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MARXISM AND TOTALITARIANISM:
RUDOLF HILFERDING AND THE MENSHEVIKS

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This is a revised version of a seminar paper delivered at the Kennan Institute for Advanced Russian Studies on February 18, 1986.

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In April 1940 the Paris-based Russian Menshevik journal, *Sotsialisticheskii Vestnik*, published an article by Rudolf Hilferding entitled "State Capitalism or Totalitarian State Economy?"¹ Hilferding argued that the Soviet Union should be understood as the harbinger of a new type of social formation--totalitarianism--and that the emergence of such a formation posed a major challenge to Marxist theory.

This was not the first reference to totalitarianism, even among socialists. Nor was this the first assertion, even from Hilferding himself, of an underlying similarity between fascist Italy, Nazi Germany, and Bolshevik Russia. It was the first time, however, that a major Marxist theorist posed in such clearcut terms the problem of the relation between Marxism and totalitarianism and sought to resolve this problem by integrating two modes of analysis that had been, and were to remain, mutually hostile. As such, Hilferding's article marks a milestone both in Marxist theory and in the theory of totalitarianism.²

Hilferding's article was the culmination of a prolonged debate within Italian, German, and Russian émigré socialist circles concerning the applicability of Marxist categories to the historical processes they were witnessing. Hilferding's formulation of a theory of totalitarianism offered a solution to the problem posed by the inability of Marxist analysis to account for the nature of the Soviet Union. This formulation emerged from Hilferding's own interpretation of the German experience, but it was decisively influenced by the Russian socialist--Menshevik--analysis of Soviet development. An examination of the arguments and issues involved in the crystallization of Hilferding's position and of the Menshevik contribution to this process may not only cast light on what is a continuing impasse in

Marxist analysis of the Soviet Union but may also illuminate the foundations of the theory of totalitarianism.

The Mensheviks Abroad³

The Menshevik analysis of Soviet Russia in the 1920s and 1930s was the work of a uniquely dedicated and talented group of party members. After the party had been driven underground in 1921, the focus of party activity shifted abroad. A Menshevik "Foreign Delegation," which was centered first in Berlin and after 1933 in Paris, continued to speak on behalf of the party. Headed initially by Iu. O. Martov and then by Fyodor Dan, the Menshevik party abroad followed a policy of limiting its membership only to those individuals who could claim to have been party members in Russia. In spite of the restrictive--indeed suicidal--implications of this policy the party was able to draw on the unstinting services of a number of figures familiar to anyone acquainted with the history of the Russian Revolution or with the historiography of the Soviet regime. Most prominent among these were Fyodor Dan, Rafael Abramovitch, Boris Nikolaevskii, David Dallin, and Solomon Schwarz. The group also included such lesser-known individuals as the literary critic Vera Alexandrova, the economist Aaron Jugov, as well as Peter Garvi, Grigorii Bienstock, Iurii Denicke (Georg Decker) and Alexander Schifrin (Max Werner). Outside this group stood a number of right-wing Mensheviks. Alexander Potresov, one of the original *Iskra* editors, was their historical and spiritual leader. The right wing included Stepan Ivanovich (Portugeis), Vladimir Voytinsky, and Nikolai Valentinov-Volskii.

The principal activities of the party abroad consisted of publishing a biweekly journal, *Sotsialisticheskii Vestnik*, as well as a number of other

publications in various languages, and representing Russian Social Democracy within the newly formed Labour and Socialist International--the revived Second International. In both these areas the exiled Mensheviks scored astounding successes, given the very limited means at their disposition. *Sotsialisticheskii Vestnik* acquired a reputation as an authoritative source of information about Soviet Russia; it was the first, for instance, to publish parts of Lenin's "Testament." In a period when information about Soviet Russia was rare, Western chancelleries read *Sotsialisticheskii Vestnik* carefully. Above all, *Sotsialisticheskii Vestnik* was appreciated by Western socialists for its impeccably orthodox Marxist analyses. Many of the Mensheviks' foreign language publications were actually written for the benefit of Western socialist parties. Within the Labour and Socialist International also the exiled Mensheviks were considered authoritative spokesmen on all matters related to the "Russian Question." Thanks to their political skills, the Mensheviks obtained entry into the highest councils of the International. There the Mensheviks sat as formal equals with Western socialist leaders, including heads of government. Finally, by virtue of personal ties extending back to pre-revolutionary days and by virtue of their new reputation as "Sovietologists," members of the exiled Menshevik group found a vocation as formal or informal counsellors to Western socialist parties.

In the broadest terms, the political attitude of the Mensheviks was defined by what was known as the "Martov line." This attitude developed out of the Mensheviks' perception of the need to wage struggle on two fronts--against all reactionary efforts to roll back the achievements of the Revolution and against Bolshevik efforts to rule without any concessions to

democracy. The earliest practical implications of this attitude were Menshevik support for the Soviet state during the Civil War, even to the extent of calling upon party members to enlist in the Red Army. The same attitude found expression in Menshevik work abroad on behalf of recognition of Soviet Russia and in the Mensheviks' categorical condemnation of any movements--conspiratorial, insurrectionary, or other--aimed at overthrowing the Bolshevik regime. At the same time, the Mensheviks described the Bolshevik order as founded on terror, and they excoriated the Bolsheviks relentlessly for their incoherence, their incompetence, their corruption, their self-deception and their deception of the masses.

