
ANTICIPATING THE SOCIAL-DEMOCRATIC SCHISM:
THEORETICAL DISPUTES WITHIN THE SPD ON CAPITALIST
EVOLUTION AND THE NATURE OF THE IMPERIAL GERMAN
STATE, 1891-1914

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INTRODUCTION

In 1912 the German Social Democratic Party (SPD) cemented its position as the leading force in the international socialist movement by becoming the first social democratic party to achieve a plurality of votes in a national election. Two years later the SPD became the first social democratic party to vote credits for war. In January 1919, after Germany's military defeat in the First World War, Social Democratic Interior Minister Gustav Noske of the provisional government ordered the violent suppression of a revolt led by the Spartacist League, whose leaders Karl Liebknecht and Rosa Luxemburg were former party comrades. The extrajudicial murders of Liebknecht and Luxemburg by paramilitary right-wing forces (*Freikorps*) came to symbolize the definitive division of Germany's socialist movement, a division that persisted through the period of the Weimar Republic and contributed to the impotence displayed by German Social Democrats before the ascent of Adolf Hitler's German National Socialist Workers' Party (NSDAP) in the waning years of Weimar democracy.

By 1918 the Social Democrats were split into three parties: the Majority Social Democrats (MSPD), the Independent Social Democrats (USPD), and the Spartacist League, which on January 1, 1919 changed its name to the German Communist Party (KPD). This schism was the consequence of a protracted struggle over the SPD's support for the German war effort and the party's reconciliation with the Imperial State from 1914 to 1918. Yet the origins of the split went back several decades. They can be seen in the conflicting pressures within the party about how to operate after the Anti-Socialist Law that had formally banned public party activities ended in 1890. The rapid industrial growth that marked Germany's transition into a world power was accompanied by an equally

rapid ascent in membership and votes for the Social Democrats. This growth created unprecedented opportunities for the party to influence contemporary developments. However, a deepening of economic inequality in the context of a general rise in living standards, the growth of an international socialist movement in a time of militarism and imperialist threats to peace by an increasingly assertive German *Weltpolitik*, and the coming of age of a German democratic culture in the midst of hyper-nationalism and political authoritarianism set the contours for an acrimonious series of disputes within the SPD.

The immediate cause for intra-party crises that culminated in the withdrawal of many leading Social Democrats from the SPD during WWI were contrasting demands concerning party tactics on issues such as SPD votes in the Reichstag and extra-parliamentary pressure, in particular the debates revolving around the mass strike. These tactical disputes were rooted in antithetical strategic orientations of the three party factions, generally referred to as reformist, centrist, and radical. This paper seeks to demonstrate that the leading theorists of the major factions developed strategies irreconcilable with one another within the framework of a unified party. Further, these strategies represented contrasting conceptions of economic evolution and political power in Imperial Germany and Europe. The leading theorists of each faction stressed different aspects of the political and economic constellation in Germany to such a degree that they often seemed to be describing vastly different countries. These conflicting conceptualizations of the nature of the Imperial state and economy and the strategies which each faction developed from them provide the context for the split of German Social Democracy and made some sort of decisive break necessary if each faction was to attempt the pursuit of the strategies it advocated. The schism existed in embryonic form in the years immediately preceding WWI as factional lines on theory and tactics hardened. These disputes intensified in the second decade of the twentieth century, as radicals became convinced that a revolutionary tactic was the only means of preventing war in Europe. By 1914 the deep polarization within the SPD served to paralyze much of the party's freedom to maneuver in an increasingly dangerous internal and external climate.

Here I analyze the theoretical, strategic, and tactical positions of four leading SPD theorists: Karl Kautsky and Rudolf Hilferding of the centrist

faction, the reformist Eduard Bernstein, and the radical Rosa Luxemburg. I have chosen these four theorists not necessarily because they were most representative of their movements. Bernstein, for instance, found himself often isolated from other reformists in the SPD and, because of his opposition to the German war effort, he later joined the USPD with his former party opponents Hilferding, Kautsky (before all three reintegrated in the SPD with the remnants of the USPD), and Luxemburg (who later left to join the Spartacists). Rather, I analyze their writings because (a) contemporaries recognized them as the intellectual leaders of their factions (Schorske, 19-21); (b) they achieved international prominence and had a great influence on debates within European socialism as a whole; (c) they frequently cited each other as a basis for their polemics; and (d) of the rich journalism of pre-WWI German Social Democracy their economic and political analyses of the development of international capitalism and German government and society were the most comprehensive. I then conclude with a brief overview of the strategic disputes within the party in the lead-up to the First World War.

KARL KAUTSKY AND THE “ERFURT SYNTHESIS”

Carl Schorske employs the phrase “Erfurt synthesis” to describe the common and uniting features of the party that emerged after the lapsing of the Bismarck-era Anti-Socialist laws (Schorske, 6). It was the progressive unraveling of this synthesis from 1898 to 1914 that resulted in the party’s schism during the First World War and the fratricidal battles at the dawning of the Weimar Republic. The Erfurt party congress, held in 1891, approved a party platform that remained in effect until the Weimar era. In the section written by Kautsky, the platform formalized the party’s adherence to Marxism and proclaimed the party’s goal to be the overthrow of the capitalist economy and society. At the same time, Bernstein laid out in the platform’s second section demands for economic reform and democratic rights that the party should pursue in the present in order to improve the status of workers within the existing economy and authoritarian political system. Though the dual nature of the platform carried the seeds of the future divergence, Bernstein and Kautsky generally shared a common view during this period, as well as a close friendship. The program continued the party’s tradition of pairing a revolutionary rhetoric with the reformist practice of

participating in parliamentary structures at the national and local levels. The Erfurt Congress commissioned Kautsky to publish an extended pamphlet laying out the theory of the party in a comprehensive, yet accessible, manner. The result was *The Class Struggle*, which became Kautsky's most widely read and translated work (Stenson, 1978, 99).

As a close collaborator of Friedrich Engels in the final years of the latter's life, Kautsky presented himself as the carrier of Karl Marx and Engel's legacy into the twentieth century. In *The Class Struggle*, Kautsky put forth what is often described as an "orthodox" Marxist interpretation of the evolution of the capitalist economy. Kautsky reasserted Marx's late theory of collective immiseration, writing that "the majority of people sink ever deeper in want and misery (Kautsky, 1892, 43)." Farmers, merchants and small producers were progressively approaching proletarian conditions. Even if this was not evidenced in a decline in the number of businesses operated by small producers, Kautsky identified a nebulous "debasement of their character" and an increase in the precariousness of their position. The capitalist class was narrowing as large producers increasingly monopolized the means of production. Kautsky claimed that periods of prosperity were declining in length, as the severity of crises, caused by overproduction and a declining rate of profit, both inherent and inextricable results of a capitalist economy, intensified. As the productive capacity of society increased, the fixed portion of production grew over the variable portion, meaning machines were progressively displacing workers. A steady growth in the number of unemployed resulted, along with a decline in the purchasing power of the majority of the population. The consequence would be more products than ever before, and less means for people to purchase them. A crisis would inevitably follow. Economic crises resulted in the bankruptcies of less productive small enterprises and therefore an increase in the concentration of capital and production. The Manchester School of liberal free-trade no longer held sway over the international capitalist class (Kautsky, 1892, 106). Cartels were becoming a defining feature of economic life in the leading industrial countries, as capitalists attempted to shield their profits by eliminating competition in their sectors. However, cartels would never be able to fully regulate the economy because they remained national in scope, and trusts were divided by sectors. The pernicious effects of international competition led to the increase in armaments spending and militarism that so marked the last

