

THE DEVELOPMENT OF  
SOCIALISM, SOCIAL DEMOCRACY  
AND COMMUNISM: HISTORICAL,  
POLITICAL AND SOCIOECONOMIC  
PERSPECTIVES

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# THE DEVELOPMENT OF SOCIALISM, SOCIAL DEMOCRACY AND COMMUNISM: HISTORICAL, POLITICAL AND SOCIOECONOMIC PERSPECTIVES

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# INTRODUCTION

In 1989, the Eastern European Spring was shaking the Marxist Leninist regimes of the region, those regimes which had been installed there since decades. In a matter of only 2 years, the whole Communist Block in Europe including the Soviet Union collapsed, sending seismic waves all over the planet. Francis Fukuyama wrote then his popular and much debated doctrine about the “end of history” and the final point for human ideological evolution, declaring the “universalization of Western liberal democracy as the final form of human government.”<sup>1</sup>

More than quarter of a century after, the ideological evolution and struggle are seemingly anything but settled. Western liberal democracy has not been able to rule the world, often being ousted by military dictatorships or semi-authoritarian illiberal, yet elected, popular regimes in various countries of the world. Meanwhile, Communism believed to have been placed in its coffin at the first years of the 1990s was resurrected (if it ever has died at the first place) in the form of Maoist insurgents, Latin American guerrilla fighters, and Communist movements and parties all over the globe. Other forms of more revolutionary and anti-Imperialist Socialism evolved in Latin America with the name of Bolivarianism, what has been perceived by its perpetrators to be the Socialism of the 21st century. Within the Western liberal democratic system, the long-established space for Social Democrats as one of the major political forces in Western Europe and elsewhere is maintained. Ideological evolution is going its various different paths according to how they are being shaped by various forces in operation in different places of our extensive world.

Neither did the deterministic path foreseen by Marx and his prophecies ever materialized. Writing in the 19th century, Marx’s historical materialism led him to anticipate that industrialization and persistent crises systematically suffered by the capitalist bourgeois economies would bring forward the next step in human societies’ development. This would be the dictatorship of the proletariat which would overthrow the capitalist bourgeoisie and set the stage for a classless society and a Communist stage Utopia. But for this to happen, industrialization should have been so immense that it totally succeeded in transforming traditional feudal societies into modern ones; that is to say societies characterized by the centrality of the relationship between the capitalist bourgeoisie and the proletariat. As often remarked, it was in the industrially backward semi-feudal Russia of the early 20th century that a state claiming the establishment of a dictatorship of the proletariat came to power, despite the weakness of the

existing bourgeoisie and the relatively small proletariat. This, however, never happened in industrially advanced Britain or the United States of America. Path dependency, which was downplayed by the Marxist theoretical framework, played a considerable role in 1917 Russia. At a time of a devastating war, demoralized soldiers and broken order, a series of events and ill-fated decisions from the various contending political players of the time helped the Bolsheviks to grab the opportunity. Communist Bolsheviks would not probably have stood a chance, had any of the players behaved differently, other crucial decisions been taken, or even had the same decisions been taken at a different point of time, probably only few months after. But also, more importantly, the way in which socioeconomic and institutional settings of different societies shaped outcomes proved to be more complex than what Marx had perceived. Inequality, industrialization, urbanization, and frequent economic crises were crucial for the rise of Socialism, but other factors were also in the same equation leading to the emergence of different forms of Socialism with varying prospects of success.

Ideological evolution should not be taken apart from the societies which shape them. No regime, whether democratic or dictatorial, can survive for long without the existence of supporting societal settings. This could mean that the ruling regime is entertaining a positive support in terms of high popularity from a wide segment of the society. But it could also mean, in a passive sense, that the most influential societal forces or leaders are constrained by various impediments rendering them incapable of ousting the system. Institutions and socioeconomic factors shape how societies react to a ruling regime. Democracy versus authoritarianism, industrial transformation, rural–urban divide, ethnic fractionalization, religion, and hierarchical versus non-hierarchical cultural structures are all examples of forces playing such a role. On their turn, societies' reactions are valuable feedbacks for a ruling regime and its ideology. The same is true for any ideological movement whether in power or not. While the space is free for thousands of genuine ideas and ideologies, it is society through its feedback which fosters few of these and brings them to the forefront. Ideologies have also to adapt to entertain a positive societal support; or if ideologues ever have the power and the means for changing societal conditions and beliefs, they would mold society to their belief system. The latter is, however, a long-run process and the probability for its success is arguably much lower than the former.

The case in question here in this book is that of Socialism, and more specifically Marxist Socialism. Starting from the same origin and acknowledging intellectual allegiance to Karl Marx, Social Democracy and Communism developed into different ideologies, even often seeing each other as fierce enemies. Social Democracy stressed on an open mass party structure, democratic procedures of taking decisions at the party congress level, respecting democratic institutions and elections, and gradual reform as a mean for reaching the dictatorship of the proletariat that would prepare society henceforth for the Utopian



Communist stage. On the contrary, Communism or Marxism–Leninism had a centralized and highly hierarchical party structure where decisions were taken by the party center, was less tolerant to differences in views among party members, was more inclined to insurrectionary and revolutionary tactics to reach the dictatorship of the proletariat, and was inherently against democracy even when Communist parties used it to reach power. Chances of success for the two heirs of Marxism in receiving high popularity varied from a society to the other. Understanding the rise of Socialism and why Social Democracy was more popular in some societies than Communism, or the other way round, are questions that transcend political ideology and the historical or spatial context of this study. These are the questions which this book is trying to answer with a special focus on institutional and socioeconomic factors.

The chosen period for this study is the one extending between the 1880s, witnessing the death of Marx and the birth of the Second International, and the end of World War II in 1945. This was the period that witnessed the emergence of contending views on Marxism materializing for the first time in 1903 with the emergence of the Bolshevik faction within the Social Democratic party of Russia. This faction would come to power in 1917 and declare itself a Communist Party and lead an international Communist movement through the Comintern established in 1919; and by this it formed an irredeemable schism with the Social Democratic movement. The Social Democratic movement in many countries kept loyal to Marxism in this period, even while abiding to democratic rules believing in gradual transformation. Things differed after 1945; Social Democratic parties were eventually no longer Marxist, while Communism received a major boost for its popularity with the wide military victory of the Soviet Red Army and the emergence of the Soviet Union as one of the two world superpowers. This what makes the period identified here interesting to investigate and study.

Taken from a socioeconomic and institutional angle, the questions being addressed in this book could be regarded as ones that investigate societies' responses to inequality, modernization, and development as well as the socioeconomic determinants of radicalism. The rise of the popularity of Socialism reflected the increasing calls for a more equitable distribution of income and wealth. But the presence of inequality in itself is never sufficient for triggering societal actions targeting fairness. In retrospect, history has shown how humans could be blinded from seeing realities, realizing their misery, or finding out about the causes of their misfortunes when these causes stand right in front of their eyes and senses. Slavery was not only accepted but was also seen as normal in much of the globe. Discrimination because of race, sex, or religion has been similarly regarded and treated. This is not to mention human sacrifice in flesh and blood provided in ancient civilizations for the gods, public torture, and execution of dissidents in festive celebrating atmosphere, and other practices that would be regarded in our world as extremely bizarre and inhumane. For supporting this social order facilitating injustice, accumulating mountains

of cultural beliefs and values were built over the years and centuries. It is no wonder, thus, that injustice by itself has never been enough for evoking calls for redistribution. Consciousness has always been needed to realize the presence of injustice and high levels of inequality, and to enable seeing through the cultural dark curtains. It is in such context that the Marxist Antonio Gramsci, for instance, spoke about a Socialist revolution as being a battle of ideas, a war against the hegemony of the beliefs and values by which the dominant classes governs society; that is to say a war for consciousness. But if awareness has been detrimental for the popularity of Socialism, such awareness on its turn is a product of certain developmental settings. This points to the crucial role played by human development and modernization. Through expanding literacy and education and propagating knowledge and information, development ultimately brings more awareness and with it calls for more equality.

Modernization and development brought with them also industrialization and urbanization. Industrialization was central for the creation of an industrial working class, the proletariat. This class was working without having any ownership claims over their production or the means of production. It has shared an experience that united large number of people through working in a limited space such as a factory. This was substantially different from the experience of working in land as peasants, even if peasants often worked under the service of the same landowner. It was only perhaps relatively similar to the case of agricultural laborers. Urbanization also piled people in tens of thousands in compacted cities, with people experiencing similar tough conditions being forced to live together and to communicate and realize their shared experience. This was again different than the experience of the relatively isolated peasantry households, even when those peasants were sharing a village. The proliferation of mass media was a further awareness enhancing development. Journals, radios, and books spread knowledge and made it possible for a higher audience to have access for information and intellectual works. Moreover, railways, telegrams, and telephones substantially transformed transportation and communication. This allowed a wide-based Socialist movement to materialize all over more of the national territories of large countries. The increasing popularity of Socialism furthermore reflected the retreat of the role of religious institutions; these institutions were often manipulated by the elites and used to pacify the masses and convince them of accepting inequalities in expectation of after-life reward.

Industrialization brought with it also rapid urbanization. The rural migrants dreaming of material reward were not always satisfied, with an increasing feeling of their relative deprivation in comparison to urban elites. Rapid urbanization went far beyond city capacities and its infrastructure bringing poor living conditions and widespread frustration among poor urban dwellers. Radicalization was the ultimate result; the more rapid urbanization surpassed industrialization, the higher the resulting radicalization. Moreover, the more authoritarian and repressive the regime was, the more radicalized and

revolutionary the response it met. Social Democracy as an ideological movement was no longer a valid option, and Communism with its secretive cells, conspirator, insurrectionist, and less tolerant to ideological differences characteristics gained much popularity. Extreme inequalities and sudden economic hardships, by boosting social frustration, proved also to be additional recruiters for Communism.

Many of the factors that led to the rise of Socialism, however, contributed to the rise of one of its fierce enemies, Nationalism. Literacy consolidated linguistic identity, and educational programs brought to the forefront the conflict on whose language it should be conducted, the language of the dominant ruler or that of the ruled. In other circumstances, it called into attention the presence of others who share the same language, yet, are under the rule of different states and empires. The rise of awareness brought foreign domination under daylight, highlighted individuals' identity, and brought a romanticized view of how life could be in a state designed for all fellows of the same nation, whether identified by language or race. From being subjects under the rule of a king or an emperor, people became citizens whose aspirations and dreams should be accounted for. However, it was true that religion helped in many instances in identifying a nation, as was the case in the Balkans in the independence wars which its nations waged against the Ottomans. It was, however, often the case that the marginalization of religion and the secularization of the state were what opened the door wide for the fall of multinational empires. This was witnessed, for instance, in the Austrian–Hungarian Empire when the people of the big empire tried to identify themselves with language and race. Identifying with linguistic rather than religious identity led also to trans-state nationalist projects based on language, even when religious differences existed, as was the case in Germany. Although Nationalism often mingled with Socialism when the struggle for identity coincided with that of fairness mainly against foreign domination and exploitation, Nationalism was more likely to be in conflict with Socialism. This was more common in the first years of nation building, where the social question was hushed for the sake of safeguarding national independence or for the nation's further expansion. Nationalism was, moreover, responsible for the bitterest of all the enemies of Socialism, the Fascist movement.

Rapid modernization and development unleashed another rival force. This was a force of reaction to rapid change and its resulting socioeconomic upheaval, the force of conservatism. Secularism, the marginalization of religious institutions, and even the attack on religion and its institutions, provoked conservative forces. Marxist Socialism was often connoted to atheism and in some instances to anti-religion. The struggle between religion-based conservatism and Socialism was the fiercest where the Church establishment was still strong. This was more common in Catholic and Orthodox countries, with the Spanish Revolution and Civil War and the Russian Revolution being clear manifestations. Yet, the presence of considerable rural populations amid

industrial transformation was another source for conservatism. A dual economy proved in many instances to pose a great threat for Socialists, many of whom were ideologically and tactfully incapable of opening links with the peasants. Forces of conservatism were able to use the countryside in turning the tables on the Socialists enjoying high popularity in urban centers. Hungary and Austria were clear examples for such a development.

This book is an effort to explore in detail the effect of these institutional and socioeconomic factors that shaped the development of Socialism leading it to its different and even fierce rival ideologies of Social Democracy and Communism, with varying chances of success for each of the two in different societies. Its novelty is attributed to the deep analytical dimension for the issue done between the folds of this book, combining theory, an empirical study made possible by the newly available rich historical data, and a number of important case studies reflecting different dimensions of the issue. The historical narrative and the presentation of different ideological perspectives scattered in various chapters of this book partly depended on my previous work on the history of Communist confrontation with capitalism in the 20th century (Sabry, 2009); this is especially the case in Chapter 1 and Chapter 3. The present book, however, focuses on socioeconomic and institutional explanations while conducting a comparative analysis on the fortunes of Social Democrats and Communists, as heirs of the same Marxist heritage. Even when historical narrative is introduced, this is done for the purpose of reaching a theoretical understanding, one that guides our understanding for whether certain events were part of deterministic or rather path-dependent developments. The investigation done in this book is conducted in five chapters.

In Chapter 1, the story about the rise of Marxism starting from the famous Manifesto, the emergence of Social Democracy, Communism, and the various intellectual perspectives of Marxist ideologues is being told. This chapter briefly covers the different ideas of major intellectuals starting with Marx and Engels and passing by Lenin, Trotsky, Rosa Luxembour, Kautsky, Bernstein, Gramsci, and Stalin. Access to much of the works of these intellectuals was obtained from the highly valuable website of the *Marxist Internet Archive* (2016). This chapter also briefly discusses the socioeconomic, institutional, and political developments of the world in that period up to 1945, passing by the Industrial Revolution, the 1848 Revolution, the First International, the French Revolution of 1871 and the Paris Commune, the Second Industrial Revolution, World War I, the Interwar period, and ending with World War II. A special focus is put on Europe where most of these developments were taking place.

Chapter 2 is the main theoretical chapter of the book. It starts with the literature on the topic. This is followed by a theoretical formulation preparing for the empirical study. The popularity of Social Democracy and Communism is being indicated by their vote shares in the various elections held worldwide in which they participated in the studied period. Their vote shares, being used as dependent variables, are being argued to be the result of a number of

independent socioeconomic and institutional variables suggested by the study, and this is being tested using a number of panel multivariate regressions. In one of the regressions, the used dependent variable measures the ratio of the Communist vote to the Social Democrat vote as an indicator for radicalism. Many of the results obtained provide evidence for the introduced theoretical perspective.

In Chapter 3, Russia, as a case study for a country where Communism was powerful and popular, is being presented. The history of Russia in the last decades of the 19th century and the beginning of the 20th century leading to 1917 is being discussed, going over Tsarist Russia's political developments and its socioeconomic and institutional settings. The discussion tries to explain what rapidly transformed Socialism into a major political movement, after starting from marginal levels, and then why Bolshevism gained such strength. This is followed by the story of the Russian Revolution of 1917 and all the political developments leading to the Bolshevik triumph, power consolidation, and then the Stalinist succession. An important question is being theoretically and analytically tackled at the end of that chapter. Was the course of these developments more of a path-dependent evolution where historical circumstances and the various decisions of the different involved players strongly shaped outcomes? Or did these developments rather follow a more deterministic path guided by the socioeconomic and institutional settings of Russia?