Underlying this Menshevik attitude was an analysis of the nature and the possibilities of the Russian Revolution which is far more nuanced than that conceived according to the conventional wisdom that the Mensheviks, like other Marxists and even Bolsheviks for that matter, expected a bourgeois revolution in Russia and were taken aback by the success of a socialist revolution in an underdeveloped country. For the Mensheviks the collapse of the tsarist regime in March 1917 marked the true Russian Revolution, the long-awaited transformation that was to usher in a prolonged period of bourgeois capitalist development. The Bolshevik seizure of power in October represented a further phase of the same revolution, a phase rendered inevitable by war disruption and war weariness, by the weakness and immaturity of the Russian proletariat, and by the overwhelming pressure of "elemental" (*stikhiinye*) or mass forces. Obviously, the inevitability of the Bolshevik phase did not imply approval, but one of the dividing lines between left and right Mensheviks was precisely the question of the degree to which inevitability should imply acceptance.

The analytical foundations of the Martov line were summarized by Martov

himself in his last article before his death in 1923. "The Bolshevik overthrow was a peasant petty bourgeois (*meshchanskaia*) revolution, headed by the proletariat and decked out in the utopianism characteristic of a backward proletariat."⁴ Two years earlier, in a polemic with Pavel Axelrod, who was calling for a more militantly anti-Bolshevik position, Martov had drawn out the implications of his own understanding of the Revolution. According to Martov, the Bolsheviks exerted influence over "wide masses of the proletariat," and the Bolsheviks were organically tied to "significant strata of the working class" that supported Bolshevism's social utopian policies. The Mensheviks as "flesh of the flesh of the proletariat" could never turn against the proletariat, even when this proletariat, victim of its own immaturity and captive to utopian illusions, was proceeding along a mistaken path.⁵

Above all, in the existing circumstances, and partly because of the hostility to the Revolution and to socialism aroused in the peasantry and the petty bourgeoisie by Bolshevik policies, the only alternative to Bolshevik rule was counterrevolution. Martov conceded that if it was possible that this counterrevolution might later be defeated, the Mensheviks should change their position on the inadmissibility of anti-Bolshevik insurrections. This possibility, however, did not exist, and therefore, as Abramovitch put it, "we, admitting our Marxist incorrigibility, prefer the very worst revolution to the very best counterrevolution."⁶ The Mensheviks should therefore foster the democratization of the Bolshevik regime by developing the "self-activity" of the working class and by putting pressure on the regime in favour of democratization. In the meantime, the Mensheviks could perhaps find some comfort in the fact that the Bolsheviks were accomplishing a necessary

historical task, even if they were doing so in a barbarous and bloody fashion.

Within the framework of this overall outlook, the Mensheviks elaborated a more detailed interpretation of the economic and political nature of Bolshevik Russia. The Mensheviks' economic analysis affirmed that the October Revolution had not fundamentally changed relations of production. The Bolsheviks' initial attempts to realize communism in a backward land with the help of terror and bureaucratic regimentation created not an economic system but only "paper dams" against the elementary working of economic laws.⁷ From the very beginning the Mensheviks prophesized that such defiance of economic laws would end in abject failure and that the Bolsheviks would be forced to retreat to capitalism. The introduction of the NEP confirmed these Menshevik forecasts, although the Mensheviks' satisfaction was mitigated by the political repression against their party that accompanied the NEP as well by the nature of this new capitalism. From the Menshevik point of view, Bolshevik surrender to a powerful private peasantry, legalization of private traders, and concessions to foreign capitalists were carried out in such an irrational manner that they even undermined the positive achievements of 1917. Moreover, the failure to introduce political democratization negated not only Mensheviks' hopes but, in their view, created insurmountable new contradictions. A regime which was "proletarian only in ideology, petty proprietary in nature,"⁸ which sought to establish capitalist conditions but refused to relinquish its absolute power and its terrorist policies, represented such a self-contradictory hybrid that it could not long survive. As the Mensheviks saw it, the point was whether the regime would cede to democratic pressure or to the forces of counterrevolution.

A particular point in the Menshevik economic analysis of the NEP is of

interest here because it was to become an important issue in the 1930s. This was the question of "state capitalism" as a theoretical description of the economic order in Russia. The term itself had already been employed by Bukharin to describe a tendency in advanced countries towards centralization and regulation of all economic activity under the aegis of the state as well as by Kautsky as a critical description of Soviet Russia.⁹ It was revived by Lenin to describe the NEP system in Russia where overtures to private industry were combined with maintenance of state control over the commanding heights of the economy.¹⁰

Lenin's and indirectly Kautsky's references to state capitalism evoked Menshevik criticism both as a description of conditions in Russia and as a theoretical concept.¹¹ David Dallin pointed out that denationalization had reached such proportions that local organs could undertake the decision to denationalize. Even as Lenin was promising no more concessions, Krupp was establishing itself in Russia. Even the "commanding heights" of the economy were being surrendered to private enterprise. In sectors such as foreign trade the state monopoly was a sham as foreign merchants were coming into Russia in droves. Heavy industry--still state owned--had shrunk to such an extent that it was an insignificant part of the economy. Indeed, there were fewer than 1,500,000 industrial workers--out of a population of 130,000,000--who were still employed in the state sector of the economy, and this sector was the most deficit-ridden part of the Russian economy.