decades of nineteenth-century Europe and these trends were accelerating. Kautsky identified what he considered a contradiction at the heart of capitalism. He wrote, "Commerce demands peace, but competition leads to war" (Kautsky, 1892, 203). In order to combat the tendency of profits to decline, capitalists had to turn to unexploited regions of the world. However, the economy had already become global, and there was a definite limit to the potential extension of markets. Governments, increasingly dependant upon the capitalist class, sought to increase their own prosperity by expanding their political boundaries and colonizing other peoples. This "need of expansion caused by the capitalist system of production (...) is the most powerful cause of the militarism which has turned Europe into a military camp" (Kautsky, 1892, 104). The growth in credit mechanisms exacerbated the impact of crises. As crises intensified, the capitalist class would become increasingly desperate in the search for profits until capitalism collapsed under its own contradictions.

Historian Dieter Groh describes the strategy Karl Kautsky derived for the SPD from his theory as "revolutionary *attentisme*" (Groh, 57-59). Kautsky claimed that the contradictions inherent in capitalism were intensifying and that capitalism and the monarchy would be overthrown in a revolution, though this might be brought about through the abdication of the ruling class rather than through violence (Salvadori, 33-34). He perceived the revolutionary process mechanistically and working class and party action against the state as futile until objective conditions made a revolution inevitable. The SPD would emerge to fill the power vacuum and lead Germany towards socialism. The party could do little to hasten this process because historical developments involved the inevitable unfolding of contradictions inherent to the system. As Kautsky wrote in 1893, the SPD "was a revolutionary party, but not a party that makes revolutions" (Salvadori, 40). The pace of these developments would largely be set by the ability of the bourgeoisie to adapt itself to the challenges of capitalist evolution. Hence the primary function of the party was to educate the workers and protect itself against state repression so that the party could fulfill its historic function once the moment for revolution had arrived. Elections and the quest for a SPD parliamentary majority were central to this strategy, and Kautsky echoed the elder Engel's view that such a majority would represent in fact the realization of the dictatorship of the proletariat. The most important task of the party was to maintain a pure Marxist theory so that it would

properly understand its role in the historical process and be ready to lead the workers towards revolution when conditions were ripe and to direct them following their victory. Kautsky only accepted alliances with liberal parties as tactical, temporary measures to pursue specific goals. The party should continue its rejectionist attitude toward the government and parliament, while avoiding any premature revolutionary initiatives. This static tactic came to frustrate the more activist wings of the party eager for a more dynamic strategy, fueling a challenge from reformist and, then, radical party critics.

EDUARD BERNSTEIN AND THE REVISIONIST CHALLENGE

Influenced by his years of exile in England, where he was long exposed to the ideas of Fabian reformists, and in the context of an economic upswing that began in 1895, Eduard Bernstein published *The Preconditions of Socialism and the Tasks of Social Democracy* in 1899. Bernstein's book, which one historian calls "the bible of reformism" (Gneuss, 40), argued that the SPD must abandon its revolutionary principles, remove references to class warfare from its propaganda, and seek alliances with liberal parties. After a criticism of Hegelian dialectics, historical materialism, and "Blanquist" tendencies within Marx's writings, Bernstein arrived at the heart of his argument. Marxism, as with any theory, must be tested against empirical evidence and his book extensively employed statistics on the development of capitalism since Marx's death in an effort to prove that Marx's depiction of economic trends ran counter to objective conditions. As opposed to the claim that the proletariat would gradually subsume the agricultural and middle classes, Bernstein argued that there had been a relative and absolute increase in property owners. The number of employees in mid-range and small businesses was increasing, though not at the same rate as those of large enterprises. While he admitted to having no information on the distribution of stock ownership among income groups, Bernstein wrote that the number of stockholders in England (which he described as still the most advanced capitalist country) was increasing, as well as their average holdings. In Prussia most of the proletariat continued to be employed in small and middle-sized businesses as of 1895. These enterprises remained competitive, according to Bernstein, because their size made them more compatible with certain types of production, the

expansion of large-scale businesses fed and bred smaller companies, and direct access to consumers made smaller businesses better situated in trades such as baking. Large and small businesses were often not in direct competition. Only the smallest businesses were declining. Bernstein concluded that there was no evidence that any substantial economic sector, including small-scale trade and farming, was in decline. Rather, all sectors were expanding with the overall economy, though not at the same rates.

Bernstein did not reject all of the trends of economic development identified by Marx. He agreed that there was an increasing concentration of industrial capital, a tendency to overproduce, repeated economic crises, and an increase in the rate of surplus-value extraction (Lehnert, 369). However, he took issue with Marx's contention that an increase in the rate of surplus value meant an increase in exploitation, noting that the rate of surplus value was greater among highly paid industrial workers than unskilled labor. In so doing, Bernstein denied the empirical basis of Marx's theory of value, declaring it to be "a pure thought construction" and stated that surplus value was not an accurate standard for measuring exploitation. As part of his general campaign against the objective foundations of scientific socialism, Bernstein argued that the lasting worth of Marx's theory of value lay in the "moral-ethical dimensions of the economic relationships [it] uncover[ed]" (Lehnert, 315).

In addition, Bernstein identified what he considered counter-trends that stemmed from, and perhaps even overcame, the tendency for the rate of profit to decline. The expansion of capital's reach in an age of imperialism, the increased pace of transportation and communications, and the elasticity and advancement of the credit system all boded poorly for an imminent collapse of the capitalist system. Most importantly, cartelization meant an increase in rationalization and control, decreasing the threat of the tendency to overproduce (Hohorst, 323). As the capitalist system became more rationalized, Bernstein predicted that speculation would decline and the impact of local disturbances on the world market would lessen. In contrast to Kautsky, Bernstein argued that intensive rather than extensive exploitation was more prevalent in capitalist expansion, meaning that economic expansion in already existing markets was a larger factor in capitalist growth than the acquisition of new markets. Bernstein concluded that "no *a priori* limit can be set for this intensive exploitation of the world market" (Bernstein, 1899, 90).

Therefore capitalism was entering a period of stabilization and crises were becoming less, rather than more, severe in length and intensity, despite Marx's predictions to the contrary. Bernstein viewed England as the model for capitalist development and envisaged Germany developing in the direction of a Gladstonian social compromise. He portrayed Germany's future as England's present.

Within this context of capitalist stabilization, Bernstein advanced the view that capitalist societies were progressively growing towards socialism. He identified the growth of cooperatives and municipal socialism as important components of this process and described the expansion of the number of stock-holders as representing a process of economic democratization. The key element in the evolution towards socialism, however, was democracy. Bernstein writes:

In England, as in Switzerland, and also in France, the United States, the Scandinavian countries, etc. [democracy] has proved to be a powerful level of social progress. Whoever looks not at the label but at the content will find—if he examines the legislation in England since the electoral reform of 1867, which gave urban workers the vote—a very significant advance in the direction of socialism, if not socialism itself (Bernstein, 1899, 143).