In contrast, Germany is being presented in Chapter 4 as a case study for a country having the strongest Social Democratic party in the world before World War I, and where the Social Democrats were one of the strongest political parties up to the rise of the Nazis in 1933. The same scheme as in the previous chapter is followed. Starting with Germany's political developments between the last decades of the 19th century witnessing the German Unification, passing by Bismarck's reign and the Wilhelminian era, and up to the end of World War I, the history of the Social Democrats and the rise of their popularity would be told. Then a closer look is placed on Germany's socioeconomic and institutional settings of that period. After that, the events of 1919 and the developments that followed the establishment of the Weimar Republic until 1933 are being discussed with more focus on the Social Democrats and Communists. This chapter ends with a theoretical analysis on whether the German Social Democrats' rise to power and their demise followed a path-dependent or deterministic course.

Chapter 5 gives brief account of other important case studies. Scandinavia is an example of a region where Social Democrats gained the greatest success in the world in the Interwar period. In democratic and economically advanced Western European countries, Social Democracy evolved as a major political force in the Interwar period with a marginal role for Communism, except in France. Austria and Hungary, separated after World War I, went their different paths where Socialism shaped both of their histories, with a more active role for Communists in the latter and for Social Democrats in the former. The

Southern European Mediterranean and Catholic countries of Italy and Spain experienced a fierce struggle between Socialists, whether Social Democrats or Communists, and forces of Nationalism and conservatism, and they were eventually wiped up by the Fascist tide. Economically backward China and Mongolia were examples of countries where, despite having uninviting socio-economic conditions, an active Communist movement existed. The United States had the unique experience among highly industrialized and urbanized countries of having virtually no Socialism. Finally, Mexico represented the case of a country where a blend of Socialism and Nationalism gained wide popularity.

The book ends up with a conclusion bringing together the whole threads of the analysis done in the various chapters.

## NOTE

1. Fukuyama (1989).

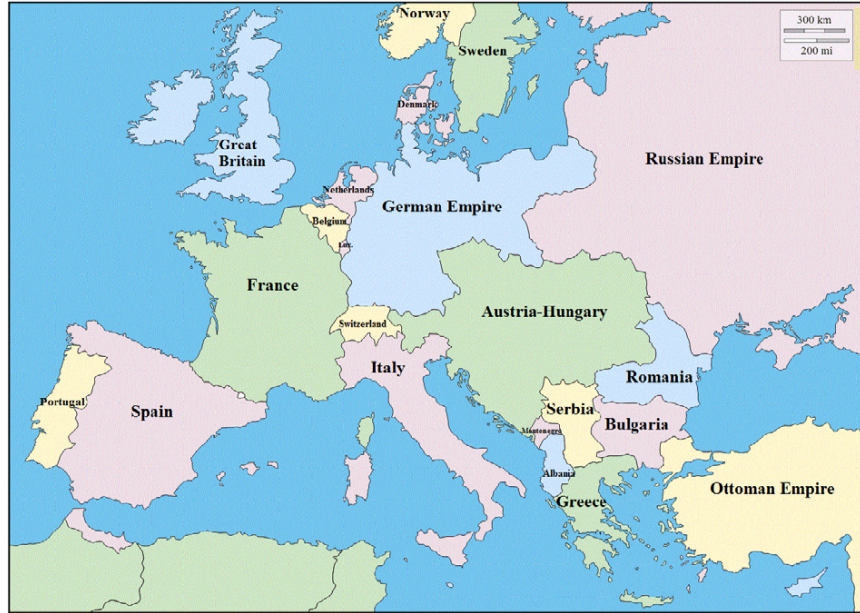
# CHAPTER 1

## SOCIALISM AND THE WORLD (1848–1945)

### **1.1. WESTERN EUROPE, THE INDUSTRIAL REVOLUTION, AND THE RISE OF THE BOURGEOISIE**

Great theories and ideas are products of the historical conditions in which they were born. They were developed to address existing major concerns, entangling with these concerns while trying to understand their roots, analyze their dynamics, and find appropriate remedies and answers. Consequently, ideas and theories should be understood with reference to their historical and socioeconomic context. History has shown that the birth of ideas, whether radical or moderate, and the popularity they entertain were the materialization of societal responses for existing conditions. Harsh conditions and extreme injustices often enraged minds and produced radical ideological responses. Great social inequality, wide nationalist oppression, excessive racial, and religious or sexual discrimination fostered such responses and their widespread popular support among the disadvantaged. The popularity of more moderate ideological responses increases, conversely, at less harsher times. Analyzing Marxism should be conducted through understanding its historical settings. Certainly, this ideology was the resultant of the socioeconomic conditions of 19th-century Western Europe, while its variants were shaped by other socioeconomic conditions in different temporal, geographical, and socioeconomic settings ([Figure 1.1](#)).

In the 19th century, Western Europe was experiencing a great social upheaval that had its seeds in the French Great Revolution of 1789 and the Industrial Revolution that started in Britain in the 18th century. It was the time witnessing the rise of the bourgeoisie; this social class that was historically composed of merchants, artisans, etc. Through its long history, the rise in the status of the bourgeoisie in Western Europe passed through three stages.<sup>1</sup> The first of these stages was in the Middle Ages at the time when the growing cities witnessed the emergence of artisans. The great European naval explorations of the late 15th century fostered a naval trading boom that set the next stage. The Europeans discovered the “New World” and the Cape of Good Hope Route passing around Africa and into Asia, facilitating the establishment of offshore



*Figure 1.1.* The Map of Europe before 1914. *Source:* Adapted from one which is available at [http://d-maps.com/carte.php?num\\_car=6030&lang=en](http://d-maps.com/carte.php?num_car=6030&lang=en). Accessed on 10 May 2017.



colonies and consequently huge markets for European commodities. By the beginning of the 19th century, Europe and European powers were controlling around 35% of the lands of the world.<sup>2</sup> The third stage was the one which started with the Industrial Revolution. Over this long time, these sociopolitical and economic developments had strengthened the power of the bourgeoisie till it emerged as a dominant class in the new era that followed the Industrial Revolution starting in Britain in the 18th century and spreading to Western Europe mainly in the 19th century.

Across the channel in neighboring and rival France, heavy fiscal burdens of the Kingdom's empire eroded its power and that of its elites. A great unexpected upheaval starting in July 1789 swept the country in unprecedented revolutionary tide which witnessed the execution of Louis XVI and culminated with the rise of the radical faction of the Jacobins into power in 1793. The Jacobian Reign of Terror claimed plenty of lives of the nobility and the church. The revolutionary tide settled down afterwards. Then few years later, the ambitious army officer Napoleon Bonaparte assumed power transforming eventually to an Emperor who fought in much of Europe. Surprisingly, he raised the banners of the revolution and spread its values in lands conquered by his army. These developments made the French Revolution transcend France, causing a major shock for Europe and beyond. The revolution of 1789 put an end to feudalism, liquidated the privileges of the nobility, decimated the power of the church which brought secularization to the state, emancipated religious minorities which offered egalitarianism in terms of rights and citizenship for everyone, and introduced and protected private property rights and brought the Napoleonic Code, a modern comprehensive legal system.<sup>3</sup> The Napoleonic Wars engaging revolutionary France against many belligerent European states brought its great sociopolitical transformations to Western and Central Europe and inspired reform and revolutionary agendas for years to follow. The road was wide open for the ascendancy of the bourgeoisie, now freed from the supremacy of the aristocracy and the power of the church, its property rights being secured and the emancipation of the minorities providing many of their rich bourgeoisie higher shares of social and political power.

The French Revolution and Napoleonic Wars fostered other major transformations that would shape the political arena in the 19th century and beyond. The expansion of state power was one of these major changes. Another crucial effect was the rise of nationalism and most importantly the political mobilization of the masses, a transformation that made the rise of Socialism later in the 19th century possible. The "massive state growth," according to Mann (1993, pp. 214–240), was fostered by the increasing militarization of the European societies. In 1760, state expenditure represented only 10% of income in peacetime and 20% in wartime (in Prussia it was significantly higher than this level); and before that year it was even way less at levels of 3% and 5%, respectively. Yet, during the Napoleonic Wars, the level further multiplied to between 30% and 40%. This substantial increase was directed mainly to the military, which

dramatically increased its manpower to 5% of the population. If this strengthened state power, it also resulted, as Mann argued, in bringing to the forefront both the representation and the national questions. The increase in the fiscal and manpower needs of the state induced the political mobilization and organization of the petite bourgeoisie. The formerly more apolitical masses were now brought to the political arena as their share in financial and life sacrifices increased. Taxes and conscriptions magnified social tension and brought it to the “national political level” as all the subjects of the state were confronted by the same issues. The “fiscal-military crisis” induced calls for “political citizenship,” mobilization of the masses, and “class struggle over representation.” War starting in the early 19th century, by mobilizing a big percentage of the population as conscripts, played a role in feeding “popular aggressive nationalism.”

These would be major forces in shaping the outcomes of the political struggle as Marxist Socialism was emerging. The same factors that made it possible for Socialism to flourish were creating two great strains on its proliferation, a powerful antagonistic capitalist-controlled state, and an inspirational rival represented in nationalism, which would fight with Socialism on the sentiments of the masses. The ever expanding power of the state, on the other hand, inspired Socialist movements to shape their dreams accordingly, even if in their perception their dream to control the state was to be a temporary measure.

Such sociopolitical developments were matched by the major socioeconomic and technological upheaval springing from the western side of the channel. Emerging from Britain with its tremendous control of world seas, colonies, and trade, the Industrial Revolution was a great historical transformation. The imperial leader of the time, which enforced its supremacy after long overseas wars with the French Kingdom, had already advanced proto-industries, where processed raw materials obtained from its wealthy colonies were major export items. Great inventions that brought steam engine among other major breakthroughs set the scene for the big transformation of the last quarter of the 18th century, the Industrial Revolution. Textiles and the iron industries boomed and the mining of coal, which provided the needed energy, became a major activity.

Analogues to these developments, Western Europe witnessed another boom in the financial sector with the growth of modern banking. Not only were these institutions capable of intermediating and channeling funds effectively among individuals and institutions, but the establishment of investment banks also substantially helped in directing the needed resources to the growing industrial sector. Investment banks fostered the growth of shareholder corporate gigantic companies, which were operated by a professional management. These banks themselves were among the owners of these developing huge corporate organizations.

Starting from 1825, a new transportation and communication boom was witnessed in Europe, which was fostered by the introduction of the railways. This great invention sharply cut the costs of transportation, linked locked areas

to seas, rural areas with its agriculture products to industrial urban centers, integrated national markets, and bound European markets together. Industrialization fostered railways construction by providing its needed iron, but railways also induced industrialization through its demand on iron and coal and stimulated the engineering, mining, and construction sectors.<sup>4</sup> Industrialization and railways together tremendously transformed Western Europe economically and socially. The fall in freight costs further integrated the European economies. The 19th century also witnessed a communication boom fostered by the Telegraph, which largely developed in that century, and later by the new invention of the telephone introduced in the last quarter of the century.

These major transformations were impacting profoundly on European populations. Western Europe was enjoying a high rate of literacy and numeracy (learning mathematics) in the 19th century. Toward the turn of the century, the numeracy percentage was 80–90% and literacy among the upper and middle classes was between 75% and 85%, but much lesser (about the half) among the working classes. Mass education was a feature of the 19th century; and by the end of that century illiteracy was almost eradicated.<sup>5</sup> Major inventions of the century that tremendously reduced the cost of printing led to multiplying the number of published books, while journals and magazines mushroomed in Western Europe.

The transformation, however, did not always land neatly on the European populations. Starting in Britain and spreading afterward in countries following suit, industrialization led to great demographic changes, with peasants migrating to urban centers and cities supplying labor for the expanding industrial sector. With time, the population of the industrialized countries was transforming into being predominantly urban. Industry provided work opportunities to the former peasants searching for better living conditions away from their relatively stagnant lands. But these newly urbanized poor were now living under very tough conditions. Few years before writing the Manifesto with Karl Marx, Friedrich Engels conducted a comprehensive study on the lives of the English proletariat of the time in his famous work *Conditions of the Working Class in England*. Speaking passionately about the proletariat's poor conditions, he wrote:

They (the poor) are drawn into the large cities where they breathe a poorer atmosphere than in the country; they are relegated to districts which, by reason of the method of construction, are worse ventilated than any others; they are deprived of all means of cleanliness, of water itself, since pipes are laid only when paid for, and the rivers so polluted that they are useless for such purposes; they are obliged to throw all offal and garbage, all dirty water, often all disgusting drainage and excrement into the streets, being without other means of disposing of them; they are thus compelled to infect the region of their own dwellings ... They are penned in dozens into single rooms, so that the air which they breathe at night is enough in itself to stifle them. They are given damp dwellings, cellar dens that are not waterproof from below or garrets that leak from above. Their houses are so built that the clammy air cannot escape. They are supplied bad, tattered, or rotten clothing, adulterated and indigestible food ... They

are deprived of all enjoyments except that of sexual indulgence and drunkenness, are worked every day to the point of complete exhaustion of their mental and physical energies, and are thus constantly spurred on to the maddest excess in the only two enjoyments at their command.<sup>6</sup>

It was common to find 10 or more persons sharing a room, many living in cellars, tens of families sharing a public primitive toilet and drinking from the river into which sewage was directly flowing. Unsurprisingly, diseases harvested in great number of people.<sup>7</sup>

At the other end of the spectrum, industrialization fostered the emergence of a wealthy capitalist bourgeois class based on the profits originating from industry and the newly constructed industrial firms. The now economically strengthened bourgeoisie was capable of engineering a great political upheaval. It became powerful enough to challenge and to displace from the top of the societal pyramid the declining aristocracy which had been dominating Western Europe since the Middle Ages and the age of feudalism basing their class might on landownership. The new bourgeoisie age opened the way for the establishment of republics and constitutionalist monarchies, ending the age of absolute monarchy which had aristocrats and the clergy as its two other triangular power dimensions. The socioeconomic transformation was not always sharp as could be inferred, and in some countries such as Germany, many of the new wealthy figures of the bourgeoisie had aristocratic roots.<sup>8</sup> In any case, the new social order in the aftermath of the Industrial Revolution was now based on the existence of three main social classes which were: the rich and dominant capitalist bourgeoisie class controlling almost everything thanks to its capital; the petite bourgeoisie composed of small merchants, artisans, and state functionaries; and, at the bottom of the class pyramid, the proletariat or the working class which was arguably under direct economic control of the wealthy bourgeoisie.

The poor and intolerable living conditions of 19th century Western Europe were not the proletariat's only misery. With the factory of the bourgeoisie, who is exploiting their dearest efforts, being the only possible working place in the urban centers, the proletariat had no option but to accept this exploitation and seemingly new slavery. The Industrial Revolution has negatively affected the incomes of the artisans who used to be among the well-to-do segments of society in previous times. The abundance and low price of the industrial product as compared to the artisans' production were encouraging consumers to move away from the latter and toward more of industrial production consumption. Thus, the worker had no alternative to working at the bourgeois' factory, while artisans were struggling hardly against the tide threatened by the specter of slipping into the proletariat class. The pressing need for subsistence opened the way for over-exploitation having workers as its victims. Forced to work for very long hours beyond human capabilities, they were compensated with the least possible wages. In many cases, factory owners used child labor to cut expenses. Further violations were witnessed where children were forced to work

for long hours that could approach sometimes a whole day of work to be compensated at the end by subsistence wages.<sup>9</sup> This was matched with a further negative psychological effect, where working at the factory was nothing but a trade between a worker's maximum effort and the least possible wage given to him, and where the worker's role in the production process was significantly marginalized. Each of the workers was assigned a small repeated uncreative task in the production line, denying him from the satisfaction of associating his dear efforts with the final product, contrary to the case of an artisan.

