the Versailles treaty. The Comintern, PCF and KPD quickly organized protests and issued denunciations, while at the same time opposing the German government's advocacy of "passive resistance" (work slowdowns, etc.) on the grounds that the Ruhr conflict was a struggle between the French and German bourgeoisies. The initial popular response to the occupation was an upsurge of German nationalism and a wave of 'patriotic' strikes. At the Leipzig congress of the KPD (28. January - 2. February 1923) a vocal 'left' minority and the 'right' majority both distanced themselves from this nationalist tide, and KPD Reichstag deputies opposed the passive resistance tactic in January, declaring against a "national united front" and in favor of a "united front of the proletariat." Thalheimer (of the KPD right wing) quickly softened his stand, however, and as early as February was warning of the greater danger posed by the French bourgeoisie. But even Thalheimer did not go so far as withdrawing the demand for a simultaneous struggle against the German bourgeoisie. Although it did not endorse Thalheimer's views, the ECCI (through Klara Zetkin) urged caution, by contrast with the KPD left and its "occupy the factories" slogan. <sup>250</sup>

Over the spring and summer of 1923, in the face of

continuing military occupation and the famous German hyperinflation, the political and economic crisis led to a strengthening of the KPD left and a radicalization of popular sentiment generally. In April the ECCI intervened to prevent a split in the KPD, calling members of the factions to Moscow for a conference. Four KPD leftists (including Ruth Fischer and Ernst Thaelmann) were added to the central committee, and the ECCI issued an opinion which tilted more to the left than had been the case previously: "[T]he struggle against left tendencies can be carried on successfully only if the KPD Zentrale eliminates, primarily by a struggle against the right-wing elements, the reasons for the revolutionary mistrust of the left." <sup>251</sup> The ECCI also sided with the left in rejecting the workers' government established in Saxony as a clear example of the united front from above, and as such a form of workers' government which the fourth congress had prohibited the previous November.

These concessions to the growing influence of the KPD left, however, belie the fact that the ECCI (along with the KPD majority), failed to clearly perceive the developing revolutionary situation in Germany. A series of strikes in May, June and July was not interpreted as being of any great significance, since they generally involved local, partial demands. <sup>252</sup> The SPD, losing ground to the KPD as more militant views found favor among social-democratic workers, came to be increasingly polarized--some SPD parliamentary deputies called for the overthrow of the Cuno government. <sup>253</sup> In

the face of all this, however, the KPD majority was expecting the need to organize only "defensive battles" against counter-revolution, and was therefore (along with the ECCI) caught unawares at the outbreak of a spontaneous and grass-roots KPD led general strike of massive dimensions in mid-August. Only then did the KPD national leadership move to support the action; the social-democrats did not until, fearful of losing its remaining credibility, the SPD withdrew parliamentary support of Cuno, thereby forcing him to resign. Only by late August did the ECCI begin to proclaim that "conditions in Germany are becoming more and more acute...."<sup>254</sup>

Once again a socialist government was a real possibility in Germany, and once again the SPD drew back from the verge of decisive action. A new government was formed by Gustav Stresemann of the Volkspartei (German People's Party, actually a party of the large bourgeoisie), and was joined by four SPD ministers, Hilferding among them. Dexterously blending a policy of police repression against the strike leaders and factory councils with wage increases to appease the rank and file, the Stresemann regime rode out the crisis as the strike movement subsided.

Throughout September, KPD representatives and ECCI officials met in Moscow, and the decision was made to stage an insurrection during October. Brandler, of the KPD right, hesitated but was overruled. The actual uprising was not only belated, but the preparatory work and logistical operations were botched as well, with most of the participants



lacking weapons. At the last moment, as the Stresemann regime ordered the Reichswehr into Saxony and Thuringia in order to disband working class militias and remove the united front governments, the KPD central committee voted to call off the insurrection. The decision to call off the armed struggle was made on Brandler's recommendation, the justification being the SPD's reluctance to join the call for an uprising in defense of the united front governments. News of these developments did not reach the Hamburg KPD district in time, and some 1300 communists confronted 6000 soldiers and police. The uprising was put down after three days, leaving 21 workers and 17 government troops dead. The defeat of the working class extended far beyond the suppression of the uprising.<sup>255</sup> By mid-December, the Stresemann regime was replaced by an even more right-wing government under Wilhelm Marx (Centre Party), the KPD and its press were banned, and the workweek in industry was lengthened to 59 hours.

Among the political effects of the October events in Germany was a further strengthening of the leftward drift already apparent in the communist movement. The right wing leadership of the KPD (Brandler, Thalheimer, and Zetkin) were replaced by the leftists Fischer, Thaelmann, and Arkady Maslow. It must be emphasized that while the ECCI ratified and abetted the leadership change, the impetus for this action originated within the KPD.<sup>256</sup> Indeed, the waning influence of Brandler and the KPD right had begun in the

spring of 1923, and reflected the growing strength of the ascendent KPD left, as well as the increasing ECCI criticism of the Brandler leadership's interpretation of the united front tactic. <sup>257</sup> After the October defeat and the demise of the KPD right, Zetkin complained that any criticism of the KPD leadership (by implication, herself included) was inappropriate, or at least must equally apply to the ECCI, since the latter had supported and endorsed KPD policies. While it is true enough that the ECCI had underestimated the extent and depth of the crisis in Germany (the KPD leadership's assessment was even wider of the mark), it is likewise true that the ECCI had been pushing the KPD to adopt a more <sup>258</sup> leftward orientation. Part of the difficulty consisted in the scope of the ECCI's criticisms not being fully transmitted to Berlin--the chief Comintern representative in Germany was Radek, whose compulsive caution and close personal relationship to the KPD right considerably dampened the effect of ECCI communications. Even assuming the ECCI liaison to be all-powerful (which was not the case, especially in Germany), the fact that this liaison was Radek sufficed to temper the influence that ECCI leftists such as Zinoviev exercised over German affairs.

2. Relations between the Soviet Union and Great Britain continued to deteriorate in 1923. In May, the British Foreign Secretary dispatched a threatening note (the 'Curzon ultimatum') complaining, among other things, of Comintern agitation in India and the Middle East as a violation of the Anglo-Soviet trade agreement of March 1921.

3. The Ruhr intervention had further complicated the "equivocal relation between German communism and German nationalism," and throughout the summer of 1923 the KPD and the Comintern pursued a confusing policy with regard to emergent fascist sentiments. <sup>259</sup> The third ECCI plenum (June 1923) issued a resolution which described fascism as "a characteristic phenomenon of decay, a reflection of the progressive dissolution of capitalist economy and of the disintegration of the bourgeois state." <sup>260</sup> The resolution suggested that the social strata drawn to fascism consisted of petty bourgeois elements who had been radicalized by war and economic crisis, and whose "vague expectations...of a radical social improvement, to be brought about by reformist socialism, have also been disappointed." The bankruptcy of the social-democratic leadership thus caused the radicalized petty bourgeoisie "to despair of socialism itself." On the basis of this analysis, the Comintern for a brief time adopted an ambivalent attitude to the radical German nationalists. Although the Comintern line called for a ruthless and relentless struggle against fascism, in his famous "Schlageter speech" Radek (who sided with the KPD right) implied a coincidence of interests between socialism and radical German nationalism against Entente capital (French in particular), and went so far as to martyr a German fascist executed by the French occupation forces. On several occasions throughout the summer, fascist and communist speakers shared public platforms, but this practice was

terminated (on fascist initiative) long before the October events. Although there was no significant objection to the "Schlageter policy" from within the KPD,<sup>261</sup> the notion of a "defense of the revolutionary fatherland by anticipation" not unexpectedly created acute discomfort in the French and central European parties.

4. The Bulgarian Communist Party, a powerful organization with solid membership (40,000) and electoral support (about 20 percent of the total vote in April 1923, making it the second largest party), suffered a disastrous setback as a consequence of tactical errors. The ruling Peasant Union of Alexander Stambuliski was overthrown, and Stambuliski killed, in a June 1923 coup d' etat organized by military officers and elements of the large bourgeoisie. In accordance with an earlier internal resolution, the Bulgarian CP remained neutral on the grounds that coalition with or support of the Stambuliski regime was outside the scope permitted by united front tactics.<sup>262</sup> At the time of the coup, the third plenum of the ECCI was meeting in Moscow and issued orders for the BCP to resist the overthrow of Stambuliski. The latter was likened to Mikhail Kerensky, whose Provisional Government in Russia the Bolsheviks fought to support during General Kornilov's coup attempt in July 1917, even though the Kerensky regime was not sympathetic to the working class. "The putschists are now the enemy, and must be defeated. Unite for the fight against the white revolt not only with the broad masses of the peasantry, but with the leaders of the peasant party who are still

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alive." Even the cautious Radek found himself urging on the Bulgarian Communists.

The central committee of the Bulgarian party met in July and rejected the ECCI directive, but by August a new leadership emerged (evidently on Bulgarian initiative) which favored an alliance with the remnants of the Peasant Union against the white dictatorship. An abortive uprising took place in September, was quickly defeated, and the Bulgarian CP was utterly decimated in the ensuing white terror.

Thirteenth Congress of the RCP(b)  
May 1924

The October uprising in Germany and the associated controversy inside the KPD not surprisingly would loom large at the upcoming fifth Comintern congress in June 1924. Just prior to this the same issues were discussed at the thirteenth congress of the Russian party.

Bukharin delivered the report on the international political situation and developments in the Comintern. In his estimation, England's increasingly tenuous hold on her colonies (esp. India), the fiscal crisis of the French government, the lengthening of the workday throughout Europe, and the cooling of Anglo-French relations in the wake of the Ruhr occupation all pointed to a westward shift (i.e., away from Germany) of political opportunities for the communist movement. While the bourgeoisie was no longer facing a critical situation, it was in need of a "breathing spell." This would find expression in efforts by the bour-

geoisie to seek its own united front, a tactic which not by accident would assume the form of fascism in the defeated countries, and "pacifism" (the "liberal bourgeoisie plus liberal workers' politics," e.g., the MacDonald regime in England and the 'Left Bloc' in France) in the victorious ones.

Recall that while this was the occasion on which Bukharin first spoke of "a certain stabilization" of capitalism, he used the opportunity to speak primarily of instances of heightened class antagonisms, including those cases where the communist parties had suffered defeats (Germany, Bulgaria, etc.). The political "crisis" which gripped the parties of the International stemmed, in Bukharin's view, from the application of united front tactics (described as the tactics of splitting off "those layers of the working class infected by petty bourgeois ideology" from the social democratic movement) by communist parties which had not yet proven themselves capable of shaking off the vestiges of opportunist, petty bourgeois political habits. The danger which this entailed was a "right danger," and one which perhaps the International had been somewhat slow to recognize:

The extreme left in the KPD...had for a long time signalled of a right danger. And with the full authority of the Communist International we supported, for a considerable period, the right groupings in the party. But after remnants of social democratic ideology revealed themselves among the right over these two major questions [i.e., the coalition government in Saxony and the interpretation of united front tactics as "bloc politics" rather than an "agitational maneuver"--N.K.]..., when it became absolutely apparent that a great deal of the unfavorable consequences of the October events were bound

up with the right orientation, after this the question arose, in a preliminary way, that perhaps we should alter our party orientation.[266]

Indeed, Bukharin somewhat defensively continued, "we had continuously been saying, in opposition to a number of comrades, that much of what the left was saying was correct." A decisive "turn of the wheel to the left" was also necessary in the British party.<sup>267</sup>

Trotsky had begun to oppose the policies of the Russian party during 1923, and in October sent a letter to the central committee outlining the economic and political specifics of his disagreements with the Politburo.<sup>268</sup> Only a week later, the so-called platform of the 46 was distributed within the party, and echoed many of Trotsky's complaints. Although "no definite evidence exists of collusion between Trotsky and the authors of the program," the fact that many of the 46 were associates and political allies of Trotsky's easily suggested that a formal opposition bloc was in the process of coalescing.<sup>269</sup> In his report at the thirteenth congress, Bukharin took note of these developments in his observation that the right wing in member sections of the Comintern was almost invariably supported by the right in the Russian party (these tendencies being personified respectively by Radek-Brandler and Trotsky).<sup>270</sup>

Fifth Congress of the Communist International  
Mid June-early July 1924

Zinoviev's opening speech, which as usual was a report on the work of the ECCI since the previous congress, echoed Bukharin's address to the Russian party on the imperative of

maintaining an implacable hostility to social democracy. By way of a criticism of Radek and Brandler, Zinoviev declared that the need for an attack on the reformists was particularly acute now that social democracy was in power (England and France), so as to expose the true nature of the "democratic-pacifist" phase and of social democracy as "the third bourgeois party."<sup>271</sup> The SPD now had to be regarded as "a wing of fascism," rather than (as in the Radek-Brandler perspective) a party defeated by fascism. If social democracy had intended to combat fascism, argued Zinoviev, the social democrats would have moved closer to the communists. The fact that this did not happen proved the SPD had become<sup>272</sup> a wing of fascism.