Bernstein argued that the universal franchise could be used by the SPD as an “alternative to revolution” (Bernstein, 1899, 145). The SPD should align its theory with its practice by unambiguously committing itself to democratization and abandoning phraseology such as the dictatorship of the proletariat. He described the party's revolutionary rhetoric and theory as a direct threat to democratization efforts because it pushed the monarchy towards reaction and made liberal parties reluctant to ally with the Social Democrats in a push for electoral reform. Unlike many other reformists in the SPD, Bernstein saw the mass strike as a legitimate method to achieve democratic reforms and argued that, if the German state attempted to abolish voting rights, the working class could respond with revolution (Grebing & Kramme, 70; Lehnert, 373).

Bernstein argued that capitalist stabilization, however, made a revolution improbable and unlikely to succeed. Even if such a revolution occurred, it would be tarnished and constrained by the violent destruction that had engendered it. The Imperial government, according to Bernstein, was capable of overseeing real social and political reform and the best strategy for the SPD to exploit this potential and defend the interests of

the working class was to integrate the party, unions, and workers into the Imperial system in order to strengthen the democratic forces within it.

KARL KAUTSKY AND RUDOLF HILFERDING RESPOND

Bernstein's polemic unleashed a furious counter-attack from the defenders of what had been the party's traditional strategy and theory since the Erfurt Program. Karl Kautsky's role as the party's quasi-official theoretician and his close ties to party leader August Bebel made his role in the revisionist controversy of paramount importance. He dedicated himself to disproving the details and conclusions expressed in Bernstein's revisionist tract (Lehnert, 357).

In *The Social Revolution*, a pamphlet developed from a lecture and published in 1901, Kautsky acknowledged that "never was the rate of economic development more rapid" (Kautsky, 1901, 35). Wages were rising as Bernstein had noted but, according to Kautsky, this was only a part of the story. Profits were rising much faster than wages and the capitalist standard of living was increasing at a much higher rate than that of the proletariat. Kautsky conceded to Bernstein that figures revealed that wages had increased in England from 1860 to 1891. However, Kautsky claimed that English wages made up a progressively smaller proportion of the total social wealth (Kautsky, 1901, 41). Maintaining Marx's theory, Kautsky claimed that the extraction of surplus value, and therefore exploitation, was steadily increasing. In addition, the rise in wages and living conditions of the proletariat was not a symptom of capitalist development, but rather resulted from the increasing strength and ability of organized labor to pressure the government for an amelioration of its conditions. If left unhindered, Kautsky declared, capitalism would progressively pauperize the working class.

Defending the party's traditional strategy, Kautsky attacked Bernstein's depiction of conditions in England, the role of England in the world economy, and the conclusions that one should derive from the English situation. Kautsky declared that since the publication of *Capital* "England has ceased to be the classic land of capitalism" and now "our (German) state shows England's future in capitalist development" (Kautsky, 1901, 61). He argued that there was a steady increase in government and employer coercion in England, accompanied by an intensification of the class struggle. The English political model

was under increasing strain and though compromise there was “farthest developed,” this was not evidence of the advanced state of England but rather showed that the United States and Germany had surpassed England’s development (Kautsky, 1901, 26). Stock-holding did not represent a democratization of capitalism, but was rather a means for the wealthy to get their hands on the money of the lower classes. Municipalities under Social Democratic control tended to be the poorest and did not have the means to propel Germany towards socialism. Cooperatives were weak and could never compete with the forces of capitalist accumulation. The growth of capitalism into socialism was a “utopia” of Bernstein’s creation (Kautsky, 1901, 83).

In the end, for Kautsky, the struggle for socialism was a question of power (Kautsky, 1901, 118). The capitalist class was appropriating for itself an increasing proportion of the total social wealth and this was taken to be evidence of the validity of Marx’s predictions. The growth of militarism and bureaucracy, identified by Kautsky as much more advanced in Germany than in England, was a symptom of the latest phase of capitalist development. The capitalist class was increasingly aware of the revolutionary potential of the proletariat and was arming itself to resist; its crucial ally in this struggle was the state. A purely parliamentary tactic was doomed from the beginning because “at the same time that the influence of Social Democracy grows in Parliament, the influence of Parliament decreases” (Kautsky, 1901, 75). In addition, Kautsky stated that the strength of the financial sector was growing and that it was coming more and more to dominate industry. Kautsky claimed that the heightened international tensions between Germany on the one side, and England and France on the other, were the result of the influence of financial capitalists. He viewed the decline in the export of English goods to its colonies and the small value of French and German colonies for industrial development as evidence that colonization was no longer intended to provide markets for home goods, but rather served capitalism as territory for the exploitation of natural and human resources. As England lost its previously unassailable economic superiority and saw its colonial predominance challenged, capitalist concerns in various countries turned to the state to protect and, especially in the German case, extend, the reach of its interests, leading to increasingly hostile relations between the advanced capitalist countries.

In what was to become a classic in the study of imperialism, Rudolf Hilferding, a protégé of Kautsky and twice Finance Minister during the Weimar era, laid out a systematic analysis of capitalist development in his 1910 exegesis, *Finance Capital*, a direct reply to Bernstein (Smaldone, 41). The most distinctive feature, according to Hilferding, of the latest phase of capitalism was the rapid growth of cartels and the increasing interrelationship between finance and industrial capital. A lack of investment capital caused German industry to become increasingly reliant for its expansion on bank loans. Long-term loans increased industries' dependence on banks, and as the banks became more financially invested in these industries, they became more interested in overseeing and, when possible, directing, the industrial strategy of these enterprises. Cartelization was partly a consequence of these investments because banks, financially involved in a large host of enterprises, perceived that their interests would be best protected by curtailing competition and coordinating the various enterprises of an industrial sector. A considerable personnel overlap developed on corporate and bank boards. In this more advanced form of capitalist organization, capitalists saw free trade and competition as pernicious to profits and turned to protective tariffs to maintain artificially high price levels independent of productive costs. Technological improvements and increased productivity were no longer reflected in lower prices. In addition to an increase in exploitation resulting from a higher rate of surplus value extraction, tariffs acted as "an indirect tax on the domestic population" forcing consumers to pay artificially high prices for basic goods (Hilferding, 308). The SPD in this period consistently agitated for lower tariffs, especially those on agricultural products, because higher prices depressed real wages. Tariff levels, established by the state, made tariffs the focal point of "a political struggle for power among various industrial groups" (Hilferding, 312) as they sought to influence state protectionist policies to their advantage. Cartelization allowed large businesses to confront the state in a united manner and more effectively pressure it to protect their interests.