At that time, workers' movements and syndicates were undeveloped and incapable of defending the rights of workers. This forced Western European governments to introduce legislations protecting workers from exploitation, and setting maximum working hours or minimum wage schemes. The choice presented to the proletariat at that time was rather between new indirect market-oriented slavery and starving to death. It is to be anticipated that ideas searching for fighting this extreme social injustice would propagate as fast as it would evolve together with Platonic Utopian dreams about the end of the rule and exploitation of man to his fellow men and achieving ultimate equality among humans. Yet, those who raised the banner of such ideas were never united under a clear perspective, a common flag, or a concrete ideology. As time approached mid-19th century, this seemed to be undergoing a major shift.

## 1.2. THE BIRTH OF MARXISM

In such a world, Karl Marx was born in Prussia in 1818 to a bourgeois Jewish family which converted later to Christianity. As a journalist with Socialist tendencies, the young Marx soon placed himself in a confrontation with the state because of his revolutionary articles against the Prussian monarchy. In 1843 the *Rheinische Zeitung*, the Journal he was editing, was banned. As he was approaching the age of 30, political conditions in Western Europe were moving to a major upheaval.

This was the time when the labor movement in Britain developed into a political movement addressing the social and economic sufferings of the proletariat. The prevailing tough conditions expectantly induced the movement to lean toward the left. The movement was stronger than in other Western European countries; in any case, Britain was the industrial pioneer and the birthplace of the Industrial Revolution from which it spread to other Western European countries. Labor movements were also powerful in France and Prussia, and needless to say, in France, Socialist ideas had strong audience. This was the country whose modern history witnessed many drastic social confrontations and revolutions, starting from the Great French Revolution of 1789 whose continuing great seismic shocks persisted for more than three quarters of a century after. During the reign of Louis Philippe starting in 1830, the

industrial orientation of the regime and its trial to catch up with industrialized Britain had the effect of magnifying the French proletariat. This intermingled with Socialist ideas evolving from the revolutionary heritage of 1789. Segments of the French bourgeoisie were discontented from the regime which was associated with significant levels of corruption. They developed secret movements calling for republicanism and constitutional democracy. Other more proletariat-oriented movements were dreaming of Socialism and better social conditions for workers. In Prussia and the German states, which would form decades later a unified Germany, the dreams of the proletariat interwoven with the nationalist great dream of forming a unified German state, giving German Socialism a nationalist dimension.

Meanwhile Marx, who persisted in his radical criticism of the social conditions of the time, found an intellectual life comrade who would finance his intellectual effort henceforth; this was no one but Friedrich Engels. Marx's popularity seemed in 1848 to reach one of its greatest peaks. This was the year when he evolved as the champion of the revolting workers' dreams of Socialism and of a Socialist Utopia. A year before, the "League of Just," a leftist movement of German workers residing in Britain, asked Marx and Engels to join it. The league changed its name to the "Communist League," and Marx and Engels were asked to write the league's manifesto, and so the famous "Communist Manifesto" came to existence.

The Communist Manifesto was the materialization of Marx's ideas on Socialism and Communism, the revolutionary leftist work that would for decades and centuries inspire minds and revolutionary actions. In this work, Marx presented himself as a revolutionary intellectual at a right historical moment, when workers' dissatisfaction was at one of its peaks in Western Europe. The slogan evolving from this Manifesto "Workers of the world ... Unite!" would propagate across space and time as one of the most favorite slogans for leftist intellectuals worldwide.

Greatly influenced by Hegel, Marx's revolutionism would be theoretically framed in dialecticism, in its Marxist version it would be what is referred to as "Dialectic Materialism."<sup>10</sup> The Dialectic of Hegel, the great German philosopher of the 18th century, perceived that for every idea there is a counter idea, a thesis, and antithesis, regarding the clash of these ideas as the force with which human progress is pushed forward. For Hegel, human development happens when new ideas surface and win the struggle against old obsolete ideas and henceforth control society and change its existing institutions and laws to match those of the new ideas. Marx's Dialectic Materialism, however, replaced the Hegelian concept of struggle of ideas with the magic phrase influenced by his contemporary conditions and great social inequalities; this was nothing but "class struggle." The Marxist Dialectic meant that social classes owning the needed means of production would rule society until major changes would alter conditions. These changes would render these means (or "forces of production") counterproductive and unsuitable for the new conditions. Old means of

production would be replaced by new more productive and efficient ones. This production-related development by its turn would bring a new social class, the owners of the new means of production, to the forefront. This class would become the new master of the social order, overthrowing the existing old ruling class. The new ruling social class would then change laws and institutions to fit its interests (a change in “Relations of Production”). The Marxist Dialectic gave a materialistic interpretation for history (historical materialism) that regarded history as a series of class clashes that would lead ultimately to societal progress. Marx (generally in his various writings) considered individual’s defense for his class-based materialistic interests as being the principal motive for such a struggle. Materialistic interests would dominate individuals’ actions even if the prevailing ideas and concepts are calling for otherwise.<sup>11</sup> Major class upheavals influenced by changing production conditions, according to the Manifesto, brought the feudalism of the Middle Ages in Europe and with it the ruling aristocracy replacing the slavery of the Antiquity. Then Capitalism championed by the rising capitalist bourgeoisie replaced feudalism and the aristocratic class.

Pointing to the new masters, the bourgeoisie, as the source of injustice and exploitation, the class was now subject to Marxist agitation. The Manifesto accused the bourgeoisie of subjecting everything in society to laws of production and ownership. It destroyed the aristocratic values of natural superiority of the nobility, “ecstasies of religious fervor” and “chivalrous enthusiasm” that used to prevail. At their place, the bourgeoisie fostered materialistic interests, and the search for profits and benefits centered around “exchange value” and “free trade.” By this it was revealing a “naked, shameless, direct, (and) brutal exploitation.” Even family relations were claimed to have been reduced to “mere money relation(s),” where wives were subjected to bourgeois laws of ownership as a mean of production. The exploitation was the harshest on the proletariat both at the factory and outside it, where proletariat women were forced to prostitution because of their harsh material conditions.<sup>12</sup>

But extending the line to its end, Marx’s “historical determinism” predicted that the proletariat is the class that would soon take over the social hierarchy and rule society after overthrowing the bourgeoisie. For Marx, production conditions were turning against the supremacy of the bourgeoisie. Whenever the bourgeoisie gained more power, the increasingly exploited proletariat was thought to also gain power, developing into a more unified social class with a unified interest and against a single clear enemy.

The essential condition for the existence and for the sway of the bourgeois class is the formation and augmentation of capital; the condition for capital is wage-labor. Wage-labor rests exclusively on competition between the laborers. The advance of industry, whose involuntary promoter is the bourgeoisie, replaces the isolation of the laborers, due to competition, by the revolutionary combination, due to association. The development of Modern Industry, therefore, cuts from under its feet the very foundation on which the bourgeoisie produces and

appropriates products. What the bourgeoisie therefore produces, above all, are its own grave-diggers. Its fall and the victory of the proletariat are equally inevitable.<sup>13</sup>

The proletariat alone was the class entitled for this historical mission. The Manifesto looked to the petite bourgeoisie and the peasantry with great suspicion, regarding them as reactionary forces. Their possible struggle against the bourgeoisie was perceived, rather than being for a revolutionary cause, as being for the sake of nothing but to keep their class position within the bourgeoisie fearing from slipping to the ranks of the proletariat.

The economic interpretation for this Marxist prophecy came in later works especially "The Capital." As clear generally from Marx's works, the rise of the proletariat as a ruling class is nothing but a temporary stage (coined "Dictatorship of the Proletariat") that would prepare society for the transformation into Communism after the destruction of the social classes' order and the creation of a classless society in a Utopian Marxist society.

By severely criticizing the bourgeoisie and Capitalism, and prophesying for a proletariat victory, Marx and Engels were greatly appealing to the minds of the working masses and leftist radical intellectuals. Their attractive implicit and explicit slogans and mottoes, freeing man from the rule of man, freeing man from being treated as a mere mean of production, and calling for the unity of the working class among others were just hitting at the right point in space and time, 19th century industrializing Western Europe. The Marxist thesis was a unique one as compared to other Socialist theses evolving in the same harshly inequality-hit Western Europe. The Western European Capitalist World would soon feel alarmed by the evolving Marxist danger with the screams of the workers raising its banners. It was then the beginning of 1848, a very critical year in the history of Western Europe.

In France, events were moving into a dramatic climax. King Louis Philippe was for some time facing a growing public anger, an anger that unified the Socialist sentiments of the proletariat with the bourgeois republican and parliamentary aspirations. The efforts of both groups united for the sake of overthrowing the King and his regime. Secret movements from various political orientations grew and coordinated their efforts. The scene was awaiting a catalyst to develop into a revolution; and this was provided by the bad harvest of 1845 that resulted in an economic crisis. Food shortages in the next 2 years made the fall of the monarchy eventual. It was in February 1848 that a new popular revolution erupted in France aiming at overthrowing the regime. Barricades were set in the streets of Paris, and workers were determined to fight against government soldiers. The revolution was successful at the end, King Louis Philippe abdicated and, escaping the furious mobs, he fled to Britain.

Yet, this was not the end of the critical events of this eventful year in the history of modern France and Europe. A provisional government having the revolutionary elements of the bourgeoisie and Socialists took control over France.<sup>14</sup> But there were still two sources of future troubles. Having played a crucial part



in the success of the revolution, the proletariat realized its strength and were encouraged to ask for their rights. The second concern was the presence of a radical more Marxist-leaning revolutionary wing led by “Blanqui” who was calling for a Socialist government.

After the elections, the Socialists lost their power in the new government that was now dominated by the bourgeoisie. Disappointed by ending empty handed, the proletariat returned to insurrectionary action as Paris’ barricades were prepared for another revolutionary battle in June 1848, this time against governmental troops. Yet, the situation was now different; the anti-Communist phobia spreading in Europe at this time was enough to make the people fear from workers’ movements and their insurrection. The government, strengthened by its electoral legitimacy, went to crushing workers’ resistance putting an end to their revolt. For those who were so indulged in the slogans and rhetoric of the Manifesto, this seemed to be the first open class-based confrontation between the bourgeoisie and the proletariat in line with Marx’s perception and echoing his Manifesto’s prophecies.

France was not the only country facing turmoil; Prussia had its version of revolutionary drama. The French insurrection spread to Prussia where workers revolted and were violently crushed. The Western governments’ uneasiness toward Marxist propaganda in such a climate of revolutionary zeal made Belgium, in which Marx was residing at that time, deport him. Marx had to move from one place to the other and to face the accusation of being involved in revolutionary agitation in the German city of Colonia, before being vindicated. At the end he moved to Britain, where he would settle for a long time. This was how Marx evolved from the events of 1848 as a remarkable leader and a star of the Socialist revolutionary movement in Europe, or rather a phantom for others.

### **1.3. MARXIST LEADERSHIP ON SOCIALISM**

In the year 1864, and after 16 years of the events of the 1848 Revolution, Marx and Engels’ revolutionary activism materialized in establishing the “International Workingmen’s Association” in London. This body, led by Marx, united parties and workers’ syndicates which accepted Marx’s leadership for the Socialist movement. The “First International,” as this movement would be referred to, had incorporated many leftist movements, including Socialists, blanquists and leftist anarchists for whom the Russian famous thinker Bakunin was a prominent leader.

The leftist anarchists and the blanquists had many to share with the Marxist line of thought, but many differences still placed them apart. The leftist anarchists believed in freeing man from any external authority governing his actions; they had an absolute negative perception with regard to the concept of

the state or government.<sup>15</sup> Bakunin, for instance, believed that man's freedom results from freeing himself from the control of any external authority, whether it is a state or religion. He called for following the laws of nature which individuals would be able to discover by themselves, believing that these laws, because of being natural, would match human nature. And, accordingly, there would be no need for an authority or legislation to enforce them on humans. On the other hand, Bakunin believed that ending class differentiation and inequality between human beings is a must, because inequality kills human mind and heart. This clearly shows why the leftist anarchists and Marxists were able to cooperate; both movements simply agreed on having the objective of abolishing social classes and state authority. As for policies Bakunin agreed with Marxists in the need for revolutionary mobilization of workers for the sake of crushing existing states. This cooperation and acceptance of the leftist anarchists to Marx's leadership were not absolute though, as days would reveal.

On the other hand, the blanquists, the followers of the French revolutionary leader Louis Blanqui who would play a major role in the events of 1870–1871 in France, were convinced that the proletariat was not mature enough for a revolutionary action that would bring Socialism. Hence, they regarded the presence of an intellectual elite as crucial for educating the proletariat on revolutionary action. After the transformation into Socialism, however, the proletariat would have grown more mature and would be then more able to govern itself by itself.

Yet, Marx refused the idea of the presence of an intellectual elite that would teach (and thus lead) proletariat revolutionary activity. He thought that such an education would come from class conflict against the bourgeoisie, and that this conflict would develop the proletariat's class identity bringing it toward revolutionary maturity.<sup>16</sup> Thus, while blanquists wanted immediate preparation for armed revolution, Marx thought of waiting and working on spreading awareness and organizing the proletariat for the sake of a revolution, the realization of which would need some time. Consequently, Marx believed that intellectuals to the contrary should tame the proletariat if it moved to revolutionary action in unfavorable conditions. His argument rested on believing that intellectuals' knowledge of present social and economic determinants should enable them to consult the proletariat on the appropriate time for pursuing revolutionary action.<sup>17</sup> Marx, thus, believed in a way or another in the leading role of intellectuals realizing their knowledge edge. This contradictory stance and grayish area in the Marxist body of thought about the role of intellectuals in revolutionary action and their leadership over the proletariat would later open the door for the emergence of various positions on this subject among different Marxist lines of thinking. Yet, despite their theoretical differences, Marxists agreed with blanquists on many issues, something that made their cooperation in a unified First International possible.

With this alliance between these different leftist groups, the First International was set into action, magnifying the Socialist threat led by Marx to the existing Western European sociopolitical order. The scene there was still furnishing more opportunities for Marxism. In 1870, the rising mighty Prussia together with its other German allies were launching a harsh attack on France ruled then by Napoleon III, in the critical and last stage of the struggle for the creation of the modern German State. The successful Prussian German forces surprisingly subjected the French army to a humiliating defeat and marched into Paris, where in Versailles the German Empire was declared in January 1871 unifying the German states with Prussia and headed by Emperor Wilhelm I of Prussia. In defeated France, anarchy spread and a new revolution disposed of Napoleon III who was already kept captive by the victorious German army. A new government was established, the first government of the newly proclaimed Third French Republic.<sup>18</sup> Yet, this was not the end of the turmoil, and another chapter of the dramatic and eventful modern French history was about to unfold.