One of the most widespread misconceptions is that this identification of social democracy and fascism ("social fascism") dates only from the supposedly 'Stalinist third period' (ca. 1928). It should therefore be noted that the notion of social fascism emerged earlier, its source was not Stalin, but the Zinoviev leadership of the Comintern. E.H. Carr documents the fusion of social democracy and fascism by Zinoviev from as early as 1922, and convincingly demonstrates that the principal support for the notion of social fascism stemmed from the KPD, especially after the October 1923 debacle and the advent of the left, rather than from<sup>273</sup> Stalin. Bukharin was also at this time conspicuous in the Comintern leadership (a leading member of the presidium of the ECCI), and although his attacks on social democracy were



as vituperative as Zinoviev's, Bukharin did not use the term social fascism. For Bukharin, social democracy and fascism were not exactly one and the same thing, although they were both "tactics" reflective of the "same objective requirement of the bourgeoisie," viz, to capture a measure of mass support. <sup>274</sup> In his 1928 "Draft Programme of the Communist International" Bukharin said that "Social-Democracy not <sup>275</sup> infrequently plays an openly fascist role."

Perhaps the most shocking episode in the documentation of the social fascism saga is recounted by Theodore Draper, and is worth quoting at length:

Until now, it has been widely believed that Bukharin was wholly opposed to the concept of social-fascism and that Stalin had forced it on him.... This belief was based on a passage in Professor Daniels' book: 'Behind the scenes, Bukharin expressed opinions which belied his official view of the right danger. To the Swiss Comintern Secretary, Humbert-Droz, ...Bukharin wrote to express sympathy with the idea that the communists' best interests lay in alliances with the Social Democrats against fascism. He apologized for not being able to support this position in public because of the critical situation which he faced within the Communist Party of Russia'. As his authority for this startling revelation, Professor Daniels gave 'Bukharin to J. Humbert-Droz, September 1928 (Humbert-Droz Archive)'....

I went through the Humbert-Droz Archive twice without being able to find such a letter. In puzzlement, I wrote to Professor Daniels, and he has informed me that it was all a 'mistake', based on hearsay.[276]

Draper, like E.H. Carr, correctly and assiduously traces the origins of the concept of social fascism, and he moreover chronicles the influential historians of the Communist International and the years from which they mistakenly date social fascism: Franz Borckenau (one of his books has it 1929-1930, the other 1929), Barrington Moore, Jr. (July 1928), Hugh Seton-Watson (after July 1928), Isaac Deutscher

(1929), and R. Palme Dutt (May 1929). Draper's list omits Braunthal, who also perpetuates the myth that Zinoviev "merely echoed Stalin, who declared:...'Social Democracy is, objectively, the moderate wing of fascism'."<sup>277</sup> Zinoviev was not 'echoing' anyone; in fact, precisely the reverse is true because the passage attributed to Stalin appeared only in September 1924, several months after Zinoviev's speech, in one of Stalin's earliest discourses on international affairs.<sup>278</sup> Braunthal did not quote Stalin directly, choosing instead to rely on Deutscher. The latter does refer to the original text, but steadfastly maintains, without explanation, that the doctrine of social fascism stems from Stalin.<sup>279</sup> Fernando Claudin also remarks on "Stalin's thesis of 'social Fascism'," and the "conceptions (such as that of 'social Fascism')...which had been laid down by Stalin," but without any references at all.<sup>280</sup> Bukharin's biographer Stephen Cohen considers social fascism to be one of Stalin's "Comintern initiatives," cites Stalin's 1924 remark, but does not mention Zinoviev's earlier identification of social democracy and fascism.<sup>281</sup>

None of this is to suggest that Stalin did not subsequently participate in the application of a distended concept of social fascism by his party (and Comintern) constituency over the unfolding of the 'third period'. But to say this carries very different implications than to claim that the 'third period' and its political conceptions were merely the international analog, conveyed by "automatic

transmission" (Deutscher),<sup>282</sup> of a Stalinist left turn in Soviet domestic policy, or that these policies were "laid down" (Claudin) by Stalin, or engineered "upon Stalin's personal orders"<sup>283</sup> (Borkenau).

In the discussion following Zinoviev's report, Radek and Brandler defended their actions before and during the October events, the former pointing out that (at the time) "Comrade Zinoviev did not hold our entry into the [Saxon coalition] government to have been a mistake," and the latter arguing that he (and the recently replaced KPD leadership generally) had throughout 1923 merely been applying the directives and slogans of the third and fourth congresses of the Comintern.<sup>284</sup> Klara Zetkin supported Radek and Brandler, arguing that if the ousted KPD leadership was being accused of opportunism, the ECCI must be equally blamed for not having earlier identified the nature and sources of this opportunism.<sup>285</sup>

Many historians, E.H. Carr among them, claim that these arguments left Zinoviev 'embarrassed',<sup>286</sup> but it is not the case that Zinoviev developed his criticisms of the right only ex post (as Zetkin maintained). Radek and Zinoviev had been at odds over the interpretation of the "workers' government" slogan since its inception--as the ECCI representative in Germany, Radek was in a position to ensure that practice corresponded more closely to his views. And while the "'workers' government' [had been] defined in imprudent detail as including left coalitions of all kinds" (Carr), it must be recalled (as Carr does not) that communists were

specifically prohibited from participating in reformist coalitions. That is, the "definition" of a "workers' government" had been written as a list, "including left coalitions of all kinds," but participation in these was specifically ruled out by the original 1922 tactical thesis no. 11. <sup>287</sup>

Also in the discussion of Zinoviev's report, Radek adamantly claimed to be "in absolute agreement with comrade Zinoviev that one cannot have an united front from above unless one has it from below." And the united front from below "we had not organized; our factory councils were divided, they were nothing but separate atoms." After this assessment, Radek was about to continue, and opened with: "If the Saxon government had relied upon the congress of factory councils...." when Ruth Fischer (of the KPD left) exclaimed from her seat "Why was it not called together?" Radek professed this to be "just the mistake which I admit," to which Fischer replied "We asked for it six times!" <sup>288</sup>

The point is that ambiguity and dispute did not suddenly materialize only as a consequence of some 'rewriting' of history on the part of Zinoviev (however self-serving his remarks). There had been imprecision and contentiousness all along, on both sides. Zinoviev perhaps could be criticized for not being far-sighted enough in the spring of 1923 to recognize the developing revolutionary situation (this criticism would apply even more strongly to the right, however); he should perhaps have acted sooner in a more decisive fashion, but his ambivalent maneuvering must be seen in

light of the very real danger of a split in the KPD throughout 1923. Radek had on numerous occasions clashed with the ECCI, as Zinoviev successfully pointed out, and in several cases prior to the October action the ECCI had sought to promote the aspirations of the KPD left, as the "Resolution of the Fifth Comintern Congress on the Report of the ECCI" <sup>289</sup> pointed out.

It is likely true that the right's tactics precluded the possibility of a revolutionary outcome and that the left (especially in the Comintern) should have been more perceptive and militant in combatting the right's reluctance to pursue mass mobilization for revolutionary ends. Far too many commentators, however, seem to accept the illogical conclusion advanced by the KPD right and its supporters that the failure of the October uprising somehow provided a vindication of the right's thinking and tactics. While the castigation of the right at the fifth congress was therefore in many respects on the mark, there nonetheless was a failure to recognize that only symptoms were being addressed. 'Bolshevization' was hardly as thorough as many Western commentators imagine, and helped serve the far too optimistic opinion that a "Resolution" of the fifth congress was quite sufficient to effect a "determined solution" (an assessment provided by the "Resolution" itself) to the problems of the KPD. <sup>290</sup>

The "Resolution" did take a distinctly leftward tilt, noting that "the danger of right deviations...turned out to be far greater in the execution of the united front tactics

than could have been foreseen," that the united front could never be "more than a revolutionary method of agitation and of mobilizing the masses," and that any effort to use the workers' government slogan "not for agitation for the proletarian dictatorship, but as a means of coalition with bourgeois democracy" must be rejected. The notion that social democracy was the right wing of the working class had also been proven false, and it was necessary to emphasize "the true character of social democracy as the left wing of the bourgeoisie."<sup>291</sup>

Varga delivered the economic report to the congress, and his views were embodied in the "Theses on the World Economic Situation." The recent upturn in some of the capitalist economies was temporary; the overall situation was still one of crisis amidst a general downward trend. The "Theses" foresaw rising class conflict as a result of deepening differentiation (caused by the "process of concentration and cartellization") and regarded as "inevitable" only the emergence of "mass movements of the proletariat...in the immediate future." Whether these movements would succeed in the revolutionary project would depend on "the ability of the communist parties to exploit, organizationally and politically, the objectively revolutionary situations which will develop."<sup>292</sup> In a separate and fairly standard document (drafted by Trotsky) on the tenth anniversary of the outbreak of the war, an incidental comment predicted the demise of the economic upturn following the saturation of the

American market.

The "Theses on Tactics" adopted at the congress were contained in a long document of fifteen sections. Among these was an elaboration of Bukharin's views on the emergence of a "democratic-pacifist phase" in some of the leading capitalist powers where liberal and social democratic governments had ascended to power. The significance of this development did not lie in "the beginning of the stabilization of the capitalist 'order' on the basis of 'democracy' and peace, but merely the concealment of its rule while bourgeois world reaction is intensified...." <sup>294</sup> As a corollary, social democracy moved

from being the right wing of the labor movement [to] becoming one wing of the bourgeoisie, in places even a wing of fascism. That is why it is historically incorrect to talk of 'a victory of fascism over social-democracy'. So far as their leading strata are concerned, fascism and social-democracy are the right and left hands of modern capitalism.[295]

The fifth congress reaffirmed the directives issued at the two previous congresses concerning the need for communist parties to become mass organizations. This was one of the very few areas where a criticism of the 'ultra-left' was apparent: a warning was issued against excessively voluntarist attitudes and against the view "that communist parties may be parties of a 'terrorist minority'." Even so, this was somewhat tempered (at the beginning of the section on organizational tactics) by an emphasis on the importance of the "subjective factor" as the "cardinal question of the entire epoch." <sup>296</sup>

As regards the tempo of the revolutionary process, the

congress perceived "the rise of a new revolutionary wave" based on the events in Germany and Bulgaria, and waves of strikes in several of the industrial countries. The major emphasis was on combatting "right-opportunist tendencies," and as such the tactics of the united front were clarified. The united front from above together with from below were approved, while the united front from above alone was categorically rejected.

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Among the more widely known aspects of the fifth congress was the tactical injunction to "bolshelize" the member sections, i.e., to make the organizational structure of the Russian party the mold for the others. "Bolshevization of the parties means that our sections must take over for themselves everything in Russian bolshevism that has international significance." The five "basic features of a genuine bolshevik party" were listed: (i) a mass party capable of operating under both legal and illegal conditions, (ii) the party must be flexible enough (i.e., to allow tactical maneuver, (iii) the party must be revolutionary and Marxist in orientation, (iv) the party must be centralized with no factions, etc., (v) the party must carry on political activity in the armed forces.

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There was no alteration of or addendum to the original organizational directives of the "21 Conditions," it was more the case that

[t]he fifth congress could hardly fail to reflect the widening gap between the one party which had a victorious revolution to its credit and the parties which had failed, or had not even made the attempt. What had happened inevitably strengthened still further Russian prestige and predominance in Comintern, and popularized the



view that other parties, in order to qualify themselves for the same success, must above all follow the Russian model and submit to Russian guidance.[299]

\* \* \*

1. Soviet relations with the capitalist countries, apparently in an ambivalent equilibrium during most of 1924 such that "each blow seemed to be tempered by some fresh gain" (Carr), soured considerably thereafter. The German tilt to the west (Dawes Plan), the fall of the Labour government in Britain, the election of Coolidge in the United States and especially the revolt in Soviet Georgia to which the western powers lent support all contributed to unease and the reappearance of fears that an immediate threat of military intervention against the U.S.S.R. existed.

A conference to discuss a proposed security pact was organized for October 1925 in Locarno, and excluded the U.S.S.R. The resulting agreements included an acceptance by France, Germany and Belgium of their mutual borders, and the de-militarization of the Rhineland. These aspects of the pact were to be guaranteed and enforced by Britain and Italy. There were no agreements on Germany's eastern borders (with Poland and Czechoslovakia) other than a pledge to resolve all disputes peacefully. France and Poland signed a treaty promising each other military support in the event of an attack.