As concentration of banking and industrial capital progressed, more wealth fell into the hands of fewer people, exacerbating class differences and intensifying the struggle between classes. Hilferding identified what we would today call insider-trading on the stock market. He described well-connected investors manipulating the market and taking advantage

of inside information to profit at the expense of small investors, who were devoid of such connections. Countering the importance that Bernstein assigned to the persistence of small businesses, Hilferding claimed that these businesses were becoming increasingly dependent upon large businesses, whose products they sold. A small business became “a mere agent of the capitalist” (Hilferding, 212). It was also here where the class struggle was most bitter because retail and other small operations had the lowest rates of profit and were most vulnerable to growing working-class assertiveness. The rapid pace of production in Germany created an acute shortage of labor. This worked to the advantage of the trade unions, allowing them to overcome the pauperization of the laboring class that Marx had predicted in the advanced capitalist countries. Small businesses became more reliant on large businesses to counter the claims of labor and keep the workers in line. The prospects for an alliance with this class against the large capitalist concerns were thus extremely limited. Hilferding also discussed “the new middle class” of bureaucrats and technicians. He predicted that the rapid increase in the numbers of this class would push past the saturation point, causing their wages to progressively decrease toward proletarian levels. However, the contempt that this class had for the proletariat meant that their political views would not soon match their deteriorating conditions and this class would therefore remain an implacable foe of the laboring class for the foreseeable future. There were at present no economic or political grounds for the alliances Bernstein sought. The working class and, hence, the SPD, would have to struggle alone.

Hilferding concluded that cartelization was an ameliorating factor of the tendency for the rate of profit to fall but could not overcome the impact of overproduction. Crises would therefore continue and would be aggravated by credit mechanisms, as opposed to Bernstein’s claim. This was because credit tended to be most abundant during times of prosperity and to dry up just at the moment during a recession when it was most needed. Cartels also limited the opportunities for domestic investment, leading financiers to turn increasingly to the export of capital. The acute shortage of labor power resulted in an intensified colonization with the goal of creating a free-wage colonial proletariat. This involved considerable violence as the principle means to achieve this was to uproot people from their traditional modes of life and to expropriate their

land. A power struggle between national banking groups for spheres of influence for investment made imperialism dangerous to the maintenance of peace in Europe. Germany was in a disadvantageous position in the acquisition of new markets compared to its rivals. Russia and the United States had substantial frontier internal markets to exploit while Holland, France and England could rely on their considerable colonial holdings. With the 1905 Morocco crisis in mind, Hilferding argued that as Germany sought to break out of its central European containment and threatened French colonies, it risked conflict with England and France. Bernstein responded to Hilferding by challenging the empirical basis of his conclusions and arguing that the depiction of finance capital and the bourgeoisie as uniform entities was erroneous (Bernstein, 1911*d*, 947-955). In his view, many capitalists were harmed by protectionist policies and would support liberal parties who were committed to lowering tariffs, opening a door for a broader liberal-socialist alliance.

Until 1910 Kautsky, Hilferding, and Bebel fought to maintain the Erfurt Synthesis against the efforts of reformists to achieve cross-class collaboration and a positive role for the SPD parliamentary delegation in Imperial politics. Kautsky continued to insist that this would constitute a fundamental betrayal of socialist principles. However, this group was soon to be challenged from another flank as an organized radical opposition emerged in the decade leading up to the First World War. Struggling against reformist pretensions on the one hand, and calls for revolutionary agitation on the other, the center coalesced to defend the party's established theory and strategy.

ROSA LUXEMBURG AND THE DEVELOPMENT OF A RADICAL ALTERNATIVE

In 1899 Rosa Luxemburg published her critique of Bernstein's reformism, *Social Reform or Revolution*, and began a long career of radical agitation that propelled her to prominence in the international socialist movement. Luxemburg criticized the validity of Bernstein's economic conclusions in terms rather similar to Kautsky and Hilferding. Credit did not attenuate capitalist contradictions but rather sharpened them by expanding production beyond the capacity for consumption. Overproduction then led to crises in which credit disappeared as soon as it was most needed. Cartelization was a phase of capitalism meant to hold

off the tendency for the rate of profit to fall and it intensified the class struggle by increasing the conflict between producers and consumers in the struggle over tariffs. International clashes over tariff policy increased the hostility between various advanced capitalist countries. Share-holding increased the concentration of capital, rather than dispersing it as Bernstein claimed. Luxemburg wrote that it was not true that Marx predicted a definite rate of industrial concentration or the absolute disappearance of the petty bourgeoisie (Luxemburg, 1899, 146). She also claimed that Bernstein's denial of a final general crisis was not compatible with his acceptance of the existence of crises. It was not possible, according to Luxemburg, to have only a little anarchy in the market. For her, the theory of the final breakdown of capitalism in a general crisis was "the cornerstone of scientific socialism (...) without [which] the expropriation of the capitalist class is impossible" (Luxemburg, 1899, 160).

The heart of Luxemburg's 1899 critique, however, lies in her analysis of the political situation. Luxemburg broke the alleged tie between capitalist development and the advance of democracy. She wrote that "democracy has been found in the most dissimilar social formations" while "absolutism and constitutional monarchy are found in the most varied economic contexts" (Luxemburg, 1899, 152). In Germany, there was no reason to expect a progressive growth of democracy, nor a bourgeois revolution bringing with it greater public liberties and a democratic form of government. The German bourgeoisie was "quite satisfied with a semi-feudal constitutional monarchy" (Luxemburg, 1899, 152). The steady growth of the labor movement meant that liberal doctrines had become "a direct impediment" to capitalist aims. She writes:

Turning to the present phase of bourgeois history, we also see here factors in the political situation which, instead of assuring the realization of Bernstein's schema, lead rather to the abandonment by bourgeois society of the democratic conquests won up to the present (Luxemburg, 1899, 153).

Whereas reformists at this time stressed economic developments to bolster their case that the position of the worker was improving within German society, radicals tended to emphasize political developments such as the rise of militarism, imperialism, and the determined effort by the German government to prevent a democratization of the *Reich*. In her

future career as a leading, though often isolated, radical agitator, Rosa Luxemburg argued repeatedly that events proved that the governing aristocratic and economic elites, the latter organized into cartels and employers' associations, would not permit a democratization of the German state out of fear of the assertion of working-class economic interests at the parliamentary level. She asked her readers to:

Think of a theory of instituting socialism by means of social reform in the face of the complete stagnation of the reform movement in Germany (...) Consider the theory of winning a majority in parliament after the revision of the constitution of Saxony [creation of a class voting system] and the most recent attempts against universal suffrage (Luxemburg, 1899, 131).

She concludes that:

In view of the fact that bourgeois liberalism has sold its soul from fear of the growing labor movement and its final aim, it follows that the socialist labor movement today is and can be the only support of democracy. The fate of the socialist movement is not bound to bourgeois democracy; but the fate of democracy, on the contrary, is bound to the socialist movement (Luxemburg, 1899, 154).