On the theoretical level, Lenin's description of "the first socialist republic in the world" as a state capitalist system seemed to rest on the dubious proposition that if the government called itself communist then the economy must be state capitalist. The implication of Lenin's statement,

Dallin suggested, was that if one changed the government one would have only ordinary capitalism. For a Marxist, however, to determine the nature of a social formation on the basis of such purely political and formal criteria was inadmissible. Moreover, Dallin added, a socialist's attitude toward state capitalism as a positive or negative phenomenon had to be conditioned by two considerations; first, what were the economic effects of this system? Second, what was the position of workers within the state capitalist system? According to pre-1914 socialist theory, the socialization of production was supposed to give a tremendous boost to productive forces. But what would be the effect of a socialization, such as that occurring in Russia, which was being carried out at the cost of productivity. Not only would the working class suffer but the very idea of socialism would be dealt a serious blow. According to Dan, there were now Bolsheviks who were admitting the development of capitalism in Russia, but they were were hiding behind the murky fantasy of capitalist production without private ownership of the means of production, or behind dreams of replacing a bourgeoisie by some sort of organizational intelligentsia at the service of the Bolshevik party. The theory of state capitalism was based on such ill-considered and harmful fantasies.¹²

On the political level also, the Mensheviks put forth an integrated theory that revolved around the concept of "Bonapartism." As thoroughly imbued with the example of the French Revolution as were many other Marxists--Bolsheviks included--the Mensheviks early debated whether the Bolsheviks could be classified as Jacobins, that is, as an extreme or maximalist wing of the revolutionary movement that in its own way and for its own purposes was nevertheless advancing the cause of the Revolution. Or were the Bolsheviks merely Bonapartists who by assuming dictatorial power had put an end to a

revolutionary or republican regime and had established a dictatorship not of a class but over classes? This had been one of the issues in the Axelrod-Martov polemic of 1921 in which Axelrod argued that Jacobinism was too generous a description of the Bolsheviks, and it was a recurrent theme in all subsequent debates among the Mensheviks.

All of the Mensheviks were in agreement that the only choice for the Soviet regime lay between democratization and a Bonapartist denouement to the Revolution. If the Soviet regime continued to deny the democratic rights acknowledged in its own constitution, if the Russian working class failed to win its own class independence and initiative, not only would the retreat to capitalism fail to raise productivity because of the continuing climate of insecurity, but "Bonapartism" in the sense of a post-revolutionary dictatorship would result. However, significant differences persisted among the Mensheviks regarding this question. The extra-party right-wing Mensheviks and even some Mensheviks within the majority Menshevik group of *Sotsialisticheskii Vestnik* suggested at various times that the Bonapartist transformation had already taken place or that it was presently being carried out by the Bolsheviks.¹³ The Menshevik majority throughout the 1920s believed that the triumph of Bonapartism was a real and present danger that had not yet occurred, but its occurrence would require the overthrow of the Bolshevik party and replacement by a military or peasant dictatorship.¹⁴ Obviously, these different interpretations implied very different strategic choices regarding the support or at least the tolerance to be accorded to the existing regime.

The Menshevik Revision

With Stalin's "Great Turn" at the end of the 1920s, the Mensheviks found their carefully elaborated interpretation of Bolshevik Russia under severe strain. As the Russian landscape changed under the twin blows of industrialization and collectivization, the ideological and political landscape of the Mensheviks changed as well. Initially, the Mensheviks were heartened by the fact that their prognostics concerning the internal contradictions of NEP were finding confirmation; Stalin himself was seen by the Mensheviks and by many Bolsheviks, including Trotsky, as the representative of a centrist faction.¹⁵ As it became clear that Stalinist policies represented a terrifying new wave of Bolshevik adventurism and utopianism, Menshevik hopes turned to disappointment and eventually to dismay.

It may be an indication of a certain paralysis in Menshevik thinking induced by the unexpected turn of events in Russia that it was foreign socialists who were the first to draw theoretical conclusions from the Stalinist revolution. The first such challenge to the Menshevik vision of Bolshevik Russia came from the venerable socialist patriarch, Karl Kautsky. In a book published in 1930, Kautsky affirmed that under Stalin there could now be no doubt that Bolshevism had attained Bonapartism.¹⁶ According to Kautsky, the Bolshevik regime had now bared its purely despotic nature, revealing that it had no redeeming political or social features, and thus any foreseeable overthrow of the Stalinist regime should be welcomed rather than feared.