In the Comintern, these developments were widely regarded as threatening to the Soviet Union and/or to peace generally. It was certainly the case that Locarno was a major victory for British foreign policy on several fronts,

not least that of dividing the U.S.S.R. and Germany. Although several Soviet-German agreements (on trade, and promises of neutrality) followed in the months after Locarno, "the old sense of a common destiny as outcasts from the European community" (Carr) was gone, and the increasing international isolation of the Soviet Union was unmistakable.

2. In 1925 for the first time the phrase "stabilization of capitalism" began to appear regularly in Comintern pronouncements. Recall that Bukharin had made (one) reference to "a certain stabilization" at the thirteenth congress of the RCP(b) in May 1924, but the expression gained currency only around the time of the fifth enlarged plenum of the ECCI (March 1925), when separate preparatory articles by Zinoviev and Stalin each remarked on "stabilization" and Varga used the term in his presentation. <sup>300</sup> Although both Zinoviev and Stalin at this time spoke of "two stabilizations" (i.e., of capitalism and the Soviet Union), Zinoviev was already drifting over to the opposition and Trotsky's hostility to the notion of 'socialism in one country'. Indeed, by June 1925 Zinoviev appears to have changed his mind on stabilization, and published an article entitled <sup>301</sup> "The Epoch of Wars and Revolutions."

Cautious as ever about the prospects of promoting a European revolution, Stalin in early 1925 enumerated the four "allies of the Soviet power," listing these as the proletariat in the advanced capitalist countries, the masses

in the colonies, the "struggle, conflicts and wars" amongst the imperialist powers, and the peasantry. Stalin essentially dismissed the first two "allies" as being of no palpable importance in the near future, conceded that while the peasantry was participating in economic relations with socialist industry it was nevertheless not "reliable," which left inter-imperialist contradictions as the principal ally of the Soviet Union. <sup>302</sup> Coupled with a theoretical conception in which the central categories are the "two stabilizations," or the "two camps," and in which "the international situation will to an increasing degree be determined by the relation of forces between these two camps," <sup>303</sup> the quite logical implicit political conclusion is that Soviet (and presumably, international socialist) interests would be best promoted through exploiting inter-imperialist rivalries.

So even at this early juncture, the different underlying conceptions of stabilization and its contradictions discussed in the previous section came to be reflected in divergent programmatic emphases. Stalin gravitated toward the People's Commissariat of Foreign Affairs (Narkomindel) and its view

that communist parties could profitably collaborate with other Left parties opposed to their bourgeois governments, especially those of a Fascist complexion, even with parties which did not accept the revolutionary programme of communism.[304]

Bukharin, on the other hand, despite his support of Stalin against Trotsky in the central committee at this time, pushed for a "class against class" strategy in Europe. Together with Jules Humbert-Droz, and against Stalin, Bukha-

rin was successful in advocating that the French Communist Party abandon its support of the 'Left Bloc' and that the Communist Party of Great Britain cease collaboration with Labour.<sup>305</sup> Although arguably Stalin's approach of collaboration 'from above' might have yielded more favorable results than the strategy actually adopted--there were no communist deputies chosen in the subsequent French (1928) or British (1929) general elections--the point is that the turn to the left originated with Bukharin and was linked to his theoretical understanding of the contradictions of stabilization. The "class against class" slogan was coined (in this tactical conjuncture) by Bukharin's associate Humbert-Droz in March 1927, it "was not launched at the Sixth World Congress [1928]....[it] was certainly not introduced in connection with Stalin's rise to power, and he surely did not bear<sup>306</sup> 'major responsibility' for it."

3. In May 1926, a protest by British mineworkers over wages developed into a massive general strike supported by the British Trade Union Congress (TUC), which jointly with the All-Russian Central Committee of Trade Unions had established the Anglo-Russian Trade Union Committee in April 1925. This action seemed to confirm the Third International's stated view that the center of gravity of revolution had shifted westward and that a turn to the left among European workers had become discernible. Although the strike and the international working class support it touched off provided glorious evidence of internationalist solidarity,

the British government's strategy was effective:

With unerring precision, the Government and its supporters concentrated from the start on the one issue which was, above all others, certain to unnerve the Labour leaders: the issue of revolution and unconstitutionality. Concentration on that issue had another immense advantage--it made it unnecessary to discuss the miners' case at all....

Try though they might to persuade themselves and others that they were engaged in a purely industrial dispute, almost a routine strike, [the leadership of the Labour Party] knew that it was more than that, and it was this which made them feel guilty, uneasy, insecure. In fact, they half shared, indeed more than half shared, the Government's view that the General Strike was a politically and morally reprehensible venture, undemocratic, anti-parliamentary, subversive.[307]

These same events were described in the following way by an ECCI analysis of the strike: "If the labor leaders acted as though they failed to understand the political character of the strike, the Government and the bourgeoisie understood it very well, and acted accordingly...." <sup>308</sup> The Baldwin government so thoroughly disquieted the Labour leadership that on 12. May the general strike was ended and all demands unconditionally withdrawn. The miners doggedly hung on for another six months, but eventually resumed work under conditions worse than before.

From an historical perspective, the significance of this defeat for the miners consisted in

the transformation of the workers' movement into a tame, disciplined trade union and electoral interest.

This is not only to say that never again would the trade unions and the Labour Party seek to exercise political influence against the Government of the day by the use of the industrial weapon. It also means that the trade unions would shun militancy over industrial issues.[309]

Within the Comintern, however, the immediate effect of the defeat of the general strike was to further the acrimony

between the majority and the Trotskyist opposition. Trotsky tentatively advocated disbanding the Anglo-Russian Trade Union Committee, but agreed "to waive his demand" in order to entice Zinoviev and Lev Kamenev into joining the opposition.<sup>310</sup> Stalin at this time, in a series of speeches, agreed that the British TUC had "doomed the strike to inevitable failure," and accused the TUC of "treachery" and "a whole chain of betrayals," although he did not advocate forsaking the Anglo-Russian Committee.<sup>311</sup> Against Trotsky, Stalin depicted abandonment of the joint committee as an ultra-left "theatrical gesture" since,

for all their reactionary character, the trade unions of the west are the most elementary organizations of proletariat, those best understood by the most backward workers, and therefore the most comprehensive organizations of the proletariat.[312]

In Bukharin's estimation, the turn to the left was nowhere more apparent than in Britain, but he agreed with Stalin (and the majority of the ECCI) that leaving the Anglo-Russian Committee at that juncture was undesirable.<sup>313</sup> This seemingly perverse attitude (i.e., why remain in cahoots with reformists at a time when revolutionary sentiments were on the rise?) reflected the success of the National Left Wing Movement, organized by the Communist Party of Great Britain, in chipping local Labour constituencies away from the national party in order to form an organized left-wing faction within Labour.

The Comintern "Theses on the Lessons of the General Strike" interpreted the strike as confirmation of "the gen-

eral move to the left of the workers...." The Anglo-Russian Trade Union Committee was a product of the united front tactics, designed to expose the reactionary British trade union leaders and win over the masses to the side of the revolution. In the official Comintern view, the betrayal of the strike by the Labour leadership partly accomplished this goal. As such, it would be folly to leave the Anglo-Russian Committee, declared the "Theses," because if the reformist leaders moved even further to the right--which was "highly probable"--they would be utterly exposed to the remaining workers as traitors to the proletariat. <sup>314</sup> As it happened, the British TUC voted to disband the joint venture with the Russian trade union federation in 1927. <sup>315</sup> In a further setback, the British government severed diplomatic relations with the Soviet Union in the spring of 1927.

4. As early as the spring of 1925 a revolutionary situation had begun to develop in China. <sup>316</sup> A strike in the Shanghai textile factories spread into a series of strikes which increasingly assumed an anti-imperialist and revolutionary character throughout the major cities of China. The leading role played by the Chinese Communist Party (CCP) in these events very rapidly transformed the party from a small group of intellectuals and university professors into a mass organization. Since January 1923 the CCP, by direction of the ECCI, had instructed its members to join Sun Yat-sen's Kuomintang (KMT) on an individual basis while the CCP would separately maintain its own organization. <sup>317</sup> The KMT under Sun Yat-sen was, in the terminology of the Comintern, a

"national-revolutionary" organization rooted in the liberal-democratic bourgeoisie, petty bourgeoisie, intellegentsia and proletariat.

Sun Yat-sen died in March 1925, before the strike movement began, and leadership of the KMT passed to Chiang Kai-shek. So long as the May strike movement was centered in Japanese-owned textile factories, the KMT acquiesced; but as the actions spread to include Chinese-owned enterprises as well, relations between the CCP and KMT became tense. The ECCI urged the CCP not to press matters to the point of insurrection, deeming an uprising premature. Even as the May movement ebbed during the summer of 1925, however, troops under the comprador Chang Tso-lin suppressed striking workers and students. Then, when some of Chang's supporters began to rebel against his leadership, a fresh impetus appeared for joint CCP-KMT anti-imperialist struggle, and a breach was averted.

The second congress of the KMT in January 1926 seemed to evidence a growing influence of the CCP (almost one-fourth of the newly elected KMT central committee were communists), but in May 1926 Chiang suddenly ordered the arrest of key leaders of the CCP, the removal of communist political commissars attached to the army (of whom there were many), and the confinement of Soviet military advisors. Chiang had evidently decided that his forces were adequately prepared "to launch the long-awaited 'northern expedition'" against the comprador warlords. Carr astutely describes the



two principal reasons for the rift between the KMT and the Comintern. First, Chiang's Soviet military advisors, and the Comintern generally, considered the move reckless. The Comintern, having already been disappointed in the widely anticipated European revolution, could not bring itself to believe in the imminence of an Asian revolution which had always seemed more remote than a European one, despite the admonitions of Lenin in his final years. Second, once revolution had suddenly appeared on the agenda, "the hollowness of the verbal compromise" between the bourgeois-nationalist and social revolutions became evident, and Chiang merely forced the issue.

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In the Comintern, Chiang's coup led Zinoviev to suggest withdrawal of the CCP from the KMT. Trotsky, in a set of extensive personal clarificatory notes on China penned five days before the coup made no mention of a need for independence of the CCP. Carr documents several different stories subsequently provided by Trotsky: an unpublished analysis (September 1926) written after the coup argued that "participation of the CCP in the Kuomintang was perfectly correct in the period when the CCP was a propaganda society which was only preparing itself for future independent political activity..." but that the time had come for the CCP "to fight for direct independent leadership of the awakened working class...."; by 1930, after Chiang's massacre of communists in Shanghai (April 1927), Trotsky was claiming that "I personally was from the very beginning, that is, from 1923, resolutely opposed to the Communist Party joining

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the Kuomintang...."

After some hesitation, the majority of the ECCI refrained from a break with Chiang at this time insofar as a split would leave the communists unable to influence the impending northern campaign whatsoever. Nonetheless, the central committee of the Russian party in March 1927 considered it "necessary to adopt the course of arming the workers and peasants" and expose "the treacherous and reactionary policy of the Kuomintang Rights." <sup>321</sup> As it happened (or "on the face of it," according to the Deutscher version), <sup>322</sup> this assessment was on the mark insofar as during the campaign communist troops were successful in organizing workers and peasants, and expropriated landlords in Hunan. Chiang's betrayal of the CCP came in April 1927, when following a successful communist uprising in Shanghai (once more directed against Chang Tso-lin) Kuomintang troops entered the city demanding that their erstwhile communist allies surrender all weapons. Compliance with this order led to a bloody massacre of communists by Chiang's forces on 12. April. The ECCI majority assessment at this point became that the national bourgeoisie had deserted the revolution, and that the trajectory of development had shifted from that of a revolutionary national united front (including the national bourgeoisie) to a working class and agrarian social <sup>323</sup> revolution.

It should be noted that Bukharin's and Stalin's views on the question of the Chinese revolution closely coincided,

and that at this stage there was no indication of Stalin forcing Bukharin to say things which were more 'radical' than Bukharin believed. On the contrary: although Bukharin and Stalin walked in tandem when it came to the Chinese question, on every other significant issue of international politics Bukharin had for quite some time, as seen above, occupied a position to the left of Stalin. China, moreover, was not merely the exception that proved the rule (of Bukharinism as origin of the turn to the left)--China's semi-colonial status meant that theories of capitalist stabilization (or capitalist anything else) did not apply. Neither Bukharin's nor Stalin's analysis of the Chinese situation was particularly good, but their views on China could be similar precisely because their quite different theoretical outlooks on the 'contradictions of capitalist stabilization' were irrelevant in the Chinese case.