Luxemburg's analysis at this time did not differ all that much from that of Kautsky, who told the 1901 SPD party congress that "there is only one democratic force, and that is the proletariat" and later wrote, "We expect not the development of social peace, but an intensification of social war" that must end in the seizure of "complete state power" by the proletariat (Salvatori, 68-69). However, Kautsky's turn to the right following the internal party squabble about the prospects of a mass strike in Germany, and his determination not to pursue an offensive strategy against the Imperial state, led to conflict with Luxemburg. She developed a conception of historical developments that broke with that of Kautsky by emphasizing the importance of movement. She argued that, as the repressive power of the state expanded, the traditional passive tactics were insufficient. The working class lost ground when it stood still. The party and union leaderships were acting as brakes on the revolutionary aspirations of the rank-and-file. In an inversion of Vladimir Lenin's conception of the revolutionary vanguard, Luxemburg asserted that the masses should act on and drive forward their union and party leaderships. Rather than an outcome of capitalist collapse and objective economic

conditions, the revolution would be the culmination of a series of mass actions that would steadily instill a greater sense of class consciousness within the working class. The workers would be the agents of historical transformation rather than its heirs. Luxemburg was willing to sacrifice the party organization and risk certain repression in order to set off the revolutionary current she believed ran beneath the surface of Imperial German society. By confronting the state and mobilizing the masses a movement would grow in size and determination until a majority came to support a socialist alternative. Then, for Luxemburg, the time would be ripe for the socialists to take power, and democracy and socialism would be born together in Germany.

MOVEMENT TOWARD SCHISM, 1899-1914

The revolutionary theory and isolationist strategy of the Erfurt program resulted in large part from the SPD's experience of persecution during the Anti-Socialist Law. The program formulated a rejectionist, purely oppositional stance for the party in Imperial politics while designing an *attentiste* strategy for overthrowing and replacing these politics. The Center faction, led by Bebel and Kautsky, argued that revolutions could not be made by party dictation, but rather would be the culmination of a long-term historical evolution. In a period of drastic industrial, political, and international change, such a strategy was bound to give rise to opposition from members who were determined that the party influence events and assert the power the extraordinary growth in party and union membership and votes provided. However, among these voices of discontent were vastly opposing and mutually exclusive solutions, a widespread feeling of impotence and paralysis, as well as frustration at a party program that turned the party's isolation into a virtue. Rapidly evolving events from the turn of the century forced the party to take positions that would necessarily upset influential sectors of the party membership. It was in these battles, fought out in journalistic polemics, party congresses, and eventually in the street during and following the First World War, that the theoretical disputes outlined above devolved into a factional war over party policy. These struggles increased in intensity in the lead up to 1914, as attitudes hardened and the factional split became a struggle for control of the major party institutions.

The first stirrings against the Erfurt consensus was a concerted effort by southern Social Democrats, mostly from Baden and Bavaria, for the SPD to adopt an agrarian program and permit the regional SPD sections to form alliances with liberal parties to achieve concrete reforms in the 1890s. The Bavarian Social Democrat Georg von Vollmar and others argued that the slow pace of industrialization in southern Germany meant that class conflict was considerably lower than in the industrial north and that there were real prospects for enacting social legislation beneficial to workers and farmers (Schorske, 8). The party congress condemned the Baden regional party for violating party statutes by voting for state budgets, amidst growing calls from the radicals that the party expel them for indiscipline (Stenson, 1981, 158-59). Trade unions experienced a rapid growth in membership in the decades preceding the First World War and their size came to dwarf that of the party (Stenson, 1981, 93). Union leaders' assertion of the power associated with this growth, although only gradual, would come to play a major, and perhaps decisive role in the intra-party strife that followed. Trade unionists from the beginning were reformists by inclination and action, and their tactics aroused the ire of center and radical elements. Their goal was immediate improvements in wages and working conditions and they opposed any party agitation that might threaten their achievements or attract repression of their organizations. The centrist party leadership fought to maintain its sovereignty against calls by southern sections for a federalization of the party and by trade unionists for the "de-politicization" of the union movement (Groh, 72, 179).

It was in support of these party segments that Bernstein published *The Preconditions of Socialism*. Bernstein's book gave theoretical expression to the reformist aspirations of trade unionists and southern SPD sections but Bernstein himself never came to lead or even substantially influence these sectors. Thus, when the Revisionist controversy led to a vote condemning revisionist theory and strategy at the 1899 Hannover and 1903 Dresden congresses, trade unionists declined to vigorously support Bernstein. They thought that drawing unwanted attention to what was already in fact the reformist practice of the unions could potentially imperil their position within the movement. Relatively uninterested in theoretical justifications or condemnations of their reformism, the unions sprang into open opposition when party

policies seemed to be leading their unions into dangerous social or political conflict.

It was the conflicting responses to the severe labor disputes of 1905 in German industry, following in the wake of the Russian revolution of that year, which provided the principal fault line along which the party would fracture. Luxemburg, who had left Germany to participate in the Russian events, returned with a new conception of the possibilities for mass agitation to create social revolution. She called for the party and unions to declare and organize a universal, mass strike to halt German industry and force radical change. Her demand found a receptive audience amongst an undercurrent of factory-based radicals and journals. They served as cadres for the burgeoning radical movement, which also derived support from a number of important local party sections, such as Berlin, Bremen, and Stuttgart (Fülberth, 42).

This strategic orientation brought the radicals into conflict with the unions, which vehemently opposed any further extension of the strike movements. The reformist politicians also opposed any radicalization as a threat to their long-term efforts to achieve working alliances with left-leaning bourgeois parties. Kautsky and the party leadership, while continuing to oppose the pretensions of the reformists and supporting the concept of the mass strike, argued that the strike movement must be contained because historical conditions were not yet conducive for a revolutionary tactic. Although in 1906 the SPD congress approved a compromise for the tactical use of the mass strike, this marked a defeat for the radical faction because the resolution refused any offensive employment of the tactic and limited its use to extreme situations, such as an assault by the government on universal suffrage or the right to collectively organize (Potthoff & Miller, 52).

The mass strike debate took center stage again when demonstrations broke out across Prussia in February 1910 in protest against a government suffrage bill that left the substance of the three-class voting system intact. The unrest swept Germany's major cities with unprecedented intensity and seemed to many to contain the possibility of popular insurrection (Groh, 135). Though it had always agitated for electoral reform in Prussia, the SPD leadership was caught off guard by a movement that it had not organized and whose consequences it feared (Groh, 123). Within days the party and union leaderships had agreed not to call a mass strike and to work to prevent any radicalization of the

demonstrations (Groh, 139-40). The passionate and personal polemic that broke out in 1910 between Kautsky and Luxemburg on the strategic or tactical purpose of the mass strike exemplified the definitive break between radical and centrist elements in the party. While defending the principle of a mass strike, Kautsky argued that it was the party's "last weapon" that should only be deployed if the party's traditional strategy or its organization came under immediate threat (Kautsky, 1910*a*, 33-35). He defined any mass strike's success as the forced adoption by the government of the party's demands. As he viewed this as unlikely in the present circumstances, the failure to obtain a far-reaching electoral reform would result in widespread disappointment and the demobilization of those sympathetic to the SPD. Calling upon the example of the defeat of the Romans by the Germanic tribes, he argued that the party's patient strategy of "exhausting" its enemy remained the best means forward (Kautsky, 1910*a*, 37). The party should channel its energies towards winning the next Reichstag elections. His position contrasted with that of Bernstein in that he demanded the maintenance of the SPD's demands for an equal and secret franchise rather than supporting partial reform, while Bernstein repeatedly urged his Prussian comrades to proceed "step by step" and seek a compromise with liberal deputies (Bernstein, 1910, 604). Enthusiastic that bourgeois elements participated in the first demonstrations in early February, Bernstein later noted that they had ceased participating and that no mass strike could succeed without sizable support from the middle classes.