This challenge to Menshevik thinking was still relatively easy to rebut. Rafael Abramovitch picked up the challenge with brio on behalf of the Mensheviks in an article published in 1930 in the leading German socialist

journal, *Die Gesellschaft*.¹⁷ Abramovitch tried to pin Kautsky down on the question of whether the Bolshevik revolution was a counterrevolution or simply the wrong revolution. Warming to this theme Abramovitch suggested that it may not always be possible to say immediately whether a given process is revolutionary or counterrevolutionary. The Paris Commune of 1871, for instance, led to decades of repression, but this did not make it counterrevolutionary.

More directly, Abramovitch questioned Kautsky's application of the concept of Bonapartism to the current situation in Russia. According to Kautsky, Bonapartism was a form of counterrevolution where elements of the Revolution were still present. The concept of Bonapartism meant an anti-democratic liquidation of the Revolution by forces produced by the Revolution and in favour of newly formed owning classes. There were no such classes in Russia. Bolsheviks shared the forms and methods of Bonapartism but lacked the social basis because there were no classes that could enjoy the fruits of the Revolution in a durable way and no stable social equilibrium could be established under the conditions existing in Russia. Regarding the example of the *kolkhozy*, socialists could not call them counterrevolutionary because if they were successful, socialists would welcome them. Socialists objected to the *kolhozy* because they could not succeed and because they represented a utopian venture, and a particularly cruel one, although Abramovitch stressed that their cruelty was a secondary consideration. Similarly, the five-year plan was not counterrevolutionary because it was not creating new possessing classes. Indeed it was destroying incipient elements of a new possessing class, such as the "Nepmen," just as collectivization was destroying the kulaks. The problem with the five-year plan was that it was destroying the

economy and thus opening the door to a possible counterrevolution. In order to speak of true Bonapartism in Russia, the terrorist dictatorship would have to have had a capitalist content. There was an evergrowing danger of such a development, but the process had certainly not yet been completed.¹⁸

The second challenge to Menshevik thinking was far more formidable because it came not from the right wing of the Socialist International whose critique of the Soviet Union, voiced often enough by Kautsky and others, was familiar, but rather from the Socialist International's left wing, which had shared the Mensheviks' outlook. In 1931, the leading theoretician of Austromarxism, Otto Bauer, whose personal and ideological ties with several reading Mensheviks, in particular Fyodor Dan, were intimate, declared that he was revising his earlier Menshevik-like views on Russia.¹⁹ Bauer admitted that he had considered the plan utopian, but now he realized that it had greatly strengthened Russian industry. He had considered collectivization to be a formula for total disorganization, but, in fact, the harvest was improving. Even bourgeois journalists in Moscow were reporting that life was becoming easier. In light of the experiences of the first three years of the five-year plan Bauer declared that "we must recognize that the Russian Revolution has not only extirpated the remains of feudalism but it has constructed the essential elements of a socialist order."²⁰

Bauer's "conversion" shocked the Mensheviks profoundly. Among the many reactions, Abramovitch's reply in *Die Gesellschaft* summarized the majority Menshevik position.²¹ Abramovitch accused Bauer of resuscitating the populist heresy that Russia could jump over the capitalist phase of development. In effect, Bauer was siding with Mikhailovsky, Tkachev and Bakunin against Herzen, Plekhanov and Engels. In a sense, Bauer was even giving support to

the Stalinist view that socialism in one country is possible. The Mensheviks, on the other hand, did not believe the successes of current Bolshevik policies to be great or lasting enough to justify a revision in their basic point of view. Admittedly, the Mensheviks had underestimated the extent to which an absolutist regime could utilize human material bereft of all force of opposition. However, the fact remained that Bolshevik progress was being carried out by means of a severe policy of underconsumption that had been depressing living standards continuously since the introduction of the general line, and it rested on the absurd premise that a peasantry numbering 100,000,000 could be quickly destroyed.

The shrill tone of Abramovitch's critique was dictated by Bauer's further conclusions and their implications for Russian Social Democracy. In his *Kampf* article, Bauer had urged the Mensheviks to accept the Bolshevik dictatorship not only as a historical necessity but as a factor actually favouring socialism. Menshevik demands for democratization should be moderated or even suspended until some future moment when democratization could be introduced as the final stage in the process of transformation already undertaken by the Bolshevik regime.

In Abramovitch's view, Bauer's recommendations rested on a faulty analysis of the nature of the Soviet regime and on fallacious reasoning. For the Mensheviks, the Bolshevik dictatorship was a form of utopian revolution which in proletarian-socialist guise was realizing the national tasks of a bourgeois-peasant revolution. It was not a "proletarian state with bureaucratic distortions," as Lenin had claimed and as Bauer now seemed to believe. Rather, it was bureaucratic despotism with proletarian phraseology. The war raging in the Soviet Union was not between proletarians and peasants

but between the dictatorship and the masses--peasant as well as proletarian. As long as the dictatorship persisted, the unavoidable process of the degeneration of revolutionary utopianism into some sort of state capitalist Bonapartism would continue.