At the time of the fifteenth congress of the VKP(b) in December 1927, which also marked the official expulsion of the opposition from the party, Bukharin continued to be more emphatic and concrete about the turn to the left than Stalin, although the latter had finally begun to speak for the first time of Europe on the "eve" of a "period" characterized by "a new revolutionary upsurge."<sup>324</sup> Concretely, however, the immediate tasks of the communist parties seemed quite modest in Stalin's view: "to develop the Communist Parties....; to strengthen the revolutionary trade unions and the workers' united front....; to maintain peaceful relations with the capitalist countries...."<sup>325</sup> Bukharin, by

contrast, argued not only that the united front should be strengthened, but that it had "become necessary to effect [a] change of emphasis...in the direction of a more intensive fight against the Social Democratic leaders." <sup>326</sup> While Bukharin thus explicitly advocated "changing...the united front tactics" in a leftward direction, Stalin spoke only of "strengthening" the united front per se, and made no reference to a new orientation.

A practical outcome of the party congress was a strengthening of Stalin's position in the nine-member Politburo, with the replacement of Zinoviev and Trotsky by Ya. Rudzutak and V. Kuibyshev. The falling out between Stalin and Bukharin became evident only in the spring of 1928, and then only in discussions within the Politburo; the disagreement centered on Bukharin's growing unease over the extraordinary measures for grain procurement, measures he had up until then supported. <sup>327</sup> Within a very short period, even while the sixth congress of the Comintern was convening in July 1928, Bukharin's considerable (indeed, decisive) influence on the editorial boards of the crucially important Pravda (newspaper) and Bol'shevik (theoretical journal) was severely curtailed by additions and shake-ups.

Sixth Congress of the Communist International  
July-August 1928

This account of the origins of the third period in Comintern history will end at the sixth congress, exactly where most other explanations of the left turn begin. Rather

than a starting point, the sixth congress was the formal confirmation of tactical changes which had already been prepared under the guidance of the Bukharin leadership. Indeed, many of these changes had been ratified even prior to the congress at the ninth enlarged plenum of the ECCI (February 1928). Over the objections of the majority of the central committee of the Communist Party of Great Britain, the ECCI had instructed the CPGB to adopt "clearer and sharper tactics of opposition to the Labour Party" due to the growing "integration of [the] capitalist bourgeoisie and reformism...." The Labour Party now had to be considered one of two "enemy camps." <sup>328</sup> The French Communist Party had already, in November 1927, adopted the "class against class" tactics following instructions from the ECCI appearing over <sup>329</sup> Bukharin's signature. The ninth plenum was careful to characterize the Chinese revolution as still in its bourgeois-democratic phase. The KMT had now been completely exposed as reactionary, and the CCP had to "prepare itself <sup>330</sup> for a violent surge forward of new revolutionary waves."

E.H. Carr suggests that after the ninth plenum a "temporizing view of the prospects of capitalism" (by the Bukharin leadership) prevailed, but that by the time of the sixth congress four months later this "could no longer be tolerated" (presumably by Stalin). The "temporizing view" was, in Carr's opinion, presented in a Bol'shevik article (March 1928) which argued that it would be "'crudely mistaken theoretically' to suppose that western capitalism was on the verge of a breakdown." The evidence presented by Carr to

demonstrate that this view "could no longer be tolerated" consists only of (i) a speech by Stalin in July that suggested "contradictions...have ripened...within the capitalist camp" since 1924, specifically the Anglo-American contradiction ("the principal one"), the contradiction between imperialism and the colonies, and the contradiction between the capitalist world and the Soviet Union; (ii) an article in Kommunisticheskii Internatsional which "used the wave of strikes, as well as recent election figures, to demonstrate the growing power of communist parties in Europe"; and (iii) an article in Pravda noting "'a sharpening of the struggle against social-democracy'." <sup>331</sup> But there is a non sequitur here in that none of the items cited by Carr suggest the imminence of breakdown, and in fact only repeat the assessments which the Bukharin leadership had been providing for quite some time.

Carr, as many other analysts, notes that Bukharin's draft theses on the international situation (to be presented at the sixth congress) were amended after being discussed in the Russian delegation. Neither Bukharin's original nor the altered draft were ever made public (only the final version passed by the congress was published), and the only extended description of what transpired in the discussion was provided by Stalin in April 1929, almost a year later, when the campaign against Bukharin was in full swing. Carr appears to accept at face value Stalin's claim that in Bukharin's view capitalist stabilization was "becoming more secure," to

which (said Stalin) the Russian delegation countered that "capitalist stabilization is not and cannot be secure, that it is being shaken and will continue to be shaken by the march of events, owing to the crisis of world capitalism."<sup>332</sup> Although it is not known specifically what Bukharin said about capitalist stabilization in his draft theses, enough is known (and has been reviewed above) about his assessments of stabilization between 1926 and 1928 to question uncritical acceptance of Stalin's remarks. At the least, Stalin's statements of April 1929 are more reasonably regarded as polemical tactics in a highly charged factional struggle rather than as a faithful account of events at the congress or an accurate rendition of Bukharin's views on stabilization. The three other major amendments to Bukharin's theses noted by Stalin in 1929 were (i) that Bukharin confined himself to stressing the need to sharpen the struggle against social-democracy generally, and not the struggle against left social-democracy particularly, (ii) that Bukharin confined himself to merely the fight against the right deviation in the Comintern, and not the fight against conciliatory attitudes toward the right deviation, and (iii) that Bukharin did not sufficiently stress the need to maintain iron discipline in the communist parties.<sup>333</sup>

Richard Day's version of the events is even less plausible. He regards the "real import of the amendment [to be the] inclusion of Stalin's insistence on the inevitability of war."<sup>334</sup> Since, however, Day is in a position to know neither the content of the original draft nor the amendment,

and since Stalin's own account of the amendment procedure makes no mention of the inevitability of war question, Day's revelation of what Stalin 'forced' Bukharin to say is pure conjecture. Day claims that Bukharin had been growing "desperate" to save the N.E.P. in Russia, and that this had led him (as early as the fifteenth congress of the Russian party in December 1927) to "retract...his forecast of hostilities," but Day provides no citations or references to support this. In fact, at the fifteenth congress Bukharin stated that the "danger of war was never so great as it is  
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now."

A much more convincing explanation of Stalin's insistence on the amendments is indicated (but not pursued) by Carr himself. Bukharin had for the first time openly opposed the extraordinary grain procurement measures in the Soviet Union at the central committee meeting of the Russian party just prior to the sixth Comintern congress. Stalin's insistence on modifying Bukharin's draft theses a few weeks later, no matter how trivial the content of the amendments, could still embarrass Bukharin and show that he "had forfeited the  
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confidence of the party majority." Carr seeks to present the dispute on Comintern affairs in larger (substantive) terms by implicitly claiming to know (which he cannot) that Bukharin's draft theses were in fact decisively altered. No real evidence for this claim exists, and any attempt to conjecture such evidence requires the implicit assumption that Bukharin had suddenly and without any prior indications



altered his conception of capitalist stabilization. Bukharin's own assessment of the changes, which admittedly should not be given any more credence than Stalin's, was that the alterations had only made his draft "more precise."<sup>337</sup>

It is not necessary here to do more than note that the campaign against Bukharinism, begun in the spring of 1928, was successful. Moreover, while the campaign may have resembled 'mere' factional strife, real issues (collectivization, industrialization) were at stake in the sense that Stalin, in the wake of the defeat of the Trotskyist opposition, was not simply taking over their agrarian program. Stalin's solution to the grain impasse of the late 1920s was rooted in a novel theoretical approach, one that owed nothing to either the right or the left oppositions which in fact both proceeded from substantially similar theoretical fundamentals that belied their different programmatic conclusions.<sup>338</sup>

On the international front, however, the defeat of the Bukharinist opposition and the consequent consignment to oblivion of its "variegated" analysis of capitalist stabilization meant that a theoretical vacuum inevitably appeared. The Varga perspective, which had been uneasily coexisting alongside the Bukharinist, stepped into the breach and became virtually by default the prevailing Comintern theory of capitalism. Whereas the Bukharin approach had initiated the turn to the left, it fell to the underconsumptionist theory to complete the shift. This was accomplished by substituting for the Bukharinist conception of stabilization as self-

limiting growth the only conception possible in a radical underconsumption milieu (moreover, one which emphasized the 'rotteness' of the imperialist phase): univocal collapse.

It was as much the logic of the underconsumptionist view as Stalin's supposedly implacable radicalism that formed the essentials of the Comintern's hard left line between the time of the sixth congress and the consolidation of fascist power in Germany during the mid 1930s. Although he had tilted toward the underconsumption theory and its conclusions earlier, Stalin came around to wholeheartedly accept it only at the time of the sixteenth congress of the Russian party in June 1930; even at this juncture, however, Draper notes that Stalin was saying only that "the stabilization of capitalism is coming to an end," i.e., presumably it had not yet ended.

Stalin inherited the turn to the left, he did not initiate it in order to defeat Bukharin. Rather than stemming from Stalin's personal traits--which I do not for a moment claim were inconsequential or irrelevant to subsequent events--the political forms assumed by the third period owe at least as much to the Varga-underconsumption thinking on capitalism, to conditions in the member parties (especially the German),<sup>340</sup> and to the timely arrival of the economic crisis which seemingly vindicated Varga and the theory of decay once and for all.

### Notes to Chapter III

1. Thirty-eight delegates came to Zimmerwald, and forty-four to Kienthal. As Trotsky remarked, "half a century after the founding of the First International, it was still possible to seat all the internationalists in four coaches." Cited in Cliff, Lenin vol. 2, 12. The collapse of the Second International provides, for mainstream writers, yet another confirmation of the functionalism of the "nation-state." See the essay by Gerhard Niemeyer, which incidentally seeks to blame the working class movement for the emergence of fascism, in Milorad Drachkovitch, ed., The Revolutionary Internationals, 1864-1943 (Stanford: Stanford University Press, 1966), 95-127.

2. A right wing version of the events can be found in Branko Lazitch and Milorad M. Drachkovitch, Lenin and the Comintern vol. 1 (Stanford: Hoover Institution Press, 1972), 3-29. A social democratic interpretation is in Braunthal, Geschichte vol. 2, 50-77, 180-198, or E.H. Carr, The Bolshevik Revolution 1917-1923 vol. 3 (London: The Macmillan Company, 1953), 567-570. And finally, a Marxist account appears in Cliff, Lenin vol. 2, 1-22.

3. Much of the historical material in this chapter is drawn from several sources, which will be listed here in order to avoid repetitive citation. Significant or controversial items will be individually referenced. E.H. Carr, The Bolshevik Revolution 1917-1923 vol. 3, 116-147; The Interregnum 1923-1924 (London: The Macmillan Company, 1954), 153-253; Socialism in One Country 1924-1926 vol. 3, part 1, pp. 3-295 and all of part 2 (London: The Macmillan Press Ltd., 1976); E.H. Carr and R.W. Davies, Foundations of a Planned Economy 1926-1929 (New York: The Macmillan Co., 1969) vol. 2, 3-99, and all of vol. 3; E.H. Carr, Twilight of the Comintern 1930-1935 (New York: Pantheon Books, 1982); Fernando Claudin, The Communist Movement: From Comintern to Cominform (New York: Monthly Review Press, 1975); Braunthal, Geschichte vol. 2; Nicos Poulantzas, Fascism and Dictatorship (London: Verso, 1979); C.L.R. James, World Revolution, 1917-1936 (New York: Pioneer Publishers, 1937); Theodore Draper, "The Strange Case of the Comintern," Survey 18, 3 (Summer 1972); G.D.H. Cole, A History of Socialist Thought vol. 4, part 2 (London: Macmillan and Co. Ltd., 1958); Albert S. Lindemann, The 'Red Years': European Socialism vs. Bolshevism (Berkeley: University of California Press, 1974); A History of European Socialism (New Haven: Yale University Press, 1983); Kermit McKenzie, Comintern and World Revolution (New York: Columbia University Press, 1964); Guenther Nollau, International Communism and World Revolution, 1928-1943 (Westport, CT: Greenwood Press, 1975).

4. Braunthal attacks Lenin's motivations for splitting the Second International with his claim that "Marx [contrary to Lenin--N.K.] believed that worker's solidarity, the sticking

together of all workers' tendencies, and the unity of the International were more important than all the theoretical disputes...which existed inside it." Braunthal, Geschichte, vol. 2, 196. Lenin had not, of course, agitated for a split due to some "theoretical dispute," but precisely because the "organic unity" to which Braunthal refers was a sham by virtue of 'socialist' attitudes to the war. Even more disingenuously, Braunthal suggests that "Marx had asked for Bakunin's expulsion from the [First] International--yet not because of his theoretical opposition to Bakunin's Anarchism, but because of Bakunin's 'intrigues', which were endangering the unity of the International." Ibid., 197.