Luxemburg rejected the distinction Kautsky made between a political and social strike. She called for the Prussian suffrage demonstrators to expand their demands to encompass social and economic issues. Whereas Kautsky saw the mass strike as the party's "last weapon" (Kautsky, 1910*a*, 35) Luxemburg said it represented not the "last (...but) *the first word*" (Luxemburg, 1910, 295) a statement that rang ominously in the ears of union and party leaders. She saw the mass strike as the best opportunity to expand the class war to the non-unionized, a sector of society whose value Kautsky doubted because the unorganized only knew how to "destroy" (Kautsky, 1911*b*, 43-49, 77-84, 106-117). Incensed that the party worked against the continuation of the demonstrations, Luxemburg began to call above the heads of the party leadership, asking local sections and union members in her fiery speeches and writings to demand that the party adopt radical tactics or pursue them

without their leader's consent (Luxemburg, 1910, 299). Without cease Luxemburg attacked Kautsky's position on the mass strike for the following three years, seeking to exploit any opportunity to rekindle the Prussian suffrage movement, which re-emerged several times in truncated form after having largely died out in April 1910. As international crises increased and carried the premonition of European war, she argued again and again that the party must deploy the mass strike to prevent war, a tactic upon whose efficacy Kautsky on numerous occasion cast serious doubt. The mass strike debate provided the occasion for Kautsky to clearly differentiate his faction from its opponents on its left and right. He reminded his readers in August 1910 that lying between the country of Luxemburg and the Duchy of Baden was the city Trier, Marx's birthplace (Kautsky, 1910*b*, 652-67).

Kautsky and Luxemburg did agree, though, that it was not possible for the party to dedicate its work to a mass strike and a parliamentary tactic at the same time (Kautsky, 1910*a*, 79; Luxemburg, 1913*c*, 259-66). The debate that ensued about the possibilities of attaining meaningful reform in the Reichstag was not new. In the 1907 Reichstag campaign, Chancellor Bernhard von Bülow achieved a victory for conservative policies by a direct appeal to the nationalist sentiments of the German populace. The widely conflicting responses the election results elicited within the SPD show that the positions of the various factions emerging from the 1905 agitation had hardened. Reformists argued that the SPD, which had lost seats for the first time since the 1880s, had suffered from the flight of middle-class supporters due to its revolutionary rhetoric (Schorske, 64). Kautsky argued that the election proved the unreliability of the middle class and described the election as evidence that class conflict was intensifying (Schroske, 66). A newspaper reported that Luxemburg told an audience, "Whoever believes that [the election] has weakened our power overestimates the influence of parliamentarism." The party was, after all, "a revolutionary mass party" (Luxemburg, 1907, 193). Thus, the SPD was profoundly split over whether to respond to nationalist propaganda by abandoning revolutionary phraseology and working to ameliorate German imperialist demands, or by increasing their denunciations of German militarism and, thereby, their isolation within German society and politics.

With the end of the Prussian demonstrations and the controversy over the Baden section's vote in support of a budget bill in violation of party

discipline, Bebel and Kautsky attempted to rebuild an alliance with the radicals on this question but, to their dismay, Luxemburg refused to cease her attacks on the party leadership (Groh, 164). Thus the debate about the mass strike evolved into a polemic about the purpose of the SPD's presence in parliament and the prospects of that institution for achieving core SPD goals. By now it was clear that Kautsky and Bebel had moved to the right. Bernstein, of course, had long been won over to a strategy of parliamentarism and cooperation with liberal parties, and he devoted much attention in his articles to coalitional politics and parliamentary debates. After celebrating the party's alliance with the Left Liberals in the 1912 Reichstag elections, he argued that the new parliament showed real promise for reform and, though there existed great obstacles to a left coalition, they were not "insurmountable" (Bernstein, 1912, 47). Bernstein looked fervently for potential alliances with liberal parties on core political questions during the remaining years of the *Kaiserreich*.

In contrast, Luxemburg had asserted after the 1907 elections that, "We no longer have liberalism in Germany nor a bourgeois opposition in the German Reichstag" (Luxemburg, 1907, 195). The 1912 electoral alliance and the SPD's success at the polls did nothing to change her view. The victory, Luxemburg argued, belonged to the proletariat alone, especially because so many more SPD voters honored the agreement to vote for Left Liberals in the second round of voting than had their partners. She concluded, "The inconsistent, undisciplined mass of liberal voters, the majority of whom could move to reaction at any time, is not an army with which one can defeat the reaction" (Luxemburg, 1912, 93-94). Radicals like Luxemburg and Clara Zetkin demanded that the SPD deploy "battle tactics" in the new Reichstag and proposed a series of measures, including an eight-hour work day, the repeal of all tariffs and taxes on food, women's suffrage, and equal suffrage in Prussia, all of which they knew had no prospect of becoming law (Luxemburg, 1912, 93-94; Groh, 290). Feeling their position vindicated in the following years by the paralysis that took hold in the Reichstag, the radicals demanded a strategy of uncompromising opposition and extraparliamentary agitation. Luxemburg wrote that parliamentarism was a dead end because the more the SPD delegation grew in strength, the more the ruling class sought refuge in absolutism and drained the

Reichstag of any meaningful power. The parliament remained nothing more than a “speaking tribune” (Luxemburg, 1913*b*, 218).

As the radicals and reformists remained intransigent in their strategies, a notable shift had occurred in the center faction. Kautsky conceded that parliament was losing power to the executive, but he denounced radical claims that there was no hope to be found in a parliamentary strategy. He asserted that the parliament was not “*without power*” but presently lacked the “*will*” to exercise it (Kautsky, 1912, 729-30). To calls for mass demonstrations, Kautsky countered that not only was the SPD parliamentary delegation “impotent,” but so too was mass action. Having once condemned any cooperation with bourgeois groups, Kautsky now began to carefully differentiate between what he saw to be conflicting elements within the bourgeoisie. At the same time Bebel put forward the thesis of a peaceful form of trade capitalism (Groh, 220). Kautsky argued at the 1911 party congress that the bourgeoisie was splitting into antagonistic blocks as large industrialists, Junker agrarians, and high finance faced growing opposition from farmers, intellectuals, and the “new middle class” (Groh, 221). In a seminal piece entitled “War and Peace,” Kautsky asserted that the party should not “underestimate” bourgeois movements for peace and disarmament (Kautsky, 1911*a*, 97-107). Rather than remaining aloof, he argued, the SPD must throw its support behind these efforts.