In spite of such brave rejoinders, the Mensheviks were badly shaken by the apparent successes of Stalin's policies. In 1931, Abramovitch had put the question squarely: "What would happen if the [Bolshevik] experiment succeeds?" At that time he had answered quite categorically: "This would mean that we should burn not only the [*Sotsialisticheskii Vestnik*] and [party] platform, but also all the Marxist books we have [ever] studied."²² As evidence of Bolshevik success mounted, however, the Mensheviks proved reluctant to draw such radical conclusions immediately. Rather, they began to revise their basic views in two different directions, and out of this revision emerged two distinct factions whose separation was to be consummated some ten years later.

The first revisionist tendency, elaborated by the Menshevik left wing under Fyodor Dan, sought to salvage the earlier Menshevik analysis.²³ After some groping and hesitation, and notwithstanding the earlier Menshevik critique of the notion of state capitalism, these Mensheviks now argued that the Soviet Union could perhaps be seen as having entered a necessarily transitory phase of state capitalist development. Objectively speaking, this phase represented real progress vis-à-vis the earlier primitive forms of capitalism. Industrialization and collectivization in particular were achievements that no future democratic regime in Russia should attempt to undo. On the international level also, the transformation of Russia marked an advance for the working class inasmuch as it encouraged and strengthened the proletariat in the worldwide confrontation with capitalism and fascism. In

the course of the 1930s this argument was to gather weight.

Clearly, the arguments of Dan and his followers came perilously close to an endorsement of Bauer's position, and Dan's Menshevik critics never failed to emphasize this convergence. As Dan saw it, the difference between his position and Bauer's lay in their respective assessment of the automaticity of the processes at hand. According to Dan, Bauer's error rested on the assumption that state capitalism would lead to socialism because Bolshevik state capitalism already contained essential elements of socialism within itself. In fact, argued Dan, the fate of Russia depended on a number of factors which included the prospects for revolution in the West and the specific character of the regime that would succeed Bolshevism in Russia. The task of Russian Social Democracy was precisely that of favouring a positive outcome to Russia's state capitalist phase so that, as Dan put it, the Russian working class would not be required to pay the price of Bolshevik irrationality twice.

Dan's arguments failed to convince even some of his close collaborators, such as Nikolaevskii and Abramovitch. The second revisionist tendency within the Menshevik camp emerged out of this disagreement with Dan but formulated its position more slowly. Initially, some Mensheviks on the margin of the Foreign Delegation emphasized the increasing danger of counterrevolution created by the adventurism of the general line.²⁴ Others maintained that the general line was creating an embryonic bourgeois society in Russia and that it was futile to pin one's hopes on a Russian working class corrupted by Bolshevik practices and reduced to the status of state serfs.²⁵

For Dan's Menshevik critics the idea that state capitalism could somehow be topped off with democracy in order to produce socialism was symptomatic of

a deep misunderstanding of certain fundamental issues. Already in his polemic with Bauer, Abramovitch had asked a pointed question: if the Russian masses could attain material welfare, a higher cultural level, social justice, and a powerful position vis-à-vis the outside world through a regime of "welfare absolutism" without a trace of freedom, what was the historical function of freedom and why was it necessary at all? Why should the Russian masses long for freedom and what sort of arguments could the defenders of freedom use to call for the elimination of a successful dictatorship?²⁶ Dan's relegation of political democracy to some future final phase of development, like Bauer's willingness to postpone the question of freedom indefinitely, showed that Dan, Bauer, and their ilk, attached insufficient importance to values that they claimed to espouse.

The objections formulated by the anti-Dan wing of the Menshevik Foreign Delegation echoed ever more strongly the long-held position of the extra-party Menshevik right wing. These Mensheviks, first in the journal *Zaria* and then in the *Zapiski Sotsialdemokrata*--both of which were based in Paris and inspired by Alexander Potresov--insisted on the absolute primacy of democratic tasks in the Russian Revolution. One such Menshevik, Stepan Ivanovitch (Portugeis), put it in an aphorism: "Between two socialists one of whom is for dictatorship, there is a far greater contradiction than between two democrats one of whom is for socialism."²⁷ The same Menshevik even argued that it was not socialism that was his goal but the moment of freedom, which socialism would make possible.²⁸ Obviously, this Menshevik tendency saw nothing positive in the Bolshevik regime from the very outset, and it saw no reason to change its views--quite the contrary--because of the experience of the general line. Consequently, the extra-party right wing continued to castigate the

Martov line as a half-struggle against and half-recognition of the Bolshevik regime, and it persisted in judging the Soviet Union by the yardstick of freedom and democracy.²⁹

In the course of the 1930s the formerly cohesive Menshevik group surrounding the Foreign Delegation and the *Sotsialisticheskii Vestnik* thus began to dissolve into two factions. The first faction, under Dan, continued to interpret Soviet developments in classical Marxist categories. It saw the Soviet Union as having passed into a phase that might be described, for want of a better term, as state capitalism under a pseudo-proletarian dictatorship. This faction was troubled by the persistence of the dictatorship. It was more troubled, however, by the prospects of a counterrevolutionary reversal of this regime. All in all, it saw the new phase of the Bolshevik regime as progress vis-à-vis the past and a source of hope for the future. The second faction emerged more gradually out of the malaise felt by some Mensheviks in the face of the growing rift between socioeconomic achievement and political-democratic failure in Soviet Russia. This second faction found itself drawn towards the position of the extra-party right wing for whom democracy and freedom were preeminent values.