The heroic role played by the Parisian population in resisting the Prussian attack on their city left them armed and ultimately ready to resume the fight, this time for a revolutionary cause. The new French government, however, wanted to cool down the tension with the Prussian German army still besieging Paris. Accordingly, it tried to demilitarize Parisian mobs and workers to avoid any Prussian military response in retaliation to possible attacks that could be conducted by the unruly and furious mob. The Parisians overcharged by nationalistic zeal, however, forced the government not only to realize its failure in such an attempt, but also induced it to withdraw from Paris and to reside in nearby Versailles on the outskirts of the city. The Parisians soon started to organize themselves and formed their own government that was referred to as the “Paris Commune” and Blanqui was elected as its head in March 1871, although he didn’t actually play an active part since he was imprisoned by the government of the Third French Republic. The red flag was adopted leaving no doubt on the inclinations of the Commune. The Commune established a revolutionary army from Paris inhabitants and undergone revolutionary social and secular measures including the nationalization of church assets and abolishing interest on loans. Workers played a crucial role in the Commune and in the implementation of its orders. This unsurprisingly soon called on the close attention and excitement of Marx and the First International. Marx regarded the Commune as a vivid and realistic example of the stage of the Dictatorship of the Proletariat. Marx in his remarkable pamphlet “The Civil War in France” going over the experience of the Commune praised it, although he criticized its adoption of what he regarded as moderate line at the time when they had full control on the situation. He assumed that the Commune was capable of seizing the assets of the Parisian bourgeoisie and utilizing them in reinforcing the grip of their Dictatorship of the Proletariat. This was the case with the French National Bank, where Marx denounced the Commune’s fear from international

condemnation in case they seized the Bank's assets, and criticized its attitude of asking the bank for a loan. To Marx this meant slipping the chance of empowering the Commune, offering a golden opportunity for the French government to crush it.

The Paris Commune didn't last for long at any case. Governmental troops marched to brutally crush it while met with fierce resistance from armed workers. The government enforced its control by the end of May 1871 on the blood of tens of thousands of revolutionary Parisians who fought street battles defending what Marxists regarded as their championed Dictatorship of Proletariat. It was reasonable to think that these events would augment class conflict in France and Western Europe and provide more fuel to the revolutionary Marxist flame.

The First International, however, was facing internal troubles. The theoretical schism between Marxists and leftist anarchists was greater than to be disregarded. The critical issue on which both parties disagreed was the nature of the transformation process from a bourgeois into a Communist society where they both agreed on a Utopia where there would be no need for a government or classes. Marx and Engels believed that such transformation to Communism should pass through a transitional stage which is the Dictatorship of the Proletariat.<sup>19</sup> Such an important stage was essential in their perception for providing the proletariat with the needed time for abolishing social classes and preparing society for the Communist stage. In this stage, the proletariat will use their dictatorship in abolishing private ownership of the means of production transferring them to public ownership enjoyed by the whole society. In this transitional stage, individuals would be rewarded equally by the worth of their work. The presence of a government in the Dictatorship of the Proletariat stage was regarded as essential because people would not have yet forgot bourgeois laws. They would also lack the motivation of working for the benefit of society without the presence of laws prohibiting laziness or working inefficiently, especially that they would be ensured of getting at the end their needs whether in the form of payments or goods. Thus, it was argued that the government in this stage is needed to protect public ownership and fair distribution of goods among working individuals. The economy also would need a transitional stage in its major transformation from Capitalism to Communism, with all the major changes in laws governing economic activities between the two. The termination of class exploitation achieved at the Dictatorship of the Proletariat stage is, however, never enough in the Marxist perspective; The Communist stage is the ultimate goal. In Communism, the final stage, the state diminishes after gradually losing its political power; and there won't be need for money either. As Lenin latter referred to this in his analysis to Marx's theories on the state:

Only in Communist society, when the resistance of the capitalists have disappeared, when there are no classes (i.e., when there is no distinction between the members of society as regards their relation to the social means of production), only then "the state ... ceases to exist", and "it becomes possible to speak of freedom." Only then will a truly complete

democracy become possible and be realized, a democracy without any exceptions whatever. And only then will democracy begin to wither away, owing to the simple fact that, freed from capitalist slavery, from the untold horrors, savagery, absurdities, and infamies of capitalist exploitation, people will gradually become accustomed to observing the elementary rules of social intercourse that have been known for centuries and repeated for thousands of years in all copy-book maxims. They will become accustomed to observing them without force, without coercion, without subordination, without the special apparatus for coercion called the state.<sup>20</sup>

In this Communist stage, Marxism assumed that conflicts would be of non-class basis, such as tensions or street fights among individuals starting for various reasons; and these can be dealt with by the people themselves without the need for the governmental repressive apparatus. With society's maturity at the Communist stage, each individual would get products according to his own needs rather than according to his own work as used to be the case in the previous stage of the Dictatorship of the Proletariat. Thus, each produces according to his own capabilities and consumes according to his own needs.

On the other hand, the leftist anarchists, despite agreeing with Marxists on trying to achieve such a Communist stage, yet they objected on the necessity of the Dictatorship of the Proletariat as a transitional stage. The anarchists wanted a quick transformation into self-autonomy through immediate state destruction by revolutionary action. They did not want the replacement of the bourgeois state by any kind of state even if it is a proletariat one. They regarded the Dictatorship of the Proletariat (even if it is a transitional stage) as a state external to individuals, one owning repressive tools capable of enforcing laws and forcing individuals to obey. The leftist anarchists led by Bakunin were against this since they wanted to free individuals from any form of government that could supervise and repress their activities. In his *critique of the Marxist theory of the State*, Bakunin wrote:

Every state power, every government, by its very nature places itself outside and over the people and inevitably subordinates them to an organization and to aims which are foreign to and opposed to the real needs and aspirations of the people. We declare ourselves the enemies of every government and every state power, and of governmental organization in general. We think that people can be free and happy only when organized from the bottom up in completely free and independent associations, without governmental paternalism though not without the influence of a variety of free individuals and parties.<sup>21</sup>

With the intensity of this intellectual disagreement between Marx and Bakunin, a rift should have been expected. In 1872, Bakunin refused Marx's trials to impose his views on the international, believing that the International's official program should not adopt a specific philosophical or political theory, or make the acceptance of this theory a prerequisite for membership. He also criticized Marx's emphasis on the centrality of the Dictatorship of the Proletariat stage as a transitional stage, expressing his concerns that this would lead to the creation of the worst kind of regimes.

There will therefore no longer be any privileged class, but there will be a government and, note this well, an extremely complex government. This government will not content itself with administering and governing the masses politically, as all governments do today. It will also administer the masses economically, concentrating in the hands of the State the production and division of wealth, the cultivation of land, the establishment and development of factories, the organization and direction of commerce, and finally the application of capital to production by the only banker – the State. All that will demand an immense knowledge and many heads “overflowing with brains” in this government. It will be the reign of *scientific intelligence*, the most aristocratic, despotic, arrogant, and elitist of all regimes. There will be a new class, a new hierarchy of real and counterfeit scientists and scholars, and the world will be divided into a minority ruling in the name of knowledge, and an immense ignorant majority. And then, woe unto the mass of ignorant ones!<sup>22</sup>

This was an interesting 19th century prophecy that happened to come from a Russian thinker decades before 1917. The theoretical heated debate between both parties culminated to expelling Bakunin from the International. With this the ideological rift between Marxists and leftist anarchists materialized as Bakunin’s followers withdrew from the International. As for the First International itself, it moved to New York in 1872, and then in 1876 it was dissolved. All trials to revive it failed, and an important chapter for Marxism and its hegemony over Socialism was brought to an end.

Yet, this was by no means the demise of Marxism. It was rather the time in which its great theoretician was continuing on laying the foundations of the ideology that would blossom decades after. If the Manifesto was meant for political mobilization and agitation, *Das Kapital*, or *The Capital*, was Marx’s other famous but detailed work that tried to provide economic reasoning for his ideas. It is the work that would be regarded as the Marxist bible in the following decades. The book was published in three parts with a special focus on economic interpretations for Marx’s analysis; the first of these was published in 1867, the latter parts were published after Marx’s death and were actually collected and prepared by Engels from Marx’s notes.<sup>23</sup>

One of Marx’s key terms in that work was the concept of “surplus value,” the difference between the revenue that one gets from the means of production and their costs. Marx believed that in different historical epochs the ruling class, after paying various costs of production, expropriates the remaining surplus for itself.<sup>24</sup> This applies also for the bourgeoisie in its relation vis-à-vis the proletariat, although this relation is characterized relatively by more freedom of action and market dynamics unlike harsher previous class relations (e.g., between masters and slaves or between aristocratic landlords and peasants). Among different means of production, human labor was considered the one from which the greatest surplus value could be extracted. Machines cannot be forced to work more than their capacity; the same also applies for raw materials. Workers in their search for higher wages, however, can be induced to work for longer hours beyond their capacity. Hence, the capitalist keep on exploiting workers in order to generate more profits, or the best surplus value, as long as workers are being paid what keeps them alive. Consequently, the profits of a

factory's owner were thought to originate typically from the presence of the proletariat and their exploitation.

Economics tells us that in order to produce a certain good, the various factors of production like labor, machines and raw material should be available. Marx, however, depended on Ricardo's "Labor Theory of Value" that claims that a product's value can be measured by the hours of labor used in its production (see Marx, 1867, pp. 27–33<sup>25</sup>).

We see then that that which determines the magnitude of the value of any article is the amount of labor socially necessary, or the labor time socially necessary for its production ... Commodities, therefore, in which equal quantities of labor are embodied, or which can be produced in the same time, have the same value. The value of one commodity is to the value of any other, as the labor time necessary for the production of the one is to that necessary for the production of the other.

What consolidates this theory is regarding machines, which are also factors of production, as being a number of labor hours that produced this machine. Thus, based on this perspective, different factors of production could be expressed by the number of human labor hours that produced them. Consequently, the value of the product can be determined by the labor hours used to produce it. This helped Marx in elaborating his concepts regarding the surplus value.

Marx estimated that working daily for 6 hours would provide workers with their subsistence wage that would preserve their lives and that of their children so as to guarantee the preservation of this class and its subsequent generations who would serve the bourgeoisie. The rest of the working daily hours, however, are ending in the pockets of the bourgeois capitalist augmenting his wealth. Thus, it is regarded by Marx as an unpaid work and an act of stealing what is due to workers, in a fashion that resembles the attitude of a colonizing country paying for goods from their colony with money which it originally stole from the colony.<sup>26</sup> An artisan was not regarded as a bourgeois, although he owns his means of production and his shop and sells his products. The artisan gets a revenue that covers his expenses and the rest is his income, but he does not employ a number of workers and expand his production like a factory owner bourgeois. The latter's wealth is accumulated as he expands his use of technology and ultimately expands the scale of production to cover his investment in technology.<sup>27</sup>

Having identified the surplus value, Marx used it in explaining how a proletariat revolution would happen. The Industrial Revolution and the accompanying unstoppable upgrading of machines, as well as replacing human labor by machines, would lead at the end to the opposite of the bourgeoisie's expectations. Instead of augmenting its profits and social power, this process would ultimately lead to the overthrow of the bourgeoisie from the top of the social class pyramid. Marx provided his explanations for this prediction. He said that replacing the worker by machine deprives the factory owner bourgeois from the

surplus value which won't be compensated by cutting the costs of the product, given that cutting costs is one of the principle reasons for introducing machines. At the beginning, profits would indeed rise by mechanization, since the factory owner would minimize the number of employed workers at his factory and with it the paid wages; also, costs would fall thanks to scale production and minimizing the required production time. Yet, Marx claimed that these profits were bound to evaporate due to competition. Competition and self-interest are the magical words on which the capitalist economic system was based as theorized by Adam Smith (1776); they are the force behind Smith's assumed "invisible hand." This concept introduced by Smith claimed that Capitalism corrects itself by itself without a need for government intervention. In this self-correcting mechanism, that does not allow market imbalances to sustain, competition plays a crucial role. Competition is, thus, the essence of society's industrial development, or from a Marxist perspective, the essence of the bourgeoisie's power.

On the contrary, Marx thought that competition together with the mechanization of production would ultimately crush the bourgeoisie; this would happen because profits resulting from the replacement of human labor with machines would diminish because of competition. The capitalist who pioneered increasing the mechanization of his production process would see his competitors trying to follow suit. Moreover, the generated profits would encourage other investors to enter the market and produce the same product, probably using the same techniques. The result would be that the capitalist who had first introduced a more mechanized technique would not have a competitive edge, represented in a lower price, in relation to his competitors. With the outgrowth of the available supply of goods in the markets, prices should go down. As a result, profits would fall for all, despite the initial benefits out of mechanization. This would not be compensated by increasing the surplus value. Previously, the capitalist could have forced his workers to work for longer hours beyond their capacity in order to generate more surplus value; but now he could not do the same with machines simply because he could not force them to do the same. The only way left for the capitalist to cut his average costs would be to produce in greater quantities to benefit from economies of scale, knowing that the cost of producing an additional unit of a good falls with the increase in the scale of production.<sup>28</sup> Yet, scale production necessitates huge capital which is not available for every capitalist. Under the pressure of diminishing profits, this would lead to kicking out many competitors and a continuous process of concentrating competition among a diminishing number of producers, as markets would move toward monopolistic settings. With the presence of monopolists, the social class benefiting from the existing situation economically, politically and socially would shrink even further. This would mean that this elite controlling production and prices would be less able to defend itself in front of the overwhelming deprived majority of society. With the depreciation of the competitive dynamics, the essence of capitalist development, the bourgeoisie and its



capitalist system would be crushed by the proletariat that would otherwise have to endure more sufferings had it would not revolt.

Furthermore, scale production and the search for profit would lead to overproduction. This on its turn would not be matched by a corresponding increase in consumption demand, since the proletariat is too poor to upgrade its consumption accordingly. This mismatch would subject the capitalist economy to harsh blows that bring it into a state of imbalance and recession. What intensifies the repercussions of these economic crises is the progress in worldwide intercommunication that was established by the bourgeoisie to promote its own interests. The growing world connectivity might lead to the internationalization of these recessions. The harsh recessions would force capitalists to cut costs by firing more workers, leading to a surge in unemployment. Workers who would still be employed would be subject to great exploitation as their surplus value is being milked, probably having to feel grateful to capitalists for keeping them and preventing them from slipping into the darkness of unemployment. The expansion of Capitalism would accordingly make the majority of society an impoverished proletariat with an augmenting economic gap between them and the bourgeoisie. These harsh social conditions would strengthen the bonds among the constituents of the proletariat regardless of their ethnic, age, religious, etc. backgrounds.<sup>29</sup> With the subsequent continuous economic blows that would weaken the capitalist system, increase proletariat exploitation, and concentrate wealth in the hands of a monopolistic minority, the hour would come for the revolution that would crush the social class pyramid forever, as Marx anticipated. The revolution would lead to the Dictatorship of the Proletariat as a transition stage to Communism as described before.

With this mix of prophecies and revolutionary agitation, Marx laid down the bible for what would be referred to as “Scientific Socialism.” Marx, however, did not live to see the second and the third parts of *Das Kapital*. He died in 1883, leaving behind a legacy that would be disputed, interpreted, and reinterpreted over and over for generations to come.