5. As Maurice Dobb (following Oskar Lange) notes, ideology may under certain conditions serve as much to enlighten as to obscure. Maurice Dobb, Theories of Value and Distribution Since Adam Smith (Cambridge: Cambridge University Press, 1973), 1. Recall also the 'late' Althusserian position on the constructive role of ideology in the emergence of scientific practice. Louis Althusser, Essays in Self-Criticism (London: New Left Books, 1976), 156-161.

6. James W. Hulse, The Forming of the Communist International (Stanford: Stanford University Press, 1964), v-vii.

7. See for example the portrayal of Chiang Kai-shek's 1927 anti-communist coup in A.I. Sobolev, et. al., Outline History of the Communist International (Moscow: Progress Publishers, 1971), 252-256.

8. Bill Warren, Imperialism: Pioneer of Capitalism (London: Verso, 1980), 4.

9. Richard Day, The 'Crisis' and the 'Crash' (London: New Left Books, 1981), 31. Rosdolsky, The Making of Marx's 'Capital', 480.

10. Day, The 'Crisis' and the 'Crash', 28, 31.

11. Rosdolsky, The Making of Marx's 'Capital', 480-483.

12. Day, The 'Crisis' and the 'Crash', 3.

13. Ibid., 21, 31.

14. Ibid., 13-14, 67, 77, 149, 203.

15. Ibid., 21, 202-208.

16. Ibid., 34-36, 148, 173-174.

17. Indeed, Day appears quite serious in stating that Bukharin actually went "beyond Hilferding" in suggesting the viability of reformism, and that it was only Lenin who was able to distinguish "the real Hilferding" from "the ersatz

version constructed by Bukharin." Day further seeks to absolve Hilferding by claiming that certain of his more extreme pronouncements on the positive prospects for capitalist organization were merely instances where Hilferding "allowed his imagination to wander." Day, The 'Crisis' and the 'Crash', 26, 35, 218. One might thus be led to suppose that it was only the "real" Hilferding's capacity for fantasy that led him to accept a minister's portfolio in a bourgeois government, while Bukharin's lack of whimsy caused him to remain a Bolshevik until the day he died.

18. Ibid., 178, 202.

19. Geras, The Legacy of Rosa Luxemburg, 16-17.

20. Varga's Law "stated that in 'pure' capitalism, accumulation caused an absolute decline in the number of productive workers, and therewith a chronic realization crisis." Day, The 'Crisis' and the 'Crash', 145, 147, 149.

21. Ibid., 148.

22. Lenin, Collected Works vol. 22, pp. 193, 241-242, 276, 278, 288, 302.

23. Day, The 'Crisis' and the 'Crash', 158. See also p. 34.

24. Ibid., 195, 202, 207.

25. Day hints at this, but fails to make the link to 'moribundness'. Ibid., 148.

26. Day, The 'Crisis' and the 'Crash', 31.

27. Lenin, Collected Works vol. 22, 193-194, 276.

28. Ibid., and vol. 39, p. 420.

29. Lenin, Collected Works vol. 22, 278-279.

30. Ibid., 242. Naturally, it is these passages in particular which have provided the material for the underconsumptionist interpretations of Lenin. On the basis of the arguments in Chapter II above, however, such an interpretation is difficult to sustain. See also Lenin, Collected Works vol. 39, 414.

31. Lenin, Collected Works vol. 22, 243.

32. Ibid., 276.

33. Ibid., 290.

34. Ibid., 300-301.

35. Lenin, of course, was occupied with other matters and in any event was unable, because of his health, to engage in political activity of any kind after March 1923. Bukharin became a leading personage in the Comintern from the outset, and was elected to both the ECCI and the presidium as soon as they were established. Grigorii Zinoviev was the first president of the Communist International, but was removed in December 1926 following the defeat of the left opposition. Although the office of president was officially abolished at this time, Bukharin served as the de facto president until his own removal from all Comintern positions in July 1929.

36. Bukharin, Imperialism and World Economy, 25-26. Note Bukharin's insistence on the fact that conceptualizing "the combined labor of the social whole" and the "'social economy' by no means presupposes an 'economic subject' guiding the totality of economic relations.... [T]he term social economy...by no means requires 'regulation' as an indispensable defining characteristic." Ibid., 27.

37. Bukharin, Imperialism and World Economy, 39-41.

38. Ibid., 58.

39. Nikolai Bukharin, The Economics of the Transition Period in Kenneth Tarbuck, ed., The Politics and Economics of the Transition Period (London: Routledge and Kegan Paul, 1979), 63, 78-79. Even here, in his most extreme statements, Bukharin does not predict the necessity of a 'withering away' of commodity relations under state capitalism.

40. Bukharin, Imperialism and World Economy, p. 70. See also pp. 53-54, 73-74, 116-119.

41. Bukharin, The Economics of the Transition Period, 64. Also his Imperialism and World Economy, 53, 61-62, 169.

42. Logical consistency, while desirable, of course does not provide guarantees of theoretical plausibility. This is not a defense of Bukharin's conceptualization of the capitalist state, merely a recognition of his perspicacity for posing the problem in terms of the exigencies of accumulation.

43. Bob Jessop, The Capitalist State (New York: New York University Press, 1982), 37. See also Day, The 'Crisis' and the 'Crash', 34-39.

44. Brewer, Marxist Theories of Imperialism, 105-106.

45. Bukharin, Imperialism and World Economy, 74-76.

46. Ibid., 122, 124, 127-128. Note, however, that Bukharin misquotes Marx. The passage from the Manifesto reads: "The executive of the modern State is but a committee for managing the common affairs of the whole bourgeoisie." Marx and

Engels, Collected Works vol. 6, 486 (emphasis added). Bukharin had said that the state (as a whole) is an executive committee.

47. Bukharin, The Economics of the Transition Period, 62-63.

48. Bukharin, Imperialism and World Economy, 106.

49. Ibid., 119.

50. Ibid., 106, 169. See also Bukharin, The Economics of the Transition Period, 64-65.

51. Bukharin, Imperialism and World Economy, 81-82.

52. Ibid., 82.

53. Ibid., 82, 84.

54. Ibid., 97.

55. Ibid., 84. See also pp. 96, 105.

56. Nikolai I. Bukharin, Imperialism and the Accumulation of Capital (New York: Monthly Review Press, 1972), 224-225.

57. Ibid., 259-260. In order not to take the discussion too far afield, I will omit detailing Bukharin's proof of why Luxemburg's approach was a "false theory." The proof, consisting of several arguments, involves a critique of Luxemburg's use of the reproduction schemes (pp. 154-169), her failure to distinguish savings from accumulation (pp. 174-175), her argument as to the necessity of a foreign market (pp. 180-181), her treatment of money (pp. 182-202) and, incidentally, her rejection of the falling rate of profit argument (pp. 262-263).

58. Eugen Varga, "Economic Basis of Imperialism in the United States of North America," The Communist International 3, 16-17 (1921): 60.

59. Eugen Varga, "Die Wirtschaftslage Kontinentaleuropas," Die Kommunistische Internationale Zweiter Jahrgang, 4 (1921): 48.

60. Ibid., 51.

61. Ibid., 59-61.

62. Eugen Varga, The Decline of Capitalism (London: Communist Party of Great Britain, 1924), 8.

63. Eugen Varga, "Ways and Obstacles to the World Revolution," The Communist International 2, 18-19 (1925): 86.

64. Eugen Varga, "The Dawes Plan and the Stabilization of Capitalism," The Communist International 2, 11 (1924-1925): 68-70. The English translation is awkward, but it certainly conveys the essence of Varga's thinking.
65. Cf. Jane Degras, ed., The Communist International, 1919-1943, Documents vol. 1 (London: Oxford University Press, 1956), 2-3 and Leon Trotsky, The First Five Years of the Communist International vol. 1 (New York: Pioneer Publishers, 1945), 174-226, esp. 212, 220-221, 223.
66. Trotsky, The First Five Years vol. 1, 178-179, 193, 203.
67. Ibid., 196.
68. Ibid., 202, 208.
69. Ibid., 219, 223, 225, 226.
70. Leon Trotsky, The First Five Years of the Communist International vol. 2 (New York: Pioneer Publishers, 1953), 198.
71. Ibid., 199, 202.
72. Trinadtsatyi s'ezd RKP(b). Mai 1924 goda: Stenograficheski Otchet (Moscow: Gosudarstvennoe izdatel'stvo, 1963), 301-304, 307-308.
73. Day, The 'Crisis' and the 'Crash', 77-78.
74. Ibid.
75. Trinadtsatyi s'ezd RKP(b), 313.
76. Fifth Congress of the Communist International. Abridged Report (London: Communist Party of Great Britain, 1924), 43-46.
77. Ibid., 84.
78. Ibid., 97.
79. Ibid., 98-99.
80. Ibid., 100.
81. Ibid., 136, 138.
82. Carr, Socialism in One Country vol. 3, part 1, 288-289.
83. E. Varga, "K voprosu o 'stabilizatsii' mirovogo kapitalizma," Planovoe Khoziaistvo 6 (June 1925): 154.
84. Ibid., 157-159.



85. Ibid., 160-163.
86. Ibid., 166-167.
87. Stalin, cited in Day, The 'Crisis' and the 'Crash', 97.
88. Day, The 'Crisis' and the 'Crash', 144.
89. Philip J. Jaffe, "The Varga Controversy and the American CP," Survey 18, 3 (Summer 1972): 139.
90. Recall the discussion above of Varga's arguments in publications appearing as early as 1921. Note also that Stalin made no mention of a 'problem of markets' in his "Political Report of the Central Committee" to the Russian party's fourteenth congress in December 1925, despite extensive commentary on the "contradictions of the international situation" and contradictions "between the victor countries." J.V. Stalin, Works vol. 7 (Moscow: Foreign Languages Publishing House, 1954), 267-275, 277-287.
91. Fifth Congress of the Communist International, 44.
92. Carr, Socialism in One Country, vol. 3, part 1, 76.
93. Trinadtsatyi s'ezd RKP(b), 313.
94. Stalin, Works vol. 7, 94-95. Stalin does go on to discuss those factors internal to capitalism contributing to the intensification of contradictions, although even here the first item on the list is the contradiction "between the imperialist groups of the various countries" (p. 96). And while Bukharin at times also included the development of the Soviet Union as one "of the forces hostile to capitalism," he first and foremost rooted the question of stabilization and its contradictions in the process of capital accumulation (see N. Bukharin, "The International Situation and the Tasks of the Comintern," International Press Correspondence 8, 4 (30. July, 1928): 726). It is not, therefore, a matter of Stalin dwelling exclusively on external factors and ignoring 'the class struggle', or Bukharin ignoring those international circumstances altered by the emergence of the Soviet Union--as a matter of course, 'internal' and 'external' factors figured prominently in all Comintern discussions and communications on international politics.
95. N. Bukharin, "The Stabilization of Capitalism, the Second International and Ourselves," International Press Correspondence 5, 53 (2. July, 1925): 717.
96. Ibid.
97. N. Bukharin, "Questions of International Politics," International Press Correspondence 6, 72 (4. November 1926):

1245.

98. Ibid., 1248.

99. C.H. Wurm, "Das Jahr der Rationalisierung in Deutschland," Die Kommunistische Internationale 8, 7 (February 1927): 330.

100. V. Demar, "Die Rationalisierung der Produktion und die Politische Arbeit im Betrieb," Die Kommunistische Internationale 8, 20 (May 1927): 979.

101. Heckert, "Die Wirtschaftslage, die Gewerkschaften und die Wirtschaftskämpfe in Deutschland," Die Kommunistische Internationale 8, 23 (June 1927): 1118.

102. N. Bukharin, Capitalist Stabilization and Proletarian Revolution. (Written) Report to the VII Enlarged Plenum of the E.C. of the Comintern (Moscow: The Executive Committee of the Comintern, 1926), 5.

103. Ibid., 30-32.

104. Bukharin, The Economics of the Transition Period, 86-88.

105. Bukharin, Capitalist Stabilization and Proletarian Revolution, 32-33.

106. Protokoll. Erweiterte Exekutive der Kommunistischen Internationale. Moskau, 22. November - 16. Dezember 1926 (Hamburg: Verlag Carl Hoym Nachf., 1972), 189-190.

107. Ibid., 190-192.

108. N.I. Bukharin, Kapitalisticheskaja stabilizatsia i proletarskaja revoliutsia: Doklad i zaklyuchitelnoe slovo (Moscow/Leningrad: Gosudarstvennoe izdatel'stvo, 1927), 266-269, 271.