Conflicting portrayals of the nature of imperialism and quarrels over what the party should do to avoid a war between the European states marked the final years of peacetime Social Democracy. For Bernstein, armament spending was a perversion that damaged the market. He wrote that “national rivalries, racial confrontations, and class struggle complicate the operation of the world economy and set back the pure economic conditions of the competitive struggle” (Bernstein, 1911*c*, 829). When the 1912 Morocco crisis shook Europe, Bernstein faulted not a militarist capitalist system, but rather German diplomacy, British Foreign Secretary Edward Grey, and French finance (Bernstein, 1912, 146). He asserted that English imperialism was a progressive force and that the free-trade policy of the British Empire was a sound basis for peace between the imperialist nations (Schröder, 186-90). The SPD, he argued, must campaign for a tariff-free system of international exchange. Whereas Bernstein envisioned a future of liberal imperialist harmony, Kautsky countered that because imperialism was rooted in the need for

capital to expand, the threat of conflict could be delayed but never fully removed. In the article “World Peace and War” cited above, Kautsky argued that though capitalism depended on the expansion of the market for its survival, there was no economic necessity for this to take the form of conquering territories abroad and, therefore, disarmament was a realistic possibility. He expressed hope that an analogous situation to the limitation of competition represented by the cartelization of industry might develop in the imperial struggle between the European states. Though states would jealously guard their sovereignty, a popular movement with bourgeois participation might carry through a “revolution for peace” and force the creation of a “United States of Europe.” Such a construction, which could include “a common trade policy, a federal parliament, and a federal command” would “securely found an era of eternal peace” (Kautsky, 1911, 105-06).

An incredulous Luxemburg responded to Kautsky in her article “Peace Utopias.” She argued that militarism was the consequence of commercial struggle for overseas resources and so disarmament was an impossible goal without first overthrowing capitalism. Military spending and imperialism were means of prolonging a moribund capitalist system and their removal could only result in “*stagnation*” (Luxemburg, 1911*a*, 495-503). The “United States of Europe” was a “lifeless mental concoction” that had no economic grounding. Casting an eye on Europe’s past, she concluded that it had no political foundation either. Finally, it was not even a desirable outcome because she foresaw such a union as necessarily engaging in a tariff war with the United States, and a racial struggle with the rest of the world. Luxemburg expanded on her analysis of the economic causes of imperialism in her 1913 work *The Accumulation of Capital*. In it she describes violence and destruction as intrinsic features of the latest stage of capitalism. Free trade was “just a passing phase in the history of capitalist accumulation” and British actions in China and India gave the lie to Bernstein’s favorable depiction of English imperialist practice (Luxemburg, 1913). In lieu of the free trade of the 1860s, militarism and imperialism now represented the final point of capitalist development, a period in which the capitalist class was forced to engage in endemic violence to avert the impending economic catastrophe (Luxemburg, 1913*a*, 430). Parliament and the major voices of public opinion served as a platform for the legitimization of capital’s need to seize the wealth of the working class through taxation in order to

continue the faltering process of capital accumulation (Luxemburg, 1913*a*, 443-45). Bernstein's program amounted to a supplication that capitalism and imperialism become "moral," a futile hope precluded by material economic realities (Luxemburg, 1913*c*, 28). In her view, capitalism, imperialism, and militarism constituted a trinity that could not be broken without smashing the whole. She considered Kautsky's idea of the resolving of differences between the imperialist states to be a dangerous illusion and an obstacle to the only real path to avoid war in Europe: a working-class revolt.

Concurrently the reformist faction came to dominant the leading institutions of the party. In 1913 reformists gained control of the party executive when party reformist *par excellence* Friedrich Ebert defeated the combined center-radical support for Hugo Haase in the election to replace the ailing Bebel (Groh, 203-04). Before becoming party leader, Ebert had been charged with turning what was a barely existing party structure in 1906 into a professional, salaried party bureaucracy. His tremendous efforts transformed the party apparatus into a powerful coordinating structure, which aggressively promoted a reformist strategy. The radicals, by contrast, had a stronghold in the significantly less powerful women's movement, party schools, and some local sections. The severe factional conflicts resulted in a war for control of party newspapers across the country and the expulsion in 1912 and 1913 of radical voices from most of the leading party organs (Groh, 202-03). On the verge of solidifying its control of the party organization, reformists had to face the dismaying reality that the severe impasse suffered by the Reichstag in 1913-14, an economic recession, and the looming threat of war made it such that Luxemburg and her allies were more popular among the party masses than they had ever been before (Groh, 199).

An effort by the government to institute income taxes in order to finance a large increase in military spending in spring 1913 posed the dilemma facing the severely fractured party in its most acute form to date. With Bebel's support, reformists argued that military spending legislation was going to pass regardless and therefore the party should support the institution of a tax system that would finance the military through higher contributions from richer sectors of society (Groh, 160, 441). For radicals and many centrists, on the other hand, the struggle against militarism was the most important priority, and the creation of the income tax, one of the demands of the Erfurt Program, could not erase

the effacement of party principles that a vote for armaments spending entailed. The divided parliamentary delegation's decision to vote in favor of the bill (Groh, 435) confirmed that a reformist strategy had solidified its hold of the SPD during the last years of peace.

By 1911, radicals among the SPD parliamentary faction were holding caucuses separate from their reformist colleagues in order to determine common positions and tactics (Schorske, 208). At the 1913 Jena Congress, the last congress of the united party, a debate to determine the party's position on military funding became the scene of acrimonious exchanges that clearly revealed the extent of division within the party. The radical position, demanding not only a refusal of military funding, but also the affirmation of an offensive tactic based on the mass strike, received 30% support of the assembled delegates (Schorske, 278-79). The correlation between local organizations' support for the radical position at the Jena Congress and the organizations which seceded from the SPD to form the USPD was nearly absolute (Schorske, 282). A succession of intra-party crises over local party autonomy, the Prussian suffrage campaign, the debate over parliamentarism and the mass strike, and the vote on the 1913 military budget bill, revealed a party already definitively polarized between three hostile factions on the eve of the First World War. These factions were to serve as the base of support for the three parties which emerged from the schism of the SPD during the war.

CONCLUSION

By 1911 the supporters of the various theoretical and strategic positions within the Social Democratic Party had coalesced into increasingly antagonistic factions. The methods and aims of these factions had not only diverged from one another but had become mutually exclusive. Each faction saw the tactics of its rivals as undermining the principles and position of the SPD. The revolutionary rhetoric of the center and radical factions was a clear obstacle to reformist efforts to ally with liberal parties in the pursuit of immediate reforms. The center viewed the radicals as dangerous agitators whose extremism threatened to destroy the party organization, and the reformists as unprincipled opportunists who sought to abandon the lifeblood of the movement, its Marxist theory. The radicals detested the

non-revolutionary, integrationist strategy of the reformists and what they viewed as the cowardly immobility of the center. Reformists believed that agitation for class conflict and revolution might destroy the tremendous advance the trade unions and party had made over the last quarter century. The center sensed that the traditional strategy and theory of the party was threatened from both sides. By 1911 radicals were committed to encouraging efforts to bring down the Imperial government.

These factions came to the conclusion during the First World War that they could not achieve their goals within the framework of a unified party. As the reformist sectors seemed to be on the threshold of succeeding in their efforts to integrate the party and unions into German society in the context of the civil truce (*Burgfrieden*) brought about by the First World War, they could no longer tolerate a radical minority calling for social revolution and an immediate end to war. The center vacillated and regretted the irrelevance the civil truce imposed upon them. Many centrists joined the USPD, which reintegrated with the SPD in 1922. The radicals had in effect abandoned the “stinking corpse” of German Social Democracy long before they were formally expelled in 1917, and they went on to provide the first cadres of the KPD. The Erfurt Synthesis, definitively dead with the vote for war credits on August 4, 1914, had already in large measure shattered by the time of the labor protests of 1910-11. A series of crises over tactical responses to domestic and international events had turned those holding mutually exclusive theorizations into hostile and antagonistic factions, preparing the ground for the schism that followed.