## 1.4. TOWARD THE GREAT WAR

### 1.4.1. *The Second Industrial Revolution, Finance Capital, and Imperialist Strive*

As Marx was writing *Das Kapital*, the Western World was starting to witness a yet another major transformation. In the 1860s a new industrialization phase started, the Second Industrial Revolution. New industries developed, such as in the fields of chemical and engineering products. The generation of electricity and its expanding applications and the combustion engine were major breakthroughs affecting the transportation and communication sectors among others, with all their economic and social resultant impacts. Electricity started

to lighten streets and homes, while inventions like automobile, telephone, gramophone and advances in cameras, motion picture, printing, and cameras were altering life completely in Europe.<sup>30</sup>

This was the time when the new sectors offered opportunities for latecomers to gain an advantage over old industrializers. It was also the time for “Finance Capital,” gigantic corporate firms and big Cartels. It was also the time of the intensification of the Imperial race in search for markets, raw materials and imperial glory with the growth of nationalist sentiments and rhetoric among the Western European states. Socially, the living conditions of the poor in Western European countries were generally speaking getting better with government regulations putting a limit for workers’ exploitation at work, and improving housing and sanitation conditions. Real income and GDP per capita increased, and remarkable improvements in literacy and education were witnessed (see Table 1.1). Electricity and the combustion engine-upgraded public transportation were introduced and better diet for the poor was attained, thanks to lower cost of food and major improvements in agricultural productivity.<sup>31</sup>

The power of states was also strengthening with more bureaucratization and further expansion in military might now being more possible. However, despite this growing state power and the better living conditions of the populace, more social unrest was being witnessed. It was the time of labor activism and strike activity, and Socialism was destined to flourish in such settings. As argued by Mann (2012, p. 172, 1993, p. 629), the Second Industrial Revolution partly homogenized the labor force by “deskill(ing) sectionally organized craft workers” pushing them to the “growing ranks of the semi-skilled.” The outcome was the growth of labor unions which increasingly represented common class consciousness, in comparison to “sectional organizations” representing only a special type of occupation or “segmental organizations” based on employment location. Workers’ organizations based on industrial segment and section remained; and they were even reinforced when favorable institutional settings such as democracy existed. These settings, for instance, opened the way for engaging in negotiations with the state for the sake of obtaining sectional or segmental benefits. Moreover, as Lipset (1984) pointed out, when trade unions established labor political parties, these parties tended to be reformist since unions worked on steering them toward pragmatism, leaving ideologist Socialists as a marginal group of members. This was the case, for instance, in Britain. On the other hand, when the state used repression against various economic reformist demands of labor organizations, unions had to fight for altering “the rules of the game.” Socialism with its stress on workers’ common interest, instead of sectional interests, was destined to flourish in such settings.

On the other hand, this was the time of the high tide of Western Imperialism. As Lenin, in his famous work *Imperialism, the highest stage of Capitalism* written in 1916,<sup>32</sup> argued, Finance Capitalism which was characteristic for the Second Industrial Revolution, induced more Imperialism. Gigantic

**Table 1.1.** Socioeconomic and Institutional Development in Western Europe (1890–1944)<sup>a</sup>.

Year	1890–1894	1895–1899	1900–1904	1905–1909	1910–1914	1915–1919	1920–1924	1925–1929	1930–1934	1935–1939	1940–1944
Agriculture Labor	29.2%	28.7%	28.0%	27.5%	26.9%	26.0%	28.6%	26.8%	25.4%	24.0%	24.2%
Industry Labor	35.4%	36.5%	38.5%	39.0%	39.1%	39.4%	36.3%	37.2%	37.7%	37.6%	36.4%
Urbanization (≥10,000 inhabitants)	35.4%	37.5%	35.3%	36.9%	38.6%	39.9%	39.8%	41.0%	42.0%	43.5%	44.6%
Literacy rate	85.1%	87.2%	89.2%	89.4%	91.5%	93.3%	93.9%	95.0%	95.7%	96.3%	
Primary enrollment	69.1%	71.3%	72.9%	74.0%	76.6%	76.8%	74.2%	72.0%	76.1%	76.8%	76.0%
Democracy Index	5.14	5.20	5.40	5.46	5.61	7.00	8.90	9.15	8.65	9.71	6.04
Avg. years of schooling	2.54	2.79	3.03	3.24	3.43	3.59	3.53	3.72	3.93	4.13	4.22
GDP per Capita	3386.7	3683.6	3881.4	4139.7	4405.4	4175.4	4173.3	4920.6	4882.2	5284.1	4941.9
Defense Expenditure	28.8%	32.4%	34.2%	30.5%	31.9%	56.5%	19.0%	13.6%	13.2%	21.8%	19.0%
GDP growth rate	0.9%	2.0%	0.5%	1.3%	0.4%	−1.1%	4.0%	2.9%	−1.2%	1.9%	−4.5%
Population growth	0.8%	1.0%	1.1%	1.0%	0.9%	−0.3%	0.2%	0.5%	0.6%	0.3%	0.1%
Share of the richest 1% of national gross income	8.4%	21.5%	20.3%	20.0%	20.6%	19.2%	16.1%	15.2%	13.5%	14.1%	12.7%

<sup>a</sup>The Average of Western European countries is calculated from the dataset used in the empirical work of Chapter 2 and many tables in this book, including Table 3.2. The included countries in calculating for Western Europe are: Belgium, France, UK, Ireland, Netherlands, Luxembourg, Switzerland, and Germany.

economic enterprises were making it harder for small enterprises to stay in competition by various means including: monopolizing the control over raw materials, making agreements with labor unions, and cutting products' prices beyond the capacity of smaller enterprises. This effectively kept national and world economies in the hands of a monopolistic elite which controlled the markets. Coinciding with these developments was the growth of the role of banks and their financial activities, a role that helped in the concentration of capital and the growth of monopolies. Exporting capital to developing countries became more common compared to exporting industrial commodities. That is how industrial countries started to transform into usurer monopolistic powers dividing among themselves world markets. In the last quarter of the 19th century, these countries were transforming into imperialist powers, in an unprecedented way surpassing that of the preceding stage of Capitalism (Competitive Market Capitalism). This was a rational development, since borrowing countries were growing weaker toward industrial countries than at any time before. Moreover, world monopolies were becoming more concerned with controlling factors of production and raw material to sustain their economic superiority. Such gigantic establishments pushed their governments to secure their interests and control economic resources through colonialism.

It was the time when traditional imperial powers such as Britain and France expanded their dominions, and other new comers like Germany joined the race. But it was also the period when the buildup for a great European and International confrontation was underway. A new born and powerful German Empire led by Prussia and its Chancellor Otto von Bismarck soon became the major power in continental Europe. This powerful state started to look for expansionist glory outside the continent to join the colonial race in which other European powers had the lead. Imperialism, away from its economic dimension and justification, was simply fueled by nationalism and a trial to manifest national strength and pride. This was also the case with the newly unified Italian state which evolved in 1871. These nationalist imperial dreams, among others, brought the two countries together and they, with also their former enemy, Austria–Hungary, formed the Triple Alliance in 1882. France had a new revolution in 1870 against Napoleon III after the humiliating defeat against the forces of what would be the German Empire. France became once again a republic, the democratic Third French Republic. Defeated and suffering from national degradation due to the loss of Alsace and Lorraine annexed to Germany, the French Republic was eager to restore French dignity and to encircle the German Empire with hostile alliances. Yet, Bismarck's clever and active foreign policy was denying it from gaining success. On the other hand, French dignity found some relief in intensifying France's colonial expansionism in Africa and Asia and competing with other European powers in this special race. As for Great Britain, its power was growing thanks to its colonies and its boundless Empire and control over various major trading routes. It almost entirely secured its trading route all the way to India, its most precious colony,

by its control over Gibraltar, Egypt and the Suez Canal, Aden and many numerous colonies in Africa and Asia. The industrial lead of Britain and its naval superiority were also among the factors that led to its supremacy over other European states. It was the champion of free trade and its currency, the Sterling Pound, was the international currency.

There were also the remains of the Ottoman Empire, the once great Empire that besieged Vienna, the Habsburg Empire's capital in 1499 and controlled much of East and Central Europe. This old once great empire became the "sick man of Europe" starting from the late 18th century and had been receiving painful blows from the Russian Empire with which it lost vast territories. The Ottoman Empire under the rule of Abdel Hamid II was doing last trials for strengthening the disintegrating state whose territories became a colonial pray for European powers. As for the Austrian–Hungarian Empire, despite its great animosity in the 1860s with the Prussians and the Empire's historical defeat at their hands that made the Prussians replace the Austrians as the major Germanic leaders, it found in the Prussian led German Empire an important ally. This alliance was fostered by Germanic ethnic and linguistic ties between Germany and the Germanic Austrians ruling Austria–Hungary as well as by sharing common interests. The Empire was surely happy about its territorial gains in the Balkans at the expense of the Ottomans after 1878 as it controlled Bosnia, but this feeling would not last for long in the Empire plagued with ethnic heterogeneity. It was this empire and its expansionist dreams that were of the greatest concern for another source of trouble, the territorial expansionist Russian Empire. If Austria found in Germany a great ally, it was not for long before its rival, the Russian Empire found an eagerly welcoming hand, which was that of the French.

#### *1.4.2. The Second International and the Rise of the Popularity of Socialism*

After the death of Marx in 1883 and liquidation of the First International once led by him, Socialist movements which failed in bringing it back to life still felt the need for establishing a new world organization to rally their efforts. The year 1889 witnessed establishing such an organization; the Second International was an organization bringing together international Socialist parties and movements from various European countries.

The initial objectives of the new International were fighting for better conditions for workers, sexual equality, abolition of child labor and universal suffrage. It called on workers to join Socialist parties and vote for them in elections.<sup>33</sup> This reformist attitude would continue to control this international despite its constituting parties' belief in Marxism. The Second International's dominant intellectuals tried to reinterpret Marx's ideas stressing on a less revolutionary tone inclining toward the belief in a gradual transformation into the

Dictatorship of the Proletariat rather than a transformation by means of a social revolution. The theoretical line of this international, thus, helped its constituting parties in adopting democratic means of transformation and trying to reach power through elections. Marxism and historical materialism inspired them to anticipate that universal suffrage would eventually lead to their own ultimate victory through democratic measures. Such a belief stemmed from their self-perception as representatives of the interests of the majority of the population, either at that specific moment or eventually as Capitalism would proceed and proletarianize other segments of society. This assumption seemed to be confirmed by the growing electoral success of the Social Democrats before World War I.<sup>34</sup> However, revolutionary tactics were not completely abandoned. "August Bebel," the leader of the German Social Democrats, stated that revolutionary tactics can be used as a defensive measure if the bourgeoisie didn't respect the results of the democratic ballots bringing the proletariat party, the Social Democrats, to power.<sup>35</sup> The Social Democrats also pushed harder toward improving workers' conditions. Thanks to this international, the 1st of May was made an international labor day. Generally speaking, the thinkers of this international provided a rich theoretical base for the Social Democratic parties that would play an important role in the political life of Europe in the 20th century.

Toward the end of the 19th century, the German Social Democratic party, which came to existence in 1875, was the leading Marxist party in the whole world. Its Marxist orientation was emphasized after adopting the "Erfurt Program" in 1891, and at the first part of the 20th century. The leadership of the German Social Democratic Party (SPD) dominated the Second International. The party itself was the model which inspired many Socialist parties in Europe to follow its suit.<sup>36</sup> The popularity of the Social Democrats kept growing with time. Just two years before the outbreak of World War I, the world pioneer Socialist Party, the SPD, had a membership exceeding 1 million; in this same year, 1912, the party succeeded in winning about one third of the votes of the parliamentary elections.<sup>37</sup> Such an electoral victory, posed the Social Democrats as a major, or rather the major, political party in Germany. With the rising popularity of the Social Democrats elsewhere in Western Europe, it appeared as if a new era was about to come. In relatively less democratic Central and Eastern Europe, political developments seemed also to suggest the same in the biggest two Empires of Austria-Hungary and Russia. In the former the Socialists had growing electoral successes, while in Russia the Social Democrats were among the leaders of a major revolution in 1905 that shackled the regime for months before the Tsar managed violently to put it off. Yet, other unexpected major political developments were about to preclude the realization of such a Socialist dream.

## **1.5. THE GREAT WAR AND THE SOCIALIST TRIUMPH**

The greatest tensions that have been building up by the end of the 19th century and beginning of the 20th were leading the world toward a great struggle unknown in its scale in previous human history. A big part of Western Europe by then became more than ever before the center of various Imperialist colonizing powers devoting their efforts to controlling African and Asian markets and resources. The Imperialist race over colonies was joined by other nontraditional Imperialist countries such as Germany, Belgium, and Italy. In the eastern part of Europe, however, the age of multinational empires was still present. The Austrian–Hungarian Empire with its various nationalities from German Austrians to Hungarians, Croats, Czechs, Slovaks, Poles, Muslims, Serbs, and others, was a time bomb that could abruptly explode at such tense conditions of Europe of the time. At the start of the 20th century, the Ottomans were not anymore controlling a large area of land in Europe or even Africa. With the second decade of the 20th century, the Ottoman Turks lost even more lands to Imperialist nations in North Africa when Libya was occupied by Italy in 1911. After the Balkan Wars of 1912–1913, the Ottomans lost what had remained in their grip from European lands except for Istanbul and a surrounding piece of land constituting practically with Anatolia, the Fertile Crescent and vast areas of the Arabian Peninsula the Ottoman Empire at the critical year of 1914. The breaking up of the Ottoman dominance in Eastern Europe, taking place mainly in the course of the 19th century, left a power vacuum and many small states such as Serbia, Bulgaria and Romania. In these new states the augmented national zeal that accompanied their struggle for independence were still in place, channeled into nationalist expansionist projects with schemes of greater homelands with wars such as the Balkan Wars being the ultimate outcome of their conflicting claims. Serbia, not satisfied by its territorial gains in the Balkan Wars 1912–1913, continued to dream of Greater Serbia that would incorporate all the Serbs. This dream meant then nothing but clashing with the Austrian–Hungarian Empire controlling lands populated by a sizable Serbian population.

The relative peace that had lasted in Europe for almost a century since the Congress of Vienna held in the aftermath of the Napoleonic Wars seemed to be crumbling. The Balkans with its mosaic of ethnicities and religions seemed to be the most fractured area at which a blow would jeopardize the whole continent. All the parties intermingled in complicated alliances preparing for a possible final showdown whose likelihood was growing with time as the different parties were rather not avoiding it. If the Austrians were a major part of an alliance against the Franco-Russian alliance, the other big challenge for the Russian Empire was surprisingly brought to the orbit of the Franco-Russian Empire. This was nothing but Britain, whose vast imperial interests in Asia and the Far East in former times brought it into tensions and a cold war struggle

with the Russians devoted to expansionist projects in Central Asia and the Far East, with Iran and Afghanistan acting as buffer zones between the two powers' domains. But now the British felt also threatened by the German military buildup and especially from the German naval schemes which could have challenged British Sea supremacy. French-British Entente in 1904 opened the way for similar Entente between Russia and Britain in 1907 in which settlements were reached on their sources of conflict. The Russian Empire with these favorable alliances with the French and the Brits looked in a better situation in its Balkan and Straits' pursuit. But the prospects of a great European conflict were magnified, and this by itself should have restrained Russian European dreams, at least for a while.