109. Ibid., 244, 246.

110. Piatnadtsatyi s'ezd VKP(b). Dekabr' 1927 goda: Stenograficheski otchet (Moscow: Gosudarstvennoe izdatel'stvo, 1961), 645.

111. Theodore Draper compiles an extensive list of writers who err in both dating and locating the origins of the third period. He mentions Arthur Rosenberg, Trotsky, Franz Borke-  
nau, C.L.R. James (a Trotskyist), Isaac Deutscher, Hugh Seton-Watson, William Z. Foster (a Stalinist), Robert Daniels, Guenther Nollau, and Kermit McKenzie, all of whom in one way or another consider Stalin (either as part of the factional struggle in the Russian party or the conflict over the Russian domestic situation) as the author of the left turn. See Draper, "The Strange Case of the Comintern," 95-

99. To Draper's list one could add Claudin, The Communist Movement part 1, 89, 191-192 and part 2, 608, and Cole, A History of Socialist Thought vol. 4, part 2, 707-708.
112. Draper, "The Strange Case of the Comintern," 103.
113. N. Bukharin, "Comrade Bukharin's Speech in Reply to the Discussion on the International Situation," International Press Correspondence 8, 49 (13. August, 1928): 865.
114. Piatnadtsatyi s''ezd VKP(b), 628, 629.
115. Bukharin, Kapitalisticheskaia stabilizatsia i proletarskaia revolutsia, 229.
116. Piatnadtsatyi s''ezd VKP(b), 632.
117. Stalin, Works vol. 10, 278-280.
118. Ibid., p. 282. See also vol. 9, 328-330.
119. E. Varga, "Economic Consequences of the New Technique," The Communist International 5, 4 (15. July, 1928): 331-333.
120. Ibid., 335.
121. Ibid., 335.
122. E. Varga, "Economics and Economic Policy in the Third Quarter of 1929," International Press Correspondence 9, 67 (5. December, 1929): 1438.
123. Ibid., 1431.
124. N. Bukharin, "The International Situation and the Tasks of the Comintern," International Press Correspondence 8, 41 (30. July, 1928): 726.
125. Cf. Day, The 'Crisis' and the 'Crash', 155-156 and Bukharin, "The International Situation and the Tasks of the Comintern," 726.
126. Bukharin, "The International Situation and the Tasks of the Comintern," 728.
127. Ibid., 730.
128. Ibid., 731.
129. N. Bukharin, "Comrade Bukharin's Speech in Reply to the Discussion on the International Situation," 865. Bukharin quotes Kostrjeva, whose entire presentation can be found on pp. 368-379 of Stenograficheskie Otchet. VI Kongress Komintern part 1 (Moscow/Leningrad: Gosudarstvennoe izdatel'stvo, 1929).

130. Stenograficheskiï Otchet part 1, 222.
131. Ibid., 224-225.
132. Bukharin, "Speech in Reply to the Discussion on the International Situation," 870.
133. Ibid., 871.
134. Stenograficheskiï Otchet part 3, 62.
135. N. Bukharin, "Comrade Bukharin's Speech in Reply to the Debate on the Programme Question," International Press Correspondence 8, 59 (4. September, 1928): 1036.
136. O. Kuusinen, "The International Situation and the Tasks of the Communist International," International Press Correspondence 9, 40 (20. August, 1929): 837. See also the article by P. Shubin, "Kapitalisticheskaia ratsionalizatsia i zhiznenyi uroven' proletariata," Bol'shevik 17 (15. September, 1929), which argues that Varga incorrectly equates a rising real wage with a rising standard of living.
137. Kuusinen, "The International Situation," 837-838.
138. Ibid., 838.
139. Ibid., 839.
140. Ibid., 842.
141. Ibid.
142. Claudin, The Communist Movement part 1, 46-102, but esp. 91-93.
143. Hulse, at least, mentions in passing that "[n]o delegates from Berne [the seat of the resurrected Second International--N.K.] had arrived, since most Western governments denied them permission to visit Russia," although he does little to dispel the notion that this, too, was somehow the Bolsheviks' fault. Hulse, The Forming of the Communist International, 17. No one claimed that the first congress was representative. Lenin, Collected Works vol. 28, 481.
144. Braunthal, Geschichte vol. 2, 140; Lenin, Collected Works vol. 35, 364-365.
145. As Noske confided to Phillip Scheideman, the SPD stalwart who, along with Friedrich Ebert, presided over the November 1918 'socialist' government: "'An officer of the Kaiser, who does not attempt to hide his monarchist sympathies, is preferable to me to an officer who calls himself a Republican'." Cited in Braunthal, Geschichte vol. 2, 146.

146. The KPD founding congress assembled in November 1918, with the new party largely comprised of the Spartakus faction of German socialism. By the latter half of 1920, however, the majority of the USPD membership also went over to the KPD.
147. Degras, ed., Documents vol. 1, 2-3.
148. Ibid., 3.
149. Ibid., 17-18. Emphasis in original.
150. Lenin, Collected Works vol. 28, 455-456, 476-477.
151. Degras, ed., Documents vol. 1, 21-22.
152. Stephen F. Cohen, Bukharin and the Bolshevik Revolution: a political biography, 1888-1938 (New York: Vintage Books, 1975), 87.
153. Nicholas N. Kozlov, "Nikolai Ivanovich Bukharin: Reconsiderations on a 'neo-Narodnik litterateur'," Review of Radical Political Economics 18, 2 (Winter 1985): 38.
154. Luxemburg and some other Spartakists also were concerned that any International formed at that point in time would be unduly influenced by the Russian party. On the other hand, Carr perceptively notes regarding these misgivings on the part of the Germans that "...whole hearted cooperation from the outset might at least have mitigated a Russian predominance which resulted from lack of serious competition rather than from any conscious design." E.H. Carr, The Bolshevik Revolution vol. 3, 121, 123.
155. Degras, ed., Documents vol. 1, 83.
156. Braunthal, Geschichte vol. 2, 235-238.
157. The Italian Socialist Party, however, split in January 1921. A five to three majority (under Giacinto Serrati) were in favor of affiliation to the Third International, but balked at the notorious "21 Conditions of Admission" (more on these below). The 'Pure Communist' minority (led by Amadeo Bordiga and Antonio Gramsci) accepted the conditions, and a tiny 'Party Unity' covey (Filippo Turati) sought to patch things up. The Bordiga/Gramsci group departed and immediately formed the Italian Communist Party (PCI), only to find themselves rent by a conflict over the question of anti-fascist tactics a short while later. At the party's second congress in March 1922, Bordiga refused to consider anti-fascist coalitions with non-revolutionary socialists, while Gramsci endorsed such tactics as the lesser evil. Although Bordiga prevailed, it is unclear whether either approach would have made much of a difference, as Mussolini's momentum was by this time already indomitable.

Nollau, International Communism, 50-54. Brauntal, Geschichte vol. 2, 224-228. In his usual style, Brauntal immediately turned to parliamentary election results to gauge the wisdom of a split. Several months after the formation of the PCI, they won 13 seats in the Italian parliament to the socialists' 128, and Brauntal sarcastically declared the communists to have been wrong. The other way to interpret the results, of course, is to say that 13 seats for a party only a few months old was a respectable showing.

158. The "Theses" are reprinted in Degras, ed., Documents vol. 1, 113-127.

159. Lenin, Collected Works vol. 31, 215.

160. Ibid., 230.

161. The "Theses" themselves emphasized that the prospects for international solidarity are non-existent without an "open struggle" against the labor aristocracy, whose members are "the real social 'pillars' of the Second International of reformists and 'centrists', and at the present moment are almost the sole social mainstay of the bourgeoisie." In Degras, ed., Documents vol. 1, 121.

162. Lenin, Collected Works vol. 31, 232.

163. Ibid.

164. Lenin, Leninskii Sbornik vol. 22, 346.

165. Warren, Imperialism, 4.

166. To clarify the potential consequences of an 'absent' theoretical concept, it might be appropriate to illustrate by way of recalling a familiar Marxist criticism of neo-classical economics. The labor/production process fleetingly appears in neo-classical discussion, but even in the field of so-called 'labor economics' it is only the conditions of exchange of labor (power) which are analyzed (how well or how poorly is somewhat beside the point). As Marx commented, since it is according to the rules of bourgeois economy that equivalent must exchange for equivalent, it should not be surprising that once the bourgeois economists confine themselves to an analysis of exchange, they find there the "realm of Freedom, Equality, Property, and Bentham." Marx, Capital vol. 1, Vintage edition, 280. Interestingly, bourgeois theoreticians are not at all reticent to admit that they make no pretense of analyzing the production process, which by their own most frequently used metaphor is just a 'black box'--inputs come in and outputs come out. There is an introductory textbook, however, which comes rather closer to the truth when it describes, one presumes inadvertently, the production process as a "sausage machine." Richard G. Lipsey, Peter O. Steiner, and Douglas D. Purvis, Economics

7th ed. (New York: Harper & Row, Publishers, 1984), 174.

167. See e.g. Werner Olle and Wolfgang Schoeller, "Direct Investment and Monopoly Theories of Imperialism," Capital and Class 16 (Spring 1982).

168. Note that to take cognizance of these detrimental effects of the 'overripe' capitalism conception does not imply agreement with all aspects of the Warren thesis on imperialism as the 'pioneer of capitalism'. See below.

169. Lenin, Collected Works vol. 31, 146.

170. Ibid., 149.

171. Ibid., 149-150.

172. M.N. Roy, "Supplementary Theses on the National and Colonial Questions," presented to the second congress of the Communist International. Reprinted in Robert C. North, and Xenia Joukoff Eudin, eds., Soviet Russia and the East 1920-1927: A Documentary Survey (Stanford: Stanford University Press, 1957), 66. Emphasis added.

173. Lenin, Collected Works vol. 31, 244.

174. Roy, "Supplementary Theses," 66-67.

175. Lenin, Collected Works vol. 31, 242.

176. Reprinted in Helmut Gruber, ed., Soviet Russia Masters the Comintern (Garden City, NY: Anchor Press/Doubleday, 1974), 291.

177. Lenin, Collected Works vol. 31, 244.

178. See Warren, Imperialism, for an argument on the unabashed 'progressivity' of the imperialist stage. An able assessment of Warren's errors is by Alain Lipietz, "Marx or Rostow," New Left Review 132 (March-April 1982).

179. Lenin, Collected Works vol. 31, 226-227.

180. Ibid.

181. Day, The 'Crisis' and the 'Crash', 46.

182. Lenin, Collected Works vol. 31, 227.

183. Ibid., 232.

184. See also the "Theses on the Basic Tasks of the Communist International," drafted by Lenin, in Degras, ed., Documents vol. 1, especially p. 115.

185. August Thalheimer was one of a few admirers of Luxemburg who persisted in striving to advance her views, but his efforts fell on deaf ears. See his "The Theoretical Work of Rosa Luxemburg," Die Internationale 2, 19-20 (1920): 18-22. The fact that many detractors of Luxemburg, especially Ruth Fischer and Arkadi Maslow in the KPD, relied more on rather repugnant character assassination than on theoretical refutation does not affect the point that is being made here.

186. Lenin, Collected Works vol. 29, 241.

187. Lenin, Collected Works vol. 28, 456, 477.

188. Degras, ed., Documents vol. 1, 153.

189. Ibid., 153-154.

190. Ibid., 147.

191. Ibid., 146-147.

192. Ibid., 147.

193. Ibid., 166-172.

194. Claudin, The Communist Movement part 1, 108.

195. Braunthal, Geschichte vol. 2, 193-194.

196. Ibid., 195.

197. Degras, Documents vol. 1, 167.

198. Braunthal, Geschichte vol. 2, 142-143.

199. Ibid., 195-198.

200. Claudin, The Communist Movement, part 1, 132-133 and p. 30 of "Notes." Also Ben Fowkes, Communism in Germany Under the Weimar Republic (New York: St. Martin's Press, 1984), 64; Carr, The Bolshevik Revolution vol. 3, 335-338.

201. Braunthal, Geschichte vol. 2, 196.

202. Braunthal rather confusingly writes of the episode that by its vote the KPD Central Committee "submitted" to the ECCI, despite his parallel claim that the CC was "controlled" by Levi. Braunthal, Geschichte vol. 2, 242, 244.

203. Lenin at this time (in a letter) wrote: "You know how highly I value Paul Levi.... Ruthless criticism of the March Action was necessary, but what did Paul Levi give? He tore the party to pieces.... He lacks the spirit of solidarity with the party, and it was this which made the rank and file...deaf and blind to the great deal of truth in Levi's



criticism, particularly to his correct political principles.... The 'leftists' have to thank Paul Levi that up to the present they have come out so well, much too well." Cited in Degras, ed., Documents vol. 1, 218.