From a Marxist point of view, Dan's faction was certainly correct in decrying its opponents for having put abstract values such as democracy at the center of their analysis. An extreme left member of Dan's group, Olga Domanevskaja, went so far as to affirm that political struggle involved not the struggle for democracy but the struggle for power.³⁰ At the same time, Dan's opponents were justified in pointing out that one could not separate questions relating to the economic base from those relating to the political superstructure. To say that Soviet Russia was progressive as some sort of

state capitalist system but regressive as a political dictatorship was an unsatisfactory solution. Either one had to overlook the terrorist dictatorship and bestow approval on the Soviet regime, as Communists and their fellow travellers did, or one had to judge the Soviet system as a whole according to the criteria of democracy and freedom. In the latter case one would find the Soviet regime irremediably blemished but also indescribable in Marxist categories. Indeed, the underlying problem for the Menshevik right lay in the fact that the Soviet regime was unclassifiable in Marxist terms, and, for the moment, the Menshevik right found itself at a loss to describe the regime in alternative theoretical terms.

Fascism, Bolshevism and Totalitarianism

As the Mensheviks were debating these issues, momentous events were taking place in Germany that pushed even the all-important Russian Question into the background. After Hitler's seizure of power, the Mensheviks were forced to choose a new exile, this time in Paris where they re-established their party centre and resumed publication of *Sotsialisticheskii Vestnik*. They were now joined in exile by the once proud and powerful German Social Democratic Party, deeply traumatized by the defeat it had suffered. In these new circumstances the traditionally close ties between the two parties were strengthened by a common fate. The Germans turned to the Mensheviks for advice on illegal publishing and smuggling of party literature. Mensheviks interceded on behalf of German comrades with French socialists. A number of individual Mensheviks continued to work in the ranks of the German party. Above all, the Mensheviks and the German Social Democrats were drawn together by a common reflection on the nature of the dictatorial regimes, whether

Bolshevik or fascist, now established in their homelands.³¹

Obviously, socialist thinking on the nature of fascism pre-dated Hitler's seizure of power. A leading historian of fascism even remarked that one can almost say that the socialist presentation of fascism is older than fascism itself.³² Simplifying considerably, one might say that the peculiar characteristic of the socialist view of fascism was that the socialists accepted the communist thesis according to which fascism was a direct outgrowth of capitalism, but they expressed so many reservations or qualifications that they tended to put the thesis itself into question. Not surprisingly, the pioneers of socialist theories on fascism came from yet another exile group, the Italian socialists, who had fled abroad, mostly to Paris, as the first victims of fascism.

In explaining Mussolini's successes these Italian exiles pointed to Italy's backwardness as a factor contributing to the triumph of such a movement as fascism at home. To this extent, fascism was seen as specifically grounded in peculiar Italian conditions and thus inapplicable to Germany, although perhaps relevant to Russia. At the same time, the Italian socialists emphasized the multiplicity and heterogeneity of the social groups supporting fascism. According to these Italian socialists, fascism simultaneously expressed the clearly conscious reaction of the great bourgeoisie, the revolt of a resentful petty bourgeoisie, and the violent revolution of a déclassé soldiery in the face of an unreal but nevertheless terrifying menace of social revolution in a backward land deeply shattered by world war.³³ This early explanation was adopted and developed by Filippo Turati, the grand old man of Italian socialism, who also pointed to the novelty of an alliance between plutocracy and déclassé elements. Analyzing fascism in terms of a crisis of

democracy and parliamentarism, Turati underlined those elements of fascism that were incompatible with capitalism, such as its rejection of class divisions in favour of racial divisions. According to Turati, the identification of fascism with capitalism rested on the application of a single abstract criterion--the defense of private property. In fact, fascism was not just an anti-proletarian, capitalist-dominated movement. It was an order based on the glorification of a caste system and on a permanent state of war. It represented a threat not only to the proletariat but to civilization itself.³⁴

Before 1933, German and Russian socialists observed the fascist phenomenon attentively but were at a loss to elaborate an independent theoretical interpretation.³⁵ Oda Olberg, the German Social Democratic Party's correspondent in Rome, wrote that fascism seemed to be a bourgeois class movement without actually being one, and that fascism's victory was not a victory of the bourgeoisie, although it was a defeat of the proletariat.³⁶ *Sotsialisticheskii Vestnik* explained fascist strength in Germany in terms of the crisis of those middle strata that had formerly been the backbone of the Republic.³⁷ For the most part, however, German socialists approached fascism as a political rather than a theoretical challenge. The Mensheviks tended to take refuge in the theory that "fascism [was] a superstructure for working out the economic problems of capitalism."³⁸ Virtually since the very beginning of all discussion of fascism, a recurrent theme was the comparison between fascism and Bolshevism. Obviously, this comparison was vigorously rejected by both fascists and communists. It was advanced by certain traditionalists appalled at the mass nature of these movements, and it was promoted as well by liberals for whom Bolshevism and fascism were equally distant from the rule of

law.³⁹ This comparison acquired popularity and momentum of its own in America, perhaps because of the prevailing liberal outlook there as well as because of the distance from which European events were observed from across the Atlantic.⁴⁰