Amid these tensions, the heir of the Habsburg Austrian–Hungarian throne, Archduke Franz Ferdinand, headed in June 1914 to Sarajevo, the capital of Bosnia, for a visit. This multiethnic province, which the Austrian–Hungarian Empire controlled after the 1877–1878 Ottoman–Russian War and the Congress of Berlin in its aftermath, was annexed to the Empire in 1908 causing then Russian–Austrian growing tensions. Bosnia had beside its sizable Bushnak Muslim population and Catholic Croats also a significant Orthodox Serbian population. This helped in the outgrowth of a pro Big-Serbia nationalist sentiments in the province, with such dreams being emboldened by the consequences of the Balkan Wars a year before and the possibility of challenging old waning European Empires. Nationalist organizations linked with Serbia planned to welcome Franz in their own way, a terrorist plot that would shake the Austrian–Hungarian Empire and might serve the Great Serbian dream. At the time of his visit to Sarajevo, on June 28, 1914, who could have imagined the world was only few hours away from the spark of a great war that would have drastic and everlasting effects on various nations, with these effects still witnessed till our present day? In that historical day, Franz escaped the determined assassins once; but the fateful hour was not so distant. While Franz and his wife were heading toward leaving the seemingly hostile city, a Serbian teenager named Gavrilo Princip with a pistol in his hand shot at Franz and with the fateful bullet started the Great War.

Franz and his wife died, Gavrilo was arrested; yet, this was not the end of this tragic event. The Austrians were enraged seeing the event as a challenge to the Empire's dignity and its status as a European and world superpower. The Empire was, however, extremely worried from Russian intervention in favor of Serbia if the Austrians decided to crush the Serbian state. However, the presence of Germany as an ally encouraged the Austrians to take bolder actions. Tsar Nicolas II response was calling for mobilization in the Russian Empire dragging the crisis into a very dangerous edge away from only a limited confrontation between the Austrians and the Serbs. With this Russian precautionary, yet threatening, action, the Germans found a plea for escalation.

Germany was feeling that its military superiority in front of the Franco-Russian alliance (in place since 1894) was diminishing. The French had plans



targeting the expansion of their army, while the Russian Empire had ambitious plans to reinforce their rail lines enabling a much quicker mobilization of its army and a rapid assembly of its forces at the Empire's Western borders with Germany. The Schlieffen Plan, put by the German military leadership to face the possibility of a war on two fronts against the Russian Empire and France, called for the German army to blow harshly on the French front aided by German military superiority over the French (and the relative proximity of the French capital Paris to the German borders) in a quick war that should be won within six weeks echoing the sweeping victory of 1870. Then, after dismembering France from the alliance, the plan called for diverting the German power to the Eastern Front to face the Russian Empire with its limping mobilization capacities. This all rested on the perception that the relative retarded infrastructure and underdeveloped Russian railways would slow the process of assembling massive Russian forces on the German borders, giving valuable time for the Germans to finish the war first with the French before the Russians were ready. Knowing this, the enlargement of the French army and the Russian railway development plans were posing a great threat for German military superiority and ability to implement Schlieffen plan if a war broke.<sup>38</sup> Also, the Russian call for military mobilization directed mainly against the Austrian threat to Serbia, meant that the Russian Empire would be within weeks ready to launch a harsh attack on the Germans if they thought of entering the conflict. This would have been at a time when Germany had not secured its southern borders with France or at least neutralized it, a situation threatening of the most feared scenario of a war on two fronts against enemies who were fully prepared. Induced by these concerns, the Germans moved to place the situation under their control before it was too late; and they required the Russian Empire to stop the mobilization of its troops.

Tsar Nicolas II did not lean to the Germans and in fact he was not able to. Russian Military plans were made so that a general mobilization against both Germany and the Austrian Empire was possible but not a partial one against the Austrians and not the Germans.<sup>39</sup> Insisting on a general mobilization rather than enduring the humiliation of pulling back, things were being pushed toward a dead end leading the involved parties toward exploding the whole scene with a drastic war. Germany declared war on the Russian Empire on July 31, 1914. After presenting some humiliating requests to the French to guarantee their neutrality and with the French refusal, Germany declared war also on France. This is how the Great War, or World War I, started. The belligerent parties were the Central powers: Germany and Austria–Hungary and later they were joined by Bulgaria and the Ottoman Empire, and the Entente powers: France, the Russian Empire and they were shortly joined by Great Britain. Britain's plea to joining the war with the Entente was defending the neutrality of Belgium which in the course of the war was facing German aggression and invasion despite its neutrality. Yet, Britain's real motive was trying to balance

the forces of the belligerents fearing from a German victory. Such a victory was anticipated to place continental Europe under the control of the German Kaiser, away from the balance of forces that dominated Europe since the second decade of the 19th century and to which was attributed the relative peace entertained by Western and Central Europe in the aftermath of the Napoleonic Wars. Italy, Romania, and the United States of America joined the Entente at later stages.

The outbreak of World War I placed the Social Democrats in a dilemma between their supposed internationalism and supporting their national governments. In the German Empire, the SPD representatives in the Parliament supported government's war efforts and in many of the other belligerent countries the Socialists entered in governmental coalitions for the first time. With socialists leaning to and even endorsing nationalist sentiments, the Second International lost its meaning. The tensions between the moderates and radicals inside Social Democratic parties, especially in the German Empire, culminated going beyond control. The following years would witness the development of a deep divide in the Socialist movement and the rise of the Communist movement.

Implementing the Schlieffen plan, the Germans started their powerful offensive against the French through Belgian lands leading the British to enter the war joining the Entente. The Germans were successful and they approached Paris, yet they were forced to a halt in front of an ardent resistance. This was the end of the German advance in the Western Front; the situation there would freeze with failed attempts from the Entente forces to launch a significant counter attack till few months before the end of the war. On the Eastern front, however, things went differently. The Russian Empire did not wait for the Germans to attack; it rather decided to launch its offensive while the Germans were busy with finishing off the Western Front. The Russian army, inadequately mobilized, attacked German Eastern Prussia, yet the Germans were able to defeat the Russian army in Tannenburg. This start would set the course of the Great War until 1918, relative stalemate in the Western Front and a great victory and advancement of Central Powers in the Eastern Russian Front. Such a course of developments would ultimately fuel a major revolution and dismember Russia from the struggle. Trials of various Socialists to end the devastating war with a general peace among all belligerent forces without territorial annexations fell on deaf ears. Championed by Russian Socialists at a time of Russian military devastation and German military overconfidence, these calls stood little chance. The Germans would concentrate on the Western Front hoping it finish it off as well. Yet, in the second half of 1918 a dramatic turn of events would take place, and the Entente would evolve Triumphant imposing a humiliating defeat on their enemies.

## 1.6. THE INTERWAR PERIOD

### *1.6.1. The Years of the Multiideological Struggle*

The end of the Great War witnessed a substantial change of the European political map. Europe's big four empires, Germany, Austria–Hungary, Russia, and the Ottoman Empire, all disintegrated. New states were created and others reborn, including Poland, Yugoslavia, Czechoslovakia and the three Baltic states. Austria and Hungary were reduced to small states after being centers of a great empire. The Bolshevik Marxists in Russia managed to take over power after the 1917 Revolution, establishing the first Socialist, and precisely Marxist-Leninist state, in the world inducing a wave of enthusiasm that broke the international Marxist movement into Communist Marxist-Leninists and Social Democrats. Germany became a republic, it witnessed another major Socialist victory, but one at the hands of Social Democrats, with democratic institutions and without completely dissolving the institutions inherited from the imperial time. In European war-struck countries, a revolutionary wave endangered many countries of repeating the Russian scenario, as the disillusionment from the nationalist zeal of the war opened the way for a heated reintroduction of the social question. In Western European countries, especially in Scandinavia and Britain, Social Democrats and movements of similar orientations were able to win democratic elections enjoying better prospects for staying in power. Socialism became a major political force all over the continent like never before.

Yet, prospects for a Socialist victory extending all over the continent soon started to subside. Revolutionary movements were successfully repressed by different forces ranging from old regime institutions to external powers (as in Hungary) and in some cases by Social Democrats themselves, as was the case in Germany. The rise of a new ideological power in Europe further complicated the scene. Fascism, the movement that was brought to power in Italy under the leadership of a former Socialist, Benito Mussolini, posed itself as Socialism's bitterest enemy, whether Social Democrats or Communists. In the 1930s, Fascism was spreading in Central and Southern Europe with the subsiding power of the Social Democrats who were additionally weakened by the bitter rivalry with the Communists. Communism did not have much success either. With directives stemming directly from Moscow, the capital of the Soviet State that emerged from the ruins of the Russian Empire, foreign Communists were belittled into clients of Stalinist Soviet Union's foreign policy objectives. This was happening despite the facade of the Third International, the Communist International.

Outside the continent, political movements sharing the political orientation of Social Democracy were successful in British-settled colonies such as Australia and New Zealand. Social Democracy had also some success in Latin

America, where it inspired movements that mixed it with other ideological streams such as nationalism, as was the case in postrevolutionary Mexico. In Asia, the Soviet Union's influence played a role in the initial development of a Communist movement in China. Yet, the insights of its leadership under Mao Tse Tung made Communism a major force in the country's political landscape, a role emphasized by the critical circumstances resulting from the Japanese invasion and Maoist success in conducting guerrilla warfare tactics.

Yet, Socialism and Communism stayed to a large extent European political movements. Their ascendancy in the old continent was hindered by rival ideologies. In this period, and especially in the 1930s, a heated ideological conflict between democratic liberalism incorporating Social Democrats, Communism and Fascism spread all over the continent, until a new upheaval with much devastating effects took place, World War II.

### *1.6.2. Socialism and Communism*

#### *1.6.2.1. Social democrats*

As said before, the years preceding the outbreak of the Great War witnessed the SPD evolving into the major political party in Germany. It also dominated the Second International and provided its intellectual leadership. Engels, who remained the most prominent figure in the Marxist movement after the death of Marx, cooperated with the party until he died in 1895. The SPD was then clearly the international bearer of the Marxist heritage; its Marxism mixed theoretical elements of Marx's works with the "popularization" undergone to Marxism by Karl Kautsky and August Bebel. It is argued that it was also influenced by other bodies of thought.

According to Sassoon (1996, p. 6), the SPD believed in three major issues; these were (a) the capitalist exploitation of workers and its appropriation of surplus value; (b) historical materialism and the belief that Capitalism is just a historical stage that won't be eternal; and (c) the homogeneity of the proletariat regardless of their ethnic or vocational differences. Such a homogeneity should bring workers together in trade unions and parties given their shared common interests. The third point gave the SPD its tactical dimension which was not highlighted by Marx.<sup>40</sup> For Landaner (1966, p. 129), Social Democracy combined elements from democratic liberalism and Utopian Socialism besides Marxism. From democratic liberalism it adopted the call for universal suffrage, the sovereignty of the people and civil liberties. From Utopian Socialism it acquired the call for the "socialization of the instruments of production." This involved the "centralization in the management of resources" rather than "associationism," agreeing more with the Saint Simonian perspective (in comparison to the perspectives of Owen or Fourier). On the other hand, regarding

the working class as the force entitled to build a Socialist society was the effect of Marxism, but also of Lassalle, one of the greatest Godfathers of the SPD.

The contradictions within Marxist ideas were also reflected in the theoretical perspectives of the Social Democrats. Marx believed in a revolutionary class struggle, but expressed his belief that Socialist transformation can take place “within the framework of a democratic constitution” in some societies (those lacking bureaucratic tradition). His ideas also invited different interpretations for whether Socialist transformation is deterministic and inevitable, or rather necessitate revolutionary action and planning. This made Social Democrats’ program call for reforms while maintaining a historical perspective, believing that society would in the future conform to “general principles.” This induced them to adopt evolutionary and revolutionary perspectives at the same time.<sup>41</sup> Two leading figures evolved from the SPD, with their ideas having considerable effect on the party. The first was the “evolutionary” “revisionist” perspective of Eduard Bernstein which had the support of trade union leaders.<sup>42</sup> It was practically the undeclared policy of the party. Kautsky, on the other hand, was the party theoretician and the defender of a more authentic Marxism.<sup>43</sup>

Bernstein refused the revolutionary approach and called for reforms that would give the working class its rights within capitalist settings. While analyzing economic conditions in the Western World after the death of Marx, he noticed that Capitalism was able to adapt with existing conditions despite Marx’s predictions. He attributed this to many tactics, including monopolistic alliances (Cartels and Trusts), which preserved capitalist dominance on the Western World’s economies. He refused the idea that capital is becoming more concentrated in the hands of a minority; medium and small enterprises did not vanish away but they rather flourished. Moreover, corporate enterprises, with their shareholding characteristics, provided another evidence on the ongoing distribution of capital rather than its concentration. Bernstein believed that the medium class is not withering away, but that it was rather growing and its constituent elements were changing.<sup>44</sup> He believed that gradual transformation to Socialism is the only possible way, not revolution. Such a transformation would be achieved through increasing the popularity of the SPD’s and its parliamentary strength as well as strengthening labor unions and consumers’ cooperatives. This would lead ultimately to the withering away of capitalists’ control and the realization of Socialism.<sup>45</sup>

The Czech-German thinker Karl Kautsky, on the contrary, was a strong defender of genuine Marxism, the revolutionary path and the Dictatorship of the Proletariat. He played a great role in the Erfurt Program that asserted the Marxist orientation of the German SPD. Kautsky, despite being an orthodox Marxist, believed that the rule of the proletariat could be achieved through parliamentary democracy; something that later brought him severe criticism from Lenin during the years of World War I. Parliamentary democracy, argued Kautsky in his book *The Social Revolution*, is essential for the working class’ political development and its evolution into a ruling class; the same is also true for workers’

engagement in local governments and trade unions. Through these democratic institutions, the proletariat would develop organizational cohesiveness and capacity crucial for the transformation into the Dictatorship of the Proletariat.<sup>46</sup>

Witnessing the changes in Western societies by the beginning of the 20th century, in his work, *To what extent is the Communist Manifesto Obsolete*, written in 1901 Kautsky asserted that worker's conditions were still tough. The expansion of the urban population, which by then constituted the majority in Western Europe, augmented the ranks of the proletariat and strengthened it. This enabled the latter to defend its rights better than peasants and artisans. These gains were the outcome of a long struggle with the bourgeoisie and its exploitation; such a struggle was transforming the anger of the proletariat into an organized activity which would eventually benefit this class. On the other hand, the bourgeoisie grew more conservative, diminishing the chances for an outbreak of a bourgeois revolution (like the one of 1848) that could open the way for a subsequent proletariat revolution. This left the option of an outright proletariat revolution as the only possibility.

Kautsky criticized the views of the evolutionists and gradualists as compared to revolutionists. Neither did he sanction cooperating with the bourgeoisie by accepting some cabinet ministerial positions. Kautsky rather argued that the cooperation anticipated by Marx between the proletariat and bourgeoisie had been meant to be directed against the aristocracy, a situation that was no longer existing with the present conservatism of the bourgeoisie in Western Europe. The proletariat should not dissolve its power and trust a conservative bourgeois government. And even if the proletariat cooperated with a conservative bourgeois government against reactionary powers (in his perspective this would be feudalism or the church), the proletariat should still keep a suspecting watching eye. During this cooperation, the proletariat should not diminish itself into a watchdog for a ruling conservative bourgeois government, but rather develop its power through revolutionary activism. Precisely, cooperation between the proletariat and the bourgeoisie was more possible in countries like Russia where reactionary powers are still dominant and the bourgeoisie could be more revolutionary. This is because in these countries the revolutionary duty of the bourgeoisie has not been accomplished yet.<sup>47</sup>

In other works, and generally speaking, Kautsky agreed with Marx in regarding the proletariat revolution as a historical inevitable development; however, he didn't count much on revolutionary action for achieving this revolution. Hence, he did not approve of general strikes, unless they were meant as a defensive measure fostering workers' rights; and he set preconditions for such an action.<sup>48</sup> The role of Socialist intellectuals was regarded as vital in awakening the proletariat and increasing their class awareness. These intellectuals were regarded as the most capable of understanding the dynamics of historical evolution leading to the Socialist transformation.<sup>49</sup> By this Kautsky was theorizing for the mission of the SPD with regard to the proletariat.