204. Carr, The Bolshevik Revolution vol. 3, 335.

205. Claudin, The Communist Movement part 1, 106-110; Braunthal, Geschichte vol. 2, 242-247.

206. John Maynard Keynes, The Economic Consequences of the Peace (New York: Harcourt, Brace and Howe, 1920). See also his 'flattering' comments on Lenin in John Maynard Keynes, The Collected Writings of John Maynard Keynes vol. 9 (London: Macmillan Press, Ltd., 1972), 57-58.

207. Braunthal, Geschichte vol. 2, 258.

208. Degras, ed., Documents vol. 1, 131.

209. Ibid., 225.

210. Ibid., 220.

211. See also "A Letter to the German Communists" in which Lenin provides an analysis of the Levi affair. Collected Works vol. 32, 516-519.

212. Degras, ed., Documents vol. 1, 118.

213. Milorad M. Drachkovitch and Branko Lazitch, "The Communist International," in Drachkovitch, ed., The Revolutionary Internationals, 168.

214. Degras, ed., Documents vol. 1, 115, 118-120.

215. Degras, ed., Documents vol. 2, 455-456.

216. Lenin, Collected Works vol. 32, 480.

217. Ibid., 478.

218. Ibid., 481. See also 453-455, 479-480, and the discussion of "the concept of the 'masses'" on pp. 475-476.

219. Degras, ed., Documents vol. 1, 242-243.

220. Ibid., 248-250.

221. Ibid., 251.

222. Cole, A History of Socialist Thought vol. 4, part 2, 705. Emphasis added.

223. Ibid., 703.

224. Degras, ed., Documents vol. 1, 307-315, 425.
225. Cole, A History of Socialist Thought vol. 4, part 2, 706.
226. Ibid., 704.
227. Degras, ed., Documents vol. 1, 422.
228. Trotsky, The First Five Years of the Communist International vol. 1, esp. p. 178.
229. Degras, ed., Documents vol. 1, 231, 234.
230. Ibid., 232.
231. Ibid., 233, 237-239.
232. Lenin, Collected Works vol. 33, 84-86. The quotations in the remainder of the paragraph are drawn from these pages.
233. Degras, ed., Documents vol. 2, 456.
234. Braunthal, Geschichte vol. 2, 286-287.
235. Carr, The Bolshevik Revolution vol. 3, 361.
236. Churchill, for example, described himself as "being charmed by Signor Mussolini's gentle and simple bearing," and congratulated the fascist on his "triumphant struggle against the bestial appetites and passions of Leninism." Cited in Frederick L. Schuman, Soviet Politics (New York: Alfred A. Knopf, 1946), 283.
237. Lenin, Collected Works vol. 31, 420-421, 431.
238. Lenin, Collected Works vol. 33, pp. 418-421 are especially important. At this point, early in the speech, Lenin represented both "state capitalism" (i.e., the amalgam of cautious policies adopted during the first eight months of the revolution) and the N.E.P., in their respective times, as constituting simultaneously retreat and progress.
239. Ibid., 468. See also pp. 469, 500-501.
240. Braunthal, Geschichte vol. 2, 258; Fowkes, Communism in Germany, 76; Carr does not share the categorical view presented by Fowkes, but notes that the expulsion of Levi caused confusion in the Communist International. See Carr, The Bolshevik Revolution vol. 3, 386-387.
241. Degras, ed., Documents vol. 1, 424. See also Trotsky's assessment, made in December 1922, of the significance of the united front. In Trotsky, The First Five Years of the Communist International vol. 2, 323-324.

242. Cited in Julius Braunthal, History of the International vol. 2 (New York: Frederick A. Praeger, Publishers, 1967), 252.
243. Degras, ed., Documents vol. 2, 1.
244. Ibid., vol. 1, 426-427.
245. Lenin, Collected Works vol. 33, 432. Carr, The Bolshevik Revolution vol. 3, p. 445, considers Lenin's speech "an odd last injunction from a man who had founded the Comintern as a great fighting organization only three and a half years ago."
246. Trotsky, The First Five Years of the Communist International vol. 2, 202. Emphasis added.
247. Ibid., 201.
248. Degras, ed., Documents vol. 1, 379; Carr, The Bolshevik Revolution vol. 3, 452-454, 456-457.
249. Degras, ed., Documents vol. 1, 418. Emphasis in original.
250. Degras, ed., Documents vol. 2, 17. Zetkin relayed the ECCI's views at a local KPD conference in March. The ECCI resolution on the KPD, issued in April, warned against actions running ahead of the development of a revolutionary movement in the unoccupied areas and "widespread disintegration" of the French forces. Ibid., 19.
251. Ibid.
252. At the third plenum of the ECCI in June, Zinoviev declared that while in an "historical sense" the German situation was revolutionary, concretely this meant possibly having to wait a number of years (at any rate, "perhaps much more time" than a year) for the outbreak. Radek expressed similar sentiments. Cited in Fowkes, Communism in Germany, 97; Degras, ed., Documents vol. 2, 29.
253. Fowkes, Communism in Germany, 98.
254. Degras, ed., Documents vol. 2, 52.
255. Virtually all commentators are unanimous in their assessment of the October uprising as a failure and defeat, although they remain divided on where to place the blame. Fernando Claudin seems to be alone in considering the outcome a 'success' of sorts in that it was followed by a boost in the KPD's electoral fortunes during the May 1924 elections (the party's illegal status was of short duration). It must be said that Claudin's constant fixation on electoral performance as an index of political well-being is unwaver-

ing. Claudin, The Communist Movement part 1, 139.

256. Carr, Socialism in One Country vol. 3, part 1, 71, and Fowkes, Communism in Germany, 110-112.

257. See particularly item II in the April 1923 ECCI resolution on the KPD, which rejected the Brandler interpretation as opportunist. Degras, ed., Documents vol. 2, 18-19.

258. Stalin, although at this time not directly involved in Comintern affairs, was perhaps the lone voice issuing from Moscow that suggested "the KPD should be curbed, not spurred on." Ibid., 17. Zinoviev, president of the ECCI, and Bukharin, a member of its presidium, both favored a more militant approach in Germany.

259. Carr, The Interregnum, 159. It should be noted that "equivocal" is perhaps not the most suitable description of the relationship. Carr himself later adds that:

The 'Schlageter line' represented no sort of compromise with Fascist doctrine or Fascist policy, which continued through this time to be an object of fierce hostility and denunciation in the communist press.... In theory, the 'Schlageter line' might be considered a move to the Right [especially as Radek was its most prominent expounder--N.K.]; it implied that Germany was not yet ripe for proletarian revolution.... In practice, it was more favorably received by the left wing of the party than by the Right. The 'Schlageter line' was defensible as a tactical maneuver leading up to the early attempt to seize power, and thus fitted in with the call of the Left for immediate revolutionary action.

Carr, The Interregnum, 184-185.

260. Degras, ed., Documents vol. 2, 41.

261. Radek's speech had been approved by Thaelman, Fischer, and others in the KPD, and Zinoviev in the ECCI. Ibid., 40.

262. See Carr, The Interregnum, 190-192, for extensive quotations from internal BCP documents and resolutions outlining the reasons for rejecting a united front (from above) with the Peasant Union.

263. Degras, ed., Documents vol. 2, 50.

264. Trinadtsatyi s'ezd RKP(b), 310-311. Note that in this view fascism is not merely "direct violence," but "presupposes bloc politics" and involves "pulling along...a section of the popular masses."

265. Ibid., 315.

266. Ibid., 321. Somewhat later in the speech Bukharin made the same point from a different perspective. Admitting that

in its new tilt toward the left the Comintern may have over-estimated the "tempo of events" around the time of October, it was nonetheless true that the "actual path along which developments are proceeding, was absolutely correctly determined by the Communist International" (p. 328).

267. Ibid., 327.

268. Carr, The Interregnum, 105-106, 295-297, 299.

269. The full platform is reprinted in *ibid.*, 367-373.

270. Trinadtsatyi s''ezd RKP(b), 317, 362.

271. Fifth Congress of the Communist International, 22.

272. Ibid.

273. Carr, Foundations of a Planned Economy vol. 3, part 2, 638-643. Indeed, "whether or not [Stalin] remembered his dictum of 1924 [see below--N.K.], he now [1928] displayed no interest in the relation between social-democracy and Fascism, and never at any time used the term 'social-Fascism'. The impetus behind this particular terminology did not come from him" (p. 641).

274. Trinadtsatyi s''ezd RKP(b), 310.

275. N. Bukharin, "Draft Programme of the Communist International," International Press Correspondence 8 (6. June, 1928): 553.

276. Draper, "The Strange Case of the Comintern," 128.

277. Braunthal, History of the International vol. 2, 297, emphasis added. The corresponding paragraph in the 1963 German edition does not mention Stalin or provide this quote. In typical fashion, Braunthal supports the claim that Stalin "invented" social-fascism by quoting R. Palme Dutt (prominent theoretician in the British party during the 'left' phase) who in turn quotes Walter Ulbricht (secretary of the Berlin KPD committee at the time) who himself had only come to see Stalin's hand in these "dogmatic and schematic" constructions some thirty years after the fact. A cynic might be led to wonder whether Dutt, by fixing the blame on Stalin, merely seeks to divert attention from his own role in drawing up the conceptions prevalent during the third period. See the footnote on p. 298 of the English edition; the corresponding p. 321 of the German edition lacks this insight as well.

278. Stalin, Works vol. 6, 294.

279. Deutscher, Stalin, 406-407.

280. Claudin, The Communist Movement part 1, 165, 175.
281. Cohen, Bukharin and the Bolshevik Revolution, 293.
282. Deutscher, Stalin, 403.
283. Franz Borkenau, European Communism (New York: Harper & Brothers Publishers, 1953), 65.
284. Fifth Congress of the Communist International, 55, 64-65.
285. Ibid., 79.
286. Carr, Socialism in One Country vol. 3, part 1, 74-76.
287. Recall Degras, ed., Documents vol. 1, 427.
288. Fifth Congress of the Communist International, 55. See also p. 60.
289. Degras, ed., Documents vol. 2, 103.
290. Ibid.
291. Ibid., 103-104.
292. Ibid., 113-116.
293. Ibid., 109.
294. Ibid., 144.
295. Ibid., 147.
296. Ibid., 148.
297. Ibid., 150-152.
298. Ibid., 154.
299. Carr, Socialism in One Country vol. 3, part 1, 70-71.
300. Stalin, Works vol. 7, 51. For Zinoviev, see Degras, ed., Documents vol. 2, 188. For Bukharin, see pp. 210-211 above.
301. Carr, Socialism in One Country vol. 2, 61. See also G. Zinoviev, "Eight Years of Revolution," The Communist International 18-19 (1925).
302. Stalin, Works vol. 7, 25-29.
303. Ibid., 94-95.

304. Carr, Twilight of the Comintern, 4-5.
305. Draper, "The Strange Case of the Comintern," 109-116 chronicles the events clearly and thoroughly, and provides a comprehensive survey of sources.
306. Ibid., 110, 116.
307. Ralph Miliband, Parliamentary Socialism. A Study in the Politics of Labour (New York: Monthly Review Press, 1972), 133-134, 144.
308. Degras, ed., Documents vol. 2, 303.
309. Miliband, Parliamentary Socialism, 148.
310. Isaac Deutscher, The Prophet Unarmed. Trotsky: 1921-1929 (London: Oxford University Press, 1959), 269. See also p. 284 for Deutscher's not particularly convincing criticism of Stalin's arguments against Trotsky. When Stalin likened Trotsky's views on the Anglo-Soviet Committee to Trotsky's earlier opinions on the proposed Brest-Litovsk peace settlement, Stalin was by no means suggesting (as Deutscher claims) that the "dangers" facing the Soviet republic in the two cases were "remotely comparable." The point of the remarks was that Trotsky's rigid extremism was not something new, and that its effects were predictable. It is also less than appropriate to suggest, as Deutscher does, that Bukharin's criticism of Trotsky was even more "grotesque" than Stalin's, since Bukharin had been to the 'left' of Trotsky at the time of Brest-Litovsk. Bukharin admitted his errors, and repudiated his views; Trotsky did not.
311. Stalin, Works vol. 8, 171, 208.
312. Ibid., 186, 201.
313. Bukharin, Capitalist Stabilization and Proletarian Revolution, 46.
314. Degras, ed., Documents vol. 2, 303-305.
315. Braunthal, History vol. 2, 307.
316. One of the most comprehensive accounts is in Carr, Socialism in One Country vol. 3, part 2, 676-802.
317. Degras, ed., Documents vol. 2, 6.
318. Carr, Socialism in One Country vol. 3, part 2, 772-776.
319. Leon Trotsky, Leon Trotsky on China, ed. Les Evans and Russell Block (New York: Monad Press, 1976), 102-110.
320. Carr, Socialism in One Country, vol. 3, part 2, 784.