Among socialists such comparisons between fascism and Bolshevism were handled gingerly. To be sure, German Social Democratic activists were eager to put a sign of equivalence between their "red" and "black" opponents. Within the Menshevik circle an early *Sotsialisticheskii Vestnik* article on fascism spoke of the similarity between the impulses that gave rise to communism and fascism, and of the common utopianism of these movements.⁴¹ By the early thirties some Mensheviks of the party majority were speaking loosely of "fascism in a revolutionary disguise in the Soviet Union." Of course, the extra-party right-wing Mensheviks had always identified Lenin, Mussolini, and Horthy as identical pillars of European reaction whose regimes were born of the same mood of social revolt.

Notwithstanding the existence of such views it should be stressed that most socialist theoreticians were not inclined to pursue the comparison between Bolshevism and fascism to its ultimate conclusion. Among the Italian émigrés the first works to examine the two movements in a common framework saw them both as responses to certain national tasks, and as different--although not opposed--moments of the development of capitalism into socialism. Other analyses of the late twenties, both among German and Italian socialists, also brought out the differences rather than the similarities between Bolshevism and fascism by stressing differences in goals and belief systems.⁴⁴

Hitler's seizure of power in 1933 gave a powerful push to the comparison between what was happening in Germany and what had happened in Russia. Both

countries were now subjected to a dictatorial regime, a single-party system and an all-powerful leader. From the point of view of the socialists, in both cases the existing situation had been caused by a bourgeoisie who had defaulted on its historical tasks. More specifically, however, considerable responsibility lay with socialists themselves since the SPD (Socialist Party of Germany) was seen as having committed some of the same errors as the Russian Mensheviks--both parties had failed to complete their respective revolution. They had adopted an overly abstract dogmatic attitude to Marxism, and they had failed to take account of mass sentiment.⁴⁵

Even Hitler's seizure of power, however, could not overcome the apparently natural reluctance of socialist theoreticians to identify fascism with Bolshevism, and Nazi Germany with Soviet Russia. When a young Menshevik, Boris Sapir, wrote an article in June 1933 distinguishing enemies "from outside the proletariat," that is, reactionary forces, and "enemies from within the proletariat," that is, fascism and Bolshevism, he was severely taken to task both by the chief left-wing Russian socialist, Fyodor Dan, and by the principal theoretician of right-wing German socialism, Karl Kautsky.⁴⁶ In writing of the "German catastrophe," Dan himself devoted considerable energy to refuting the leader of the extra-party right-wing Mensheviks, Alexander Potresov, who had recently equated fascism with Bolshevism.⁴⁷ Potresov might well consider the Bolsheviks to be adventurists like the Hitlerites, who had seized power by methods of force and deception, and were wielding power in the interests of their own clique. Even if this were the case, and, according to Dan, it was not the case, it should be evident to Potresov that these Bolshevik adventurists were not wagering on the liquidation of revolutionary processes unleashed by the War. On the contrary,

the Bolsheviks were counting on igniting these processes to the level of a worldwide conflagration. Against Potresov's position, Dan promoted the prevailing Social Democratic view that German fascism was capitalism's choice instrument of struggle for the self-defense of an "overripe" capitalist society.⁴⁸

An important factor preventing socialists from pushing comparisons between fascism and Bolshevism to the point of establishing an identity between the two movements was the absence of a common theoretical framework into which both these movements could be inserted. Ironically, the elements of such a common framework could be found in the writings of two socialist theorists--Martov and Bauer--who rejected any identification of Bolshevism with fascism.

In 1919 Martov had written a series of influential articles republished in French translation in 1934 as *Le Bolchévisme mondial*.⁴⁹ Martov explained the wave of Bolshevik sentiment throughout Europe as a consequence of the War. Bolshevism was not simply the product of an agrarian revolution and thus uniquely connected to the agrarian nature of Russia. Rather, Bolshevism was the ideology of the soldier masses, characterized by a naive and maximalist social optimism, interested in consumption rather than production, and inclined to resolve all political questions by armed force. The pre-war working class had disappeared. Old workers had acquired a trench mentality; new workers had been recruited from rural elements and from ruined artisans bereft of any trade union organization. The consciousness of the working class was now marked by a profound distrust of the working-class organizations of the pre-1914 period, and the result was an ideology developed in a vacuum with no fixed points and no elements of ideological continuity. Solutions

adopted were the simplest ones and, frequently, the most atavistic ones. Bolshevism was an ideology of scorn for existing material and spiritual culture. "In the eyes of future historians," wrote Martov, "the triumph of Bolshevik doctrines in the workers' movements of the advanced countries will not appear as a sign of an excess of revolutionary consciousness but as a proof of the insufficient emancipation of the proletariat vis-à-vis the psychological ambience of bourgeois society."⁵⁰

The 1934 edition of *Le Bolchévisme mondial* contained a lengthy introduction by Fyodor Dan. He reiterated the basic principles of the Martov line and, in particular, the claim that Martov had never forgotten that the Bolshevik dictatorship was a revolutionary dictatorship. In the circumstances of 1934, however, it could hardly escape the attention of most readers that the description of Bolshevism drawn by Martov corresponded even more closely to the profile of present-day fascism.