The schism itself resulted in the relative marginalization of two of the theorists whose conflicts had done so much to bring it about. The SPD emerged from the war as a clearly reformist body but Bernstein, though respected, had little effective influence over its policy. The center position largely evaporated and, though Hilferding remained an important voice on economic matters, Kautsky was a mostly peripheral figure until his death. Luxemburg’s murder in 1919 removed a major obstacle to the German Communists falling under the sway of the Russian Communist Party, a development Luxemburg is likely to have opposed. The German Social Democratic Party and the German Communist Party, the split between whom originated in the intra-party

cleavages of the turn of the century, remained implacable foes from the beginning to the end of the Weimar era.

NOTES

1. There was arguably a fourth party faction as well: Social Imperialists. These Social Democrats, who supported the reformist line, displayed nationalistic tendencies and argued for a united German community that would pursue imperialist grander and assert Germany's position on the world stage while improving the conditions of the German worker. For an extended analysis of this movement, see Fletcher, Roger. *Revisionism & Empire: Socialist Imperialism in Germany, 1897-1914*. London: George Allen & Unwin, 1984. Reformist theoretician Eduard Bernstein supported imperialism as a progressive factor in historical development but his approval was "selective, partial" and he largely rejected this group's goals. See Schröder, Hans-Christoph. "Eduard Bernsteins Stellung zum Imperialismus vor dem Ersten Weltkrieg" in Heimann, Horst & Thomas Meyer, eds. *Bernstein und der Demokratische Sozialismus. Bericht über den wissenschaftlichen Kongreß "Die historische Leistung und aktuelle Bedeutung Eduard Bernsteins"*. Bonn: Verlag J.H.W. Dietz GmbH, 1978. 190. Dieter Groh also distinguishes a "left center" faction in his *Negative Integration und revolutionärer Attentismus: die deutsche Sozialdemokratie am Vorabend des ersten Weltkrieges*. Frankfurt/Main: Verlag Ullstein GmbH, 1973.
 2. Bernstein, Kautsky, and Luxemburg were key actors in the congresses of the Second International, where these debates within the SPD played out on an international stage from the 1900 Paris International Congress to the final Congress of 1912 in Basel.
 3. Kautsky, Karl. *The Class Struggle*, trans. New York W.W. Norton & Co., Inc., 1971, originally published 1892. 43.
 4. This controversial assertion is based on Karl Marx's analysis in Volume III of *Capital*, edited and published by Kautsky from Marx's notes in 1895.
 5. Kautsky went on to write, "We know that our objectives can be attained only through a revolution, but at the same time we know that it is just as little in our power to make this revolution as it is in the power of our opponents to prevent it."
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6. Bernstein said on at least one occasion “I am a Fabian.” For the full quote see Steinberg, Hans-Josef. “Die Herausbildung des Revisionismus von Eduard Bernstein im Lichte des Briefwechsels Bernstein-Kautsky” in *Bernstein und der Demokratische Sozialismus*, 40; for a discussion of Bernstein’s close personal and intellectual relationship with leading Fabians see Hirsch, Helmut. “Die bezüglich der Fabian Society transparenten Kommunikationsstrukturen als Teilaspekte der internationalen Voraussetzungen der Herausbildung des Revisionismus von Eduard Bernstein” in *Ibid* 47-58.
7. Quoted in Himmelmann, Gerhard. “Die Rolle der Werttheorie in Bernsteins Konzept der politischen Ökonomie des Sozialismus” in *Bernstein und der Demokratische Sozialismus* 313.
8. Kautsky stated that his disapproval of his formerly close friend Bernstein’s position was not the cause for Kautsky’s denunciation, but rather that “Social liberals” and “Edelanarchisten” might use Bernstein’s book to attack the party.
9. Kautsky wrote, “The expropriation of the exploiting classes presents itself purely as a question of power.”
10. “Finance Capital established Hilferding as the Second International’s leading economic thinker” and “Hilferding’s study of capitalism came to represent the point of departure for all future radical analyses of imperialism and capitalist development.” In William Smaldone. *Rudolf Hilferding: The Tragedy of a German Social Democrat* Dekalb: University of Northern Illinois Press, 1998. 40.
11. Kautsky echoed these words: “If Bernstein believes that we must have democracy first, so that we may lead the proletariat to victory step by step, I say that the matter is the other way around for us. The victory of the proletariat is the precondition of the victory of democracy.” Quoted in Gay, Peter. *The Dilemma of Democratic Socialism: Eduard Bernstein’s Challenge to Marx*. New York: Columbia University Press, 1962, 1952. 77.
12. This is evidenced by Luxemburg’s opposition within the USPD to an assault on power in the early days of 1919 because she sensed that the USPD had not achieved majority support within the country. When she was outvoted in the party, she reluctantly submitted to party discipline.
13. For extensive treatments of the conflicts between the SPD factions in this period see Groh’s *Negative Integration und revolutionärer*
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Attentismus and Schorske's *German Social Democracy, 1905-1917*.

13. In 1891 the Baden and Hessian party sections became the first to vote for regional government bills. In 1894 the
14. SPD lent its support to a government bill in the Reichstag for the first time in a bill to reduce wheat tariffs and thereby lower the price of bread for urban workers. See Potthoff, Heinrich & Susanne Miller. *Kleine Geschichte der SPD, 1848-2002*. Bonn: Verlag J.H.W. Dietz Nachf. GmbH, 2002. 65-66.
15. From 1890 to 1914 union membership multiplied nine times.
16. Contrast Bernstein's statements in "Strasse und Parlament im Wahlrechtskampf," March 10, 1911, 283-86 and "Die Potenz politischer Massenstreiks," April 21, 1911. *Sozialistische Monatshilfe 1911*. 483.
17. She also traveled to Baden during the debate about the Baden section's budget vote and called for SPD members to oppose their local leaders, see Groh, 173-4.
18. For instance, see Karl Kautsky, "Die neue Taktik" August 2, 9 & 16, 1912. *Die Neue Zeit 1912/13* 654-64, 688-98, 723-33.
18. "The only real tool with which to fight the crimes of war and colonialism is the *geistige* maturity and the decisive will of the working class, to transform a heinous world war plotted by capitalist interests into a rebellion of the exploited and oppressed to achieve world peace and the socialist brotherhood between the peoples." In Rosa Luxemburg, "Marokko" *Die Gleichheit* (Stuttgart), 1911. *Gesammelte Werke*, Vol. 3 25.
19. The radicals agreed to support Haase in lieu of their favored choice of Wilhelm Dittman.
20. After initially blaming the Russian government in "Der Krieg, sein Urheber und erstes Opfers," August 13, 1914, *Sozialistische Monatshilfe 1914*, Bernstein later broke with the majority of reformists and declared the war a calamitous mistake by the German Imperial government. He later became one of few German politicians to accept the claim of German guilt imposed on the country by Allied victors.
21. Rosa Luxemburg was scathing in her critique of the undemocratic aspects of the Bolshevik Revolution in her 1918 work *Die Russische Revolution: Eine Kritische Würdigung*.

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