This account can be verified by tracing it in Trotsky, Leon Trotsky on China, 114, 490.

321. Quoted in Stalin, Works vol. 9, 228.

322. Deutscher, The Prophet Unarmed, 325.

323. Stalin, Works, vol. 9, 229. Also V.I. Glunin, "The Comintern and the Rise of the Communist Movement in China (1920-1927)," in R.A. Ulyanovsky, ed., The Comintern and the East (Moscow: Progress Publishers, 1979), esp. 332-335 (not particularly flattering to Stalin). Finally, see N.I. Bukharin, "Report given at the Plenum of the Moscow Committee of the CPSU on 4. June, 1927," International Press Correspondence 7, 37 (30. June, 1927): 775-776.

324. Stalin, Works vol. 10, esp. pp. 291-293.

325. Ibid., 287-298.

326. Piatnadtsatyi s''ezd VKP(b), 653-654.

327. E.H. Carr, Foundations of a Planned Economy vol. 2 (New York: The Macmillan Company, 1971), 58.

328. Degras, ed., Documents vol. 2, 430-431.

329. Ibid., 429, and Draper, "The Strange Case of the Comintern," 111.

330. Degras, ed., Documents vol. 2, 437-438.

331. Carr, Foundations of a Planned Economy vol. 3, part 1, 195-196.

332. Stalin, Works vol. 12, 22-23.

333. Ibid., 23-25.

334. Day, The 'Crisis' and the 'Crash', 156.

335. N.I. Bukharin, "The International Position and the Tasks of the Communist International," International Press Correspondence 7, 73 (29. December, 1927): 1672.

336. Carr, Foundations of a Planned Economy vol. 3, part 1, 195.

337. "Comrade Bukharin's Speech in Reply to the Discussion on the International Situation," International Press Correspondence 8, 49 (13. August 1928): 864.

338. Kozlov, "Nikolai Ivanovich Bukharin," and Keith Smith, "Introduction to Bukharin: Economic Theory and the Closure of the Soviet Industrialization Debate," Economy and Society



8, 4 (November 1979).

339. Stalin, Works vol. 12, 244-262. For Draper's assessment, see his "The Strange Case of the Comintern," 106.

340. Draper, "The Strange Case of the Comintern," esp. 126.

## CHAPTER IV

### CONCLUSION

The foregoing has sought to provide some inductive support for the writing of theoretical economic history by demonstrating, via analytical case study, the vital yet complex role played by economic theory in the formation of political strategy and tactics. The specific example considered was the mainstream Marxist labor movement in the years 1860-1930. The necessity of analysis rather than description stems from the fact that although the role of economic theory is often decisively important, it is equally often true that a ready and direct identification of the specific effects of theory is difficult to provide, i.e., its effects are not immediately and palpably revealed in the 'choices' that political actors make. This is not because most political practitioners (particularly Marxists) fail to explicitly acknowledge the importance of theory, but rather because the practical repercussions of conflated levels of theoretical abstraction, teleological constructs, ill-defined or absent concepts, etc., frequently only make their appearance obliquely, or in a domain once, twice, or even further removed from that in which the theoretical construct had originally been erected.

One aspect of the exercise has been a writing of the theoretical history itself, viz., criticism of the varied

economic theories of capitalism advanced by socialist politicians (and/or prevalent in socialist political parties) has been linked to the political practice advocated or pursued by the politicians and/or parties. The second aspect of the study then logically entailed the demonstration that these theoretical conceptions of capitalist economy provide a good explanation (as good as or better than rival explanations) of the political conclusions reached by their proponents. Note that the approach taken herein has never implied the claim that the entirety of an individual's (or party's) political makeup derives directly from their 'preferred' theory of capitalism.<sup>1</sup> Lenin's politics, for example, probably owe something to the fact of his brother's execution at the hands of the tsarist regime. But for an analyst (a Marxist one at that) to claim to somehow know that Lenin's considerations on party organization sprang full-blown from the sad episode of Alexander's death is arguably fanciful.<sup>2</sup> The theory-dependence of politics is more complex, but no less crucial merely because of this complexity, than explanations which dwell on the 'personal' or 'psychological'. Indeed, it is precisely the attenuated nature of the link between economic theory and politics which makes it both possible and necessary to speak of the sense in which the logic of an economic theory imposes itself on practice, since it most frequently takes place 'behind the backs' of the practitioners.

A clear case of economic theory's perceptible effects on practice was discussed in Chapter I, which traced the

development of Marx's theoretical work and his conduct of political matters. It was shown that prior to his working out of a complete economic theory of capitalism, Marx's understanding of capitalist society derived from a conception of history rooted in philosophy. Economic notions (wages, capital, etc.) were present, but they were not yet concepts. These non-concepts, once instantiated in Marx's philosophy of history, nonetheless became metamorphosed into vessels (in the sense of containers), with a shape and a palpability which belied the fact that they were--empty. The relations between these contentless notions could not, therefore, be governed by the structure of the notions themselves (as is the case with genuine theoretical concepts), but came to be dictated by the highly general philosophy of history in which they were embedded. The consequence was the outline of capitalism in which the homogenizing and levelling tendencies of the accumulation process appeared to stand alone, seemingly driving real history to the pure final result in which "The working men have no country."

Conclusions of this sort were gradually discarded by Marx in step with his elaboration of the economic theory of capitalism. Commodity, value, money, capital, etc., were systematically worked over into concepts as opposed to only designating the names of things; serious attention was devoted to distinguishing levels of theoretical abstraction<sup>3</sup> and the legitimate applications of these abstractions. The

implication, as evidenced by Marx's political approach after the early 1850s (and especially with the International Working Men's Association, the First International), was an increasingly 'complex' and non-deterministic politics (Chapter I, subheading C). Once the economic analysis of capital allowed the prospects for revolutionary politics to be evaluated from the standpoint of a theoretically informed concrete analysis (rather than the mere, even if 'artistic', hypostatization of generalities), the conception of an actually or even eventually existing homogeneous proletariat vanished. Concerted international working class political action, while not ruled out as an impossibility, came to be regarded by Marx as a political program to be forged and continuously re-forged. The process of accumulation not only produced, it also continually reproduced, the economic conditions which simultaneously fostered and equivocated proletarian political unity.

Marx had determined that the 'pure' theory of capitalism (as ultimately embodied in Capital) could not be regarded as the "historical tendency" and "logical conclusion" (as Luxemburg later maintained) of the real development of capitalism, any more than the Newtonians' first approximation of a 'frictionless' environment could be regarded as the "logical conclusion" of actual motion in the physical world. The relationship between theory and the reality it sought to explain was now treated in a much more contingent manner than before--Marx had adopted a materialist perspective in more than form, and had begun to operate from an epistemo-

logical perspective resembling modern scientific realism. It was this sense of the contingency mediating the theory-reality relation which for a time escaped Marx's followers.

Within the Second International, Bernstein's politics not surprisingly reflected his criticism of Marxism from essentially bourgeois theoretical positions (Chapter II, subheading C). From the standpoint of this study, however, more interesting and important considerations emerge from an analysis of the differences among those who sought to defend Marxism from Bernstein's revisionism, and the manner in which economic-theoretical discord produced or was reflected in varying political judgements. For the 'orthodox' tendency in the International, determinism in economic theory (Kautsky) plus a pacifist social orientation combined to produce a political position which affirmed the 'necessity' of a peaceful capitalism (ultra-imperialism). The deterministic vein in Plekhanov's work stemmed not so much from his own economic analyses (of which there were few) nor his philosophical efforts, which, contrary to much of the contemporary wisdom, are not crudely deterministic. Rather, Plekhanov's deterministic-teleological constructions derive from his over-reliance on the economic themes of Marx's Manifesto which, as already argued above, were drawn from the philosophical theory of history ultimately abandoned by Marx himself.

Luxemburg, despite the militant orientation and indefatigable spirit which render her so appealing, was unable

to resolve the revisionism-orthodoxy quandary. This must be recognized and affirmed, without casting unwarranted aspersions, particularly in view of those increasingly ingenious efforts to recover Luxemburg. As argued in Chapter II, subsection E, it is simply impossible to disengage the tension between activism and fatalism in Luxemburg's work--indeed, Luxemburg's theoretical schema necessarily produces a continual oscillation between determinism and voluntarism in politics.

Although Lenin's approach surmounted in practice the impasse erected by the revisionism controversy, it did so in a not entirely theoretically satisfactory manner, with shortcomings which were not long in returning home to roost. Lenin's "concrete analysis of a concrete situation" was no doubt a major methodological step toward recapturing the complexity of Marx's mature approach, but the fortuitous aspects of the success of the Leninist project were not always recognized as such. It was precisely the spectacular practical success of Leninism which led to its virtually uncritical incorporation into the revolutionary working class movement. Not unreasonably, organizational considerations were perceived as the hallmark of the Leninist approach, and the optimism of the immediately post-revolutionary period suggested that surmounting theoretical-political problems was possible by simply drawing the appropriate organizational lines of demarcation.

But while the effects exercised by economic theory on politics may be silent and indirect, they are also inexora-

ble. Even the seemingly ironclad "21 Conditions" of admission to the Comintern could not prevent economic theory from leaving its specific imprint on the communist politics of the 1920s. In this case, Lenin's theoretical legacy did not make a positive contribution. The poorly worked out aspects of his economic theory--especially the inconsistency inherent in his treatment of the competition-monopoly question and the pseudo-concept of "moribund" capitalism--forced their way into the theoretical orientation of the Comintern.

While Lenin's notion of "moribund" or "decaying" capitalism produced very consequential effects, it was not wholly or partly responsible for the origins of the third period in Comintern politics, as some Marxists (Claudin, Poulantzas) maintain. The turn to the left wing politics of the third period originated with the disproportionality approach of Bukharin and his analysis of the growing contradictions of capitalist stabilization. Bukharin by and large succeeded in presenting an analysis which treated the intensification of contradictions as an integral aspect of the resumption of accumulation, by contrast to the underconsumption approach which forced observable phenomena into preconceived images of "decay." Disproportionality explicitly avoided the notion of "decay," and was able to explain the upturn, the aggravation of contradictions as accumulation proceeded, and the eventual downturn; but disproportionality was less suited to pinpointing why a particular downturn would or might be the final "structural" crisis of capital-



ism. Varga's underconsumption view, on the other hand, was in relative abeyance through the mid-1920s as Varga's efforts to deny any evidence of a resumption of economic activity began to sound increasingly ad hoc. The persistence of generally high levels of unemployment in Europe was the toehold needed by the underconsumption theory to retain a semblance of offering a viable explanation of economic conditions in the capitalist world.

After the campaign against the right deviation and Bukharin began to make an impression, however, the underconsumption approach began its move to center stage by default, and soon displaced disproportionality as the prevailing theory of capitalism's contradictions once Bukharin's views on socialist development were rejected in the Russian party and his political influence collapsed. The triumph of underconsumption might have been shortlived, due to its underlying inability to reasonably explain any recovery in the process of accumulation, were it not for the economic collapse in the capitalist world after 1929. Suddenly the imagery of "decay" came into its own, and was actually more compelling than disproportionality in its description of empirical events, as the 'rationalization' and 'stabilization' of capitalism in the previous few years were forgotten.

The increasingly implacable character of the left turn after 1929 was sustainable largely as a result of the success enjoyed by underconsumption in 'predicting' the Great Depression--it was the theory of underconsumption and its

descriptive baggage (the collapse of an 'overripe' capitalism) rather than Stalin as such which made the distended version of the third period possible.

It is particularly the case for the Comintern's political history that economic theory must comprise a significant component of any effort at understanding. Without the insights gained by assigning a major explanatory role to economic theory, the alternative is an account rooted in Stalin's personality and/or his tactics in factional struggle. While these latter factors are certainly not irrelevant, their utilization as the principal explanation of events is sustainable only by a careless approach to the dating of events (Chapter III, subheadings C and D).

#### Notes to Chapter IV

1. The ironical quotes reflect my realist view that the 'preferred' theory of capitalism does not acquire its status as the result of 'choices' made by practitioners. "The scientific practice will exist in a particular society as an autonomous practice provided it plays an appropriate role or function in that society. This will not be a matter of the decisions of individuals." Chalmers, What Is This Thing Called Science?, 139.

2. P.N. Pospelov et al., Vladimir Ilyich Lenin A Biography (Moscow: Progress Publishers, 1965), 24.

3. The subject matter of Capital was "...not Britain, but the capitalist socio-economic formation." Colletti, From Rousseau to Lenin, 9.

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