Even after the dissolution of the Second International, the break of the radicals from the SPD, and the demise of Kautsky's intellectual influence, the SPD stayed a Marxist party believing in reform in the 1920s and early 1930s (the Weimar Republic era). Once the way to power was opened for the Social Democrats, they thought of getting hold of the capitalist economy after controlling the state. Their aim was to transform the economy into a Socialist one, starting with nationalizations and antitrust legislations. A prominent figure of that time was Rudolph Hilferding. He pointed out that the age of Finance Capital (rather than the former age of "laissez faire") was witnessing the integration of banking with industrial and other activities, and the mushrooming of monopolies and cartels. In such settings, he believed, economic planning became more possible. All what the Socialists should do was simply to take hold of the state and manage the economy to serve political and social goals, instead of leaving it in capitalist hands and private interests.<sup>50</sup> As representatives of the proletariat in a democratic system, however, the Social Democrats in Germany realized that they stood little chance to rule with absolute majority. In reality, the population of the proletariat was hardly representing the majority of the German society, but rather only one third in the early 20th century. This meant they had to form electoral alliances and dilute their program if they wanted to hold power. This for sure hindered their intended implementation of Socialist transformation measures; but it also should have meant less identification of the workers with the party as representing their interest.<sup>51</sup>

Another variant of Social Democracy was represented by Austrian Marxists, the most prominent of whom was Otto Bauer. This was often regarded as a third way between revolutionism and reformism. They believed in the slow transformation (slow revolution) to Socialism within a capitalist state, and the possibility that elements of Socialism and Capitalism could coexist. Bauer believed that bourgeois democracy was the outcome of class struggle, where the proletariat achieved successes and where their further intellectual as well as social and economic development could take place.<sup>52</sup>

Yet, a totally different development was witnessed in Sweden. At the time of the Great Depression, Keynesian ideas offered a new scope for Socialism other than nationalization of the means of production. Now the government was called on to administer the economy through planning. This was a remarkable shift from classical economic ideas believing in no government intervention and in leaving the business cycle to unfold by itself. The Swedish Social Democrats adopted job creation schemes that tamed the Depression. Keynesianism also opened the way for Social Democrats to appeal to the people with a sound economic policy without the abandonment of workers' benefits. Increasing wages and/or employment were now thought of as stimulating demand leading ultimately to higher output, rather than raising the burden on the economy. Instead of nationalization, the Social Democrats started to develop the welfare state approach.<sup>53</sup> This eventually inspired Social Democrats everywhere, and shaped the development of the movement away from Marxism as time went by.

As for the Socialist Democrats' Second International, it was revived in 1920 after the end of the War. The International in its revived form had less luck and was once again dissolved in 1940. A second revival was witnessed only after the end of World War II. By this time, the Social Democrats had renounced Marxism and the strive for the Dictatorship of the Proletariat, while they strengthened their belief in democracy and social reform.

#### 1.6.2.2. *Communists*

*Bolshevik Leninism.* In a less successful Social Democratic party operating in a despotic and relatively underdeveloped economy, Vladimir Ilitch Ulyanov, or as he came to be known "Lenin," started to develop his revolutionary line of thinking in disagreement with that of the Social Democratic movement. He introduced his theory in his famous work *What is to be done* published in 1902, just one year before critical historical events for the Russian Marxist movement would take place. After attacking Bernstein and his Marxist Revisionism, Lenin set the distinction between spontaneous labor movement (left without Marxist intellectuals' guidance) and genuine Marxist movement. The former spontaneous movement would lead to the creation of labor unions calling for workers' rights, and the utmost of its endeavor is reformism within the existing capitalist settings. The genuine Marxist movement in contrast is led by intellectual elites who do not belong necessarily to the proletariat, but most of its distinctive figures are rather from the bourgeoisie. Lenin did not forget pointing to Marx and Engels' bourgeois origins. Leaving the labor movement to its spontaneity would, in Lenin's view, lead to the continuation of proletariat ideological slavery for the bourgeoisie and to the continuation of labor unions' political dynamics. Marxists' duty, however, is to deflect the proletariat away from being spontaneous and lead them.<sup>54</sup> Rather than being confined to the economic dimension, he pointed out the need for spreading political, cultural and organizational awareness among the enraged masses. The resulting revolutionary awareness would prove to be crucial when the chance comes for Marxists to take action.

Lenin described his perception for how the party should be organized for the sake of a decisive revolution against the Russian Tsar. He asserted the need for a vanguard organization separated from the proletariat, but working on revolutionizing it. This vanguard organization would be the one responsible for directing a revolution against the Tsar through its control over big labor syndicates. Such a control is vital at a time of a wide proletariat revolution, when workers would engage in the needed confrontations against the police or the army for the purpose of winning the day for Marxism and achieving the Dictatorship of the Proletariat. A vanguard party of that sort should be a secret organization, given the repressive conditions enforced by the Tsarist rule. Its membership should be limited and decisions concentrated in the hands of its leaders, meaning in practice the need for a great centralization of the party.<sup>55</sup>



A secret party avoiding police repression can never be a mass party that would, for instance, incorporate all the participants of a revolutionary activity such as strikes. The party would lead events and propagate the news of strikes and demonstrations. By this it would overcome police containment of such news as well as leave no room for spontaneity to fully direct the course of events. This party again should be secretive and different in its composition from labor unions. It should incorporate members most of which are revolutionary professionals and more capable of confronting the police.<sup>56</sup>

By this, Lenin developed his revolutionary approach. His proposals were soon criticized by many Marxists who referred to his approach as being blanquist (referring to Blanqui, the previously referred to famous leftist revolutionary French leader of the 19th century), while regarding the blanquist approach as being non-Marxist. Among those who criticized him were also radical Socialists, such as Rosa Luxembourg. Lenin firmly defended his proposals in front of the Russian Social Democratic Labor Party, the social democratic party of Russia. In 1903, at a famous party congress, his proposals gained a very narrow majority of the votes of the party members, practically splitting the party into two factions. Those supporters headed by Lenin would be referred to as Bolsheviks, or the majority. With time and after the success of the Bolshevik takeover in November 1917, Bolshevism, which would be renamed to Communism, became a new world movement. Despite common origins with Social Democrats and sharing the Marxist heritage, the two movements grew into the fiercest enemies for one another.

Such a development was fostered when, in 1919, Lenin established the Third International, the Communist International (Comintern). The new International called for all members of the radical wing in Social Democratic parties to break forming independent Communist parties, resembling the course of action taken more than a decade before when Lenin broke with his Bolshevik faction. The Bolshevik success in taking over power in Russia played a great role in attracting widespread popularity among many Socialists. As argued by Drachkovitch and Lazitch (1966, pp. 160–162), almost all of those who joined the Comintern were attracted to Bolshevism by the “prestige of the only successful revolution,” not by believing in its concepts which many of them were ignorant of. Some of the prominent Socialist figures such as Clara Zetkin, Giacinto Serrati, and Vasil Kolarov, who previously rejected Lenin’s propositions before the revolution, joined the Comintern assuming prominent positions in it; and some even had positions in the Russian newly established Soviet state.

Moscow’s international leadership was established through the Comintern headed by Zinoviev. Comintern’s decrees were sacred laws that should be strictly followed; non-complying party members were to be expelled from their relevant Communist parties. Communist parties worldwide were to copy the structure and mechanisms of the Russian Communists. “Democratic Centralism” was a foundational cornerstone in these parties. According to this

principle, the party's higher organs should be elected. While the discussion of various issues was conducted at the party's congress, the decisions of the party's higher organs were to be strictly followed.<sup>57</sup> Communists worldwide were called on to try to displace moderates and reformists from the leadership of the workers' movement, in order to open the way for revolutionary agitation. The use of violence in some circumstances was urged for. Originally, the hope was to export the revolution to the advanced industrialized world, believing that when this would happen Russia would lose its significance as a leader of the Communist world. This was a belief shared by many significant Communist intellectuals, including Lenin and Leon Trotsky. Yet, disappointed by the non-realization of the revolution in the advanced Western world, Lenin turned his sight to the east, expressing his belief that colonized nations might play a bigger revolutionary role than expected.<sup>58</sup> Hence, besides supporting Communists worldwide, the Comintern called for supporting liberation movements in the colonies.

*The Spartacists.* In Germany, the Communist movement evolved out of the radical wing of the SPD thanks to the efforts of two figures of high political and intellectual significance: Karl Liebknecht (the son of Wilhelm Liebknecht one of the founders of the SPD) and Rosa Luxemburg. Luxemburg proved herself to be one of the great intellectual Socialist figures in Germany, despite her Polish Jewish origins. These origins directed her early political efforts against the Russian Empire as she was a member of the Polish Socialist Democrats Party.<sup>59</sup> She had an internationalist antinationalist orientation and disapproved of providing autonomy for Poland. She regarded the creation of a new nationalist state as only weakening the internationalist Marxist movement, while strengthening the grip of the bourgeoisie. Confirming her non-nationalist affiliations, she joined the German SPD in 1898, shifting her political activism to Germany.

Keeping faith in revolutionary change and being unconvinced by gradual reform, Rosa advocated mass general strikes as a revolutionary tactic in comparison to the Leninist vanguard party-led coup d'état.<sup>60</sup> She was skeptical about democracy. In the age of monopolies and class struggle against the proletariat, she regarded bourgeois commitment to democracy as being subject to the balance of power between classes.<sup>61</sup> Socialism could not be reached through a bourgeois parliament since, she argued, this parliament is a subordinate organ in the machine of the state dominated by the ruling class. Neither did she believe that trade unions' activities could lead to Socialist transformation; but they can only safeguard workers' interest within a capitalist system. Reformism, however, should not be abandoned, as reformist activities help workers in acquiring political expertise. This is how she regarded reformism as a revolutionary activity conducted by a mature proletariat.<sup>62</sup>

Her *Accumulation of Capital* first published in 1913 offered different ideas from Lenin's *Imperialism the highest stage of Capitalism*. For Luxemburg, the Marxist prophecy of the collapse of Capitalism under severe world economic crises caused by overproduction had not been realized because of colonialism. Colonialism opened world markets and provided cheap labor for capitalists. It was no wonder that Luxemburg considered World War I an imperialist struggle meant to increase the wealth of the bourgeoisie and delay the long awaited for proletariat revolution.

Yet, her major disagreements with Lenin, and hence what would develop into Marxism-Leninism, were on his ideas on the vanguard party and the Bolshevik dictatorship in the name of the workers. Luxemburg criticized Lenin's thesis on the need for a vanguard party, believing that the proletariat should be encouraged to develop independent thinking and initiative. Only this would safeguard Socialism from falling into the hands of a dictatorial and corrupt elite, which Luxemburg feared could result from Lenin's perception of how the party should be organized.<sup>63</sup> On the other hand, she regarded democracy as being the true essence of the dictatorship of the proletariat, criticizing the Bolshevik policies once they reached power. She stood for the political rights of the masses, especially freedom of expression, choice, and participation. Suppressing these democratic rights would bring failure and degeneration of the revolution, she thought. Accordingly, she believed that for the German revolution to take place, worker councils should spread all over Germany, even in villages. Luxemburg advocated a revolution from below which the workers can better associate themselves to, rather than a takeover from above by party elites.<sup>64</sup>

The success of the Bolshevik Revolution and the death of Luxemburg transformed the Spartacist movement, which adopted the name of the Communist Party of Germany (KPD), into a satellite party following the orders of the Comintern and the Soviet Union's Communist Party. This put an end for a possible Communist variant for that represented by Moscow. Such a variant could have been more democratic and tolerant to different views as well as being less-centralized.

*Gramscianism.* The head of the Communist Party between 1924 and 1926, Antonio Gramsci, was the most influential thinker in the history of Italian Communism. Far from being an orthodox Marxist, Gramsci was a Hegelian Marxist, using Hegelian philosophy in interpreting Marxism. Furthermore, he was against Marxist economic determinism. Believing that history should not always have to proceed through inflexible stages, he argued that Socialist transformation can take place even in a society that had not yet reached the capitalist stage of economic development.<sup>65</sup> Neither was he an orthodox Leninist. His theory on Communist takeover through infiltrating bourgeois institutions was an alternative to the Leninist insurrectionary tactic.

Gramsci regarded the capitalist order as being preserved by “hegemony” rather than only force. By hegemony he meant the cultural and spiritual dominance of the ruling classes. In other words, ideas or ideology were more important than force. Ruling classes manipulate means of “socialization,” such as the media, church, schools, publishing houses, etc. which are responsible for how people think. Through these means people are taught to follow the beliefs and values of the ruling classes. Revolution is, thus, a matter of altering mass consciousness through a “battle of ideas” or “war of position.”<sup>66</sup> Revolution conducted through insurrectionary action, as that of the Bolsheviks in 1917, is only relevant in backward societies in which public consent plays a trivial role. Neither did he conceive that the parliamentary route could lead to Socialism. War of position, through fighting capitalist ideological hegemony, should precede Socialist parliamentary attack on the capitalist state.<sup>67</sup> A revolution should fight both the political state which organizes material force, and civil society which shapes popular consent.<sup>68</sup> Consequently, revolutionary intellectuals should contest bourgeois hegemony. Bourgeois institutions should be infiltrated in a trial to control them; and Communists should also create other institutions through which they could propagate their ideas. Moreover, worker unions and peasant councils had to do their share in spreading the needed awareness. This was the Gramscian anticipation of how Marxism could win the day breaking bourgeois intellectual, and ultimately political, dominance on society,<sup>69</sup> setting into action a gradual Marxist transformation of society.

The Gramscian alternative did not enjoy great popularity in the Interwar period. However, it gained later a high status in the 1960s and 1970s as it inspired Euro-Communism in Western European democracies,<sup>70</sup> a movement which was presented as an alternative to Soviet Communism.

*Stalinism.* Josef Stalin evolved as the heir of the first Communist state in the world after a dramatic power struggle with Leon Trotsky and others. His thesis on “Socialism in one country” with which he triumphed ideologically over his chief rival, meant focusing on the development of the Soviet Union. It also opened the way for the maintenance of a mighty state apparatus, the hallmark of Stalinism. There were more justifications offered by Stalin for keeping a strong state. He suggested that the class struggle intensifies as societies approach Socialism, as the former ruling classes fight back more desperately.<sup>71</sup> Then, as the Soviet Union approaches Communism, the strength of the state should even grow further. Stalin justified this by stressing the need to defend the Soviet Union against the encirclement of hostile capitalist states.<sup>72</sup> This is how Stalinism with its stress on a powerful state found its ideological justification on a Marxist (twisted) context.

The Soviet dominance over the Third International (Comintern) continued under Stalin. Comintern’s recommended policies were in practice Moscow’s orders which international Communist party members had to strictly follow.<sup>73</sup>

The firm Soviet grip on the Comintern was not affected by whoever was heading the organization. At the height of the Stalinist control domestically and on the international Communist movement, for instance, the Comintern was headed by the Bulgarian “Dimitrov” in 1934.

Much of Stalin’s directives through the Comintern were political tactical in nature, rather than ideological. In the early 1920s, the Comintern called for establishing leftist fronts between the Communists and Social Democrats. In 1924, however, it adopted the alliance with Socialists and unionist workers on individual basis away from the leadership of these socialist parties and unions. In 1928, the Comintern took the decision that would have fatal repercussions on the leftist movement as a whole; it denied Communist parties from providing assistance to Socialists in their electoral competitions against Rightist parties. The ascendancy of Hitler to power in Germany taking advantage of this exact policy, where a collaboration between the Communists and Socialists could have blocked the Nazis, made the Comintern review its policy. It returned back again to the policy of united fronts between Socialists and Communists, as was implemented in the cases of France and Spain in the second half of the 1930s. This policy stayed until World War II.

Stalinism was further connoted with rapid industrialization, harsh repression and wide-scale political purges. Under Stalin democratic centrism developed into one man dictatorship. Many of these aspects could be largely attributed to Stalin’s political power games rather than genuine ideological contribution. Yet, ruling the Soviet Union for three decades, as well as leading it later on in the 1940s to its greatest military and political victory, had the effect of stamping Marxism-Leninism with the Stalinist stamp. This was, however, contested by the followers of Stalin’s bitter rival, Trotskyites.

*Trotskyism.* Within the Communist camp itself, a new line of thinking was developing in the 1920s. It reflected the political and post-Lenin ideological conflict between the two who tried to inherit the great establishment he had established, Stalin and Trotsky. Stalin’s victory, and his control over the Soviet Union and the Comintern, made Trotsky a harsh critic not only for Stalin’s internal policies, but for that of the Comintern as well. The opposition to the policies of the Comintern represented the leftist wing within the Communist movement. Trotsky became the leader of this wing, although there were further more radical figures within this wing who criticized his views.

The main ideological issue on which the left and Stalinism parted were the “permanent revolution” versus “Socialism in one country” theses. The former became the pillar of Trotskyism. It simply called for exporting revolution outside the Soviet Union. Countries where the development of national bourgeoisie had been retarded (e.g., colonies), due to their continuous reliance on agriculture rather than industry, could in the Trotskyite perspective only reach democracy and national independence through the Dictatorship of the

Proletariat. This is even the case in predominantly peasant societies. The proletariat there should ally themselves with the peasants so that they could together manage to fight the bourgeoisie. The leadership of this alliance, and as Leninism suggested, would be at the hands of the vanguard of the proletariat represented by the Communist Party. This should not, however, substitute the Dictatorship of the Proletariat with a dictatorship of the peasants and proletariat. The peasants were regarded with much suspicion as representatives of the petite bourgeoisie, a sub-class segment which has neither a defined class-induced political position nor economic independence. These factors were believed to distort the political stances of this sub-class making its rich segments support the bourgeoisie while its poorer strata support the proletariat and the revolutionary cause. Trotsky was by this attacking the recommendations of the Comintern which advocated the dictatorship of the proletariat and peasants.

The proletariat's permanent revolution would mean that the proletariat after taking over power should not stop at this achievement. It should rather engage itself in a Socialist revolution in which bourgeois ownership relations would be liquidated, leading eventually to a classless society. On the other hand, the proletariat's revolution is perceived as a permanent one also because it has to face the whole world in which bourgeois relations in production, trade, etc. are dominating. That is why the revolution should be exported to other countries even if this flows from less developed and less industrialized countries (e.g., Russia) to highly advanced ones (e.g., Western Europe). This revolutionary stance should continue until the whole world is revolutionized. For Trotsky, Socialism in one country was not possible since the Soviet Union could not rely only on its resources and would need Western technology. Furthermore, it was not possible since the world was already transformed into a strongly interconnected space where, for instance, the West was relying on the resources of its colonies.<sup>74</sup>

In addition to permanent revolution, Trotsky attacked Stalinist bureaucracy describing the Soviet Union as the degenerated workers' state. The Soviet Union according to him lost the revolutionary spirit and was transformed into a bureaucratic state led by Stalin. The Soviet Union, he believed, was in a transitory stage where the continuation of bureaucratic control could lead to the return of Capitalism. The bureaucracy was blocking Socialist transformation so that it could keep its privileges. Such privileges were threatened by the withering away of the state which would accompany the transformation toward the Communist stage, such a stage where there would be no need for bureaucracy or the state altogether. This was in contradiction to Stalin's views, where he believed that the presence of the state was a must even while approaching the Communist stage, as long as a rival capitalist threat existed.<sup>75</sup> Trotsky suggested that a political revolution is needed to reverse this dangerous political development.

Based on these theoretical foundations, Trotsky led the left in the Communist movement worldwide. Trotskyites favored joining Socialist parties as a revolutionary tactic in sharp contrast with the Comintern's early recommendations. They regarded the Comintern as losing its revolutionary stamina and called for a new revolutionary International. The Fourth International, the Trotskyite International, was established in 1938 in Paris. Being born at a time of rising fears in Europe about possibilities of an outbreak of a new World War, the International was trying to benefit from such an atmosphere by engaging in revolutionary activities. Yet, the outcome of the war turned against the hopes of the Trotskyites. The Fourth International moved to New York during the war. The assassination of Trotsky in 1940 did not end the Trotskyite movement or the Fourth International, although the movement witnessed many major fractionalization due to disagreements on very meticulous issues. The Trotskyites, unlike the Stalinists, never had a state representing a leadership for their movement; and by losing Trotsky they even lost their significant leader.

## 1.7. WORLD WAR II

The tension that had been growing in the second half of the 1930s culminated finally when German forces crossed the borders with Poland on September 1, 1939, starting with their assault the events of World War II. The ascendancy of the Nazis to power in Germany in January 1933 had inflamed the nationalist zeal; it induced with it a major military buildup determined to terminate the terms of the Versailles Treaty and bring the dream of German dominance on the European continent under a new German Reich to a new level. From the onset, the Nazi regime crushed both Social Democrats and Communists at home, and then worked on fighting them elsewhere as was the case in the Spanish Civil War (1936–1939), identifying the left as its major ideological enemy. Nazi Germany grew more aggressively by 1938, annexing Austria and dismembering Czechoslovakia with France and Britain increasingly concerned but failing to taking action. Then it became clear that Hitler started to identify Poland as his next target. He claimed wanting to regain control on former German lands which became parts of Poland after World War I. Both big European powers were now determined not to let another German aggression go unchecked. To the surprise of all, Nazi Germany found in its bitterest ideological foe, the Soviet Union, an ally. A nonaggression treaty was signed between both parties in late August 1939; but in reality the treaty was a military pact, the Molotov-Ribbentrop Pact. According to the terms of their alliance, German forces facing no major resistance in its invasion to Poland met on the Polish soil Soviet troops marching from the east. Both forces by dividing

Poland between themselves removed Poland once again from the European political map.

British and French determination to take action induced them to declare war on Germany. But it was a sweeping German attack that took them by surprise in 1940 winning a decisive victory which the previous generation failed to achieve in 1914. France capitulated as the German army entered Paris marching through its Arc de Triomphe; and the remains of the imperial power was reduced into the Vichy regime, a satellite state rotating in the Nazis' orbit. Britain was humiliated and forced to withdraw its troops from the continent; and then it had to endure German airstrikes and the growing threat of a German landing and invasion. The Third German Reich controlled most of Europe by 1941, either by direct occupation or through loyal regimes. It was then that Hitler decided to launch his greatest adventure.

Hitler thought it was now time to settle issues with his ideological rival and start the biggest project of the Third Reich meant to live for a millennium, the project that targeted the opening of a "Lebensraum" for the expansion of the Aryan race eastward at the expense of the Slavs. On June 22, 1941, again to the surprise of all, millions of German soldiers started Operation Barbarossa invading the Soviet Union, the greatest invasion ever witnessed by history before that date. The German troops seemed unstoppable as vast territories fell under their control in a short time with devastating military losses for the Soviets. In the north, Leningrad (Saint Petersburg) was besieged, and in the middle German troops marched toward the capital, Moscow. A combination of fierce Soviet resistance and pure luck, as harsh winter came earlier than expected, prevented the collapse of the Soviets and brought the German mighty offensive to a halt. As Russian winter subsided, the Germans started a new offensive in the summer of 1942 that concentrated on the southern front. They managed to control the Crimea and kept marching toward the Caucasus hoping to control its rich oil resources. Yet, at Stalingrad a decisive battle was awaiting the Germans were fighting from street to the other and from home to the next inflicted on the Germans heavy losses, which exacerbated with the arrival of the winter. It was the biggest defeat for German forces since the beginning of the war, with tens of thousands besieged soldiers suffering from very tough weather and military conditions forced to surrender.

The summer of 1943 witnessed another German offensive. Yet, at the Battle of Kursk a great turning point in the course of the war took place. The Soviets winning the decisive battle were no longer on the retreat, and since then their counteroffensive was pushing back the German forces not only to the borders of 1941, but further. In 1944, allied forces led by the United States (which entered the war in 1941) landed on Normandy in France opening a new front for the Germans. On the other hand, other allied forces which took control of Rome in 1943 were pushing back the remains of the Italian Fascist regime reduced to a small client of the Germans. In 1945, the Soviets from the East and the American-British forces from the West were invading German



territories. The Third Reich was unable to hold the mighty tide as it swept from both sides all possible resistance. In May 1945, Soviet invading forces controlled Berlin despite fierce resistance. Hitler committed suicide, and Germany capitulated within days. Thousands of miles away, the remaining Axis force, Japan, faced a war against both the Soviet Union and the United States. It also experienced an unprecedented destructive force of the newly discovered and tested atomic bomb dropped on the Japanese cities of Hiroshima and Nagasaki. Japan was left with no option but to surrender.

Losing millions of its soldiers and inhabitants, the Soviet Union in a dramatic turn of events evolved victorious and one of the two world superpowers. The effect of this major political development surpassed that of the Bolshevik Revolution three decades before. The victorious Communists were controlling vast territories of East and Central Europe, besides their image as a success model. Moreover, the participation of Communists and Socialists in many anti-Nazi resistance movements and militias polished their image significantly; this was especially the case for the Communists. In the changing world that would evolve after the war, the prospects opened for the Communist movement were beyond imagination.

## NOTES

1. Lichtheim (1964, p. 156). This was the analysis elaborated by Marx in one of his works.
2. Berend (2013, p. 27).
3. Berend (2013, pp. 90, 93, 99–100).
4. Berend (2013, pp. 136–141).
5. Berend (2013, pp. 37, 105).
6. Engels (1993, p. 107). It is to be noted that Engels wrote this book between 1844 and 1845, and the book was first published in Leipzig in 1845.
7. See Berend (2013, pp. 272–277) and Engels (1993, pp. 107–113).
8. Mann (1993).
9. Wheen (2007, p. 72).
10. The term Dialectic Materialism was not coined by Marx himself, but was used after his death to describe his line of thinking in this field.
11. Gottlieb (1992, p. 12).
12. Quoted words are from different parts of Marx and Engels' *Manifesto*; Marx and Engels (1969).
13. Marx and Engels (1969, p. 12).
14. It is to be noted that, from among the bourgeoisie, bank owners were one of the principal beneficiaries of the regime of the displaced King Louis Philippe.
15. The anarchist thought has many different lines of thinking that ranges from the right to the left. Anarchy in their perception is connoted to freedom, and the inexistence of an external authority on man or inequality among humans, so that they would be equal with regard to taking decisions.
16. Kautsky (1946).
17. Avineri (1967, p. 272).

18. The First French Republic was established in 1792 in the aftermath of the French Revolution of 1789. The Second was established in 1848 after the 1848 Revolution. This Third French Republic would have a better luck and continue until 1940.

19. More details on the French 1871 Revolution and the role of various socialist forces in it could be found in Beer (1957).

20. Lenin (1918, pp. 381–492).

21. Bakunin (1873).

22. Bakunin (1872).

23. The following analysis is for Marxist general political economic perspective especially those ideas discussed in *The Capital*.

24. Lichtheim (1964, p. 179).

25. Marx (1867, p. 29).

26. Wheen (2007, pp. 70–71).

27. Roger S. Gottlieb (1992, pp. 26–27).

28. Costs of production can be divided into fixed costs and variable costs. Fixed costs are represented by the costs of machines, property, building, etc. that are needed for starting production. They are considered fixed because they should be paid fully no matter what the scale of production is. Variable costs, however, can be represented by the wages paid for workers. A factory owner can increase or decrease the number of employed workers in the factory according to the needed production level of this factory. Large-scale production would lead to decreasing average fixed cost for each produced unit. For instance, the same building (factory) would cost the same whether 1 unit or 100 units were produced; and dividing the cost of each of the produced units by the cost of the building would decrease as we produce more. That is the reason why a factory owner should be interested in increasing the scale of production so that the average fixed cost would diminish and consequently the average total cost (both average and fixed average costs) of production falls.

29. Roger S. Gottlieb (1992, pp. 32–33).

30. See Berend (2013, pp. 214–220).

31. See Berend (2013, pp. 276–281).

32. In the bibliography, this work is referred to as Lenin (1963).

33. Sassoon (1996, pp. xx–xxi).

34. Przeworski (1980, pp. 34–35).

35. Przeworski (1980, p. 32).

36. Sassoon (1996, p. 11).

37. Gottlieb (1992, p. 65).

38. Keylor (1996, pp. 48–50).

39. Westwood (1993, p. 211).

40. Sassoon (1996, p. 9).

41. Landaner (1966, p. 132).

42. Sassoon (1996, p. 18).

43. McLellan (1979, p. 23).

44. McLellan (1979, pp. 26, 27–29).

45. Gottlieb (1992, p. 70).

46. Townshend (2007, p. 49) and Kautsky (1913, p. 88). Note that Kautsky wrote his mentioned work in 1902.

47. Karl Kautsky (1905).

48. McLellan (1979, p. 32).

49. Gottlieb (1992, p. 63).

50. Sassoon (1996, pp. 49–51).

51. Przeworski (1980, pp. 39, 42–43).

52. Sassoon (1996, pp. 70–73).

53. Przeworski (1980, p. 52).

54. Lenin (1902, pp. 17, 18–23).
55. Burg (1990, p. 366).
56. Lenin (1902, pp. 70–71).
57. Kenez (1999, p. 51) and McLellan (1979, p. 89).
58. Drachkovitch and Lazitch (1966, pp. 173–174).
59. The name of the party was the Social Democracy of the Kingdom of Poland and Lithuania.
60. See Luxembourg (1925). This work was originally written and first published in 1906.
61. Gottlieb (1992, p. 73).
62. Thatcher (2007, p. 32) and Luxembourg (1937, pp. 4, 16–26, 37–38, 45–47, 51–52).
63. Thatcher (2007, p. 33) and Luxembourg (1934). The latter was actually written in 1904.
64. Thatcher (2007, p. 40) and Luxembourg (1961, pp. 69–70).
65. Walker and Gray (2007, pp. 125–126).
66. Femia (2007, pp. 102–103); Walker and Gray (2007, pp. 125–126).
67. Femia (2007, pp. 102–103).
68. Walker and Gray (2007, p. 126).
69. Clark and Hine (1980, p. 128).
70. Femia (2007, p. 103), Walker and Gray (2007, p. 125).
71. Sandle (2007, pp. 62–63).
72. Sandle (2007, pp. 62–63), Evans (1993, pp. 39–40), and Kolakowski (1978, pp. 100–101).
73. For more on how Stalin used the Comintern to serve the Soviet Union's national interests see Narkiewicz (1981), a brief account of which could be found on the book review done by Milenkovich (1983, pp. 363–364).
74. Trotsky (1931).
75. McLellan (1979, p. 136).