Otto Bauer's contribution to the establishment of a common theoretical framework for the explanation of both fascism and Bolshevism came in his 1924 *Kampf* article, "Das Gleichgewicht der Klassenkräfte."⁵¹ There Bauer argued--against Hans Kelsen--that it was perfectly compatible with Marx's theory to speak of a state where neither bourgeoisie nor proletariat dominated. In such an equilibrium situation one could have a division of power between both classes, as was the case in Austria, according to Bauer, or one could have a subordination of both classes through "Caesarism." Bauer cited two specific examples of the latter development. The first example was Italian fascism, which Bauer saw as analogous to the French Bonapartism of 1851. An adventurer dispersed a bourgeois parliament and erected his own dictatorship over all classes. Fascism was as little the dictatorship of the bourgeoisie

as the Bonapartism of Louis Napoleon had been. The second example invoked by Bauer was that of Russian Bolshevism. In its beginnings it had been a dictatorship of the proletariat, and then under the pressure of economic necessity it had become something else. Like fascism, Bolshevism represented a dictatorship not *of* a class but *over* classes, the rule of a "caste" that had to balance out the interests of workers, peasants and Nepmen. The stability of Bolshevik domination rested on the fact that none of the existing classes could challenge this domination. Perhaps by way of consolation, however, Bauer added that a situation such as he had described, where no class could dominate another, was necessarily a transitory phase in the development of the state.

Martov's explanation of the impulses underlying Bolshevism, broadened to apply to fascism, and Bauer's description of the fascist and Bolshevik state as Bonapartist, provided guidelines for socialists who were seeking a Marxist pattern in the historical whirlwind of the day. The notion that Bolshevism and fascism were not rooted in a class but in *déclassé* elements--plebian rather than proletarian was one formulation--as well as the notion that Bonapartism--that is the autonomization of state apparatus--reigned in Russia, Italy, and Germany, allowed Marxists to sidestep the issue of the class nature of these states and their conformity to traditional Marxist models. The search for a satisfactory common interpretation of the fascist and Bolshevik regimes did not end with espousal of the insights offered by Martov and Bauer. This search continued throughout the 1930's, and a term that acquired increasing prominence in the course of this search was the neologism "totalitarian."

The origins of the term "totalitarian" are to be found in Italian fascist

doctrine itself. Used by Mussolini in a speech in 1924, it was soon formalized by the Italian ideologue, Giovanni Gentile. The term appeared in English in 1928 to describe the fascist regime, and in 1929 it was first used to describe both the fascist and the Bolshevik regimes.⁵² Initially, the origins of the term as a self-interpretation of fascism limited its broader applicability. German émigrés after 1933 were divided between their reluctance to apply an Italian term of reference to Hitler's regime and thus minimize the horrors of Naziism by assimilating it to a less brutal regime, such as Mussolini's, and their wish to underscore the universal--that is, not strictly German--character of the new order in their homeland.⁵³ The term did have the advantage of expressing the novelty of the processes they were witnessing. "Totalitarian" thus edged its way into the political vocabulary, even among socialists.

Initially, socialists used the term "totalitarian" in what might be called a relatively un-self-conscious way. The term itself referred to the "total" nature of state power. As such it could be applied without any profound theoretical implications to both Russia and Germany. Boris Sapir, in the *Sotsialisticheski Vestnik* article of 1933 already cited, spoke of the characteristics of the "total" state as "the use of force, the etatization of all areas of life, the destruction of all opposition." He qualified the implied identification of Russia with Germany by concluding that the historical mission of fascism was that of strengthening capitalism on a new basis. According to Sapir, fascism was creating a new feudalism that was replacing liberal ideology but maintaining the instruments of production in the hands of the magnates of capitalism. The choice he saw at this historical moment was between fascism and workers' power. There was no third way.

By 1936 the term "totalitarian" was being used with reference to the Soviet dictatorship even by those left-wing socialists widely considered uncritical of the Soviet Union, such as Fyodor Dan and Otto Bauer, as well as by Leon Trotsky. Dan described the period of the "General Line" as a third phase of the Bolshevik Revolution during which the dictatorship became ever more "totalitarian."⁵⁴ Comparing this phase to the Petrine era, Dan stated that "it was precisely its [the dictatorship's] totalitarian character which allowed it to carry out the historically indispensable task of economic reconstruction on such a grand scale and at so quick a pace." About the same time, Otto Bauer was reflecting on the various forms that the dictatorship of the proletariat could take. Among others, "it can become the 'totalitarian' dictatorship of a proletarian party, the dictatorship of a coercive party state and economic apparatus."⁵⁵ Finally, Trotsky was also writing about a "regime [which] had become 'totalitarian' in character several years before this word arrived from Germany."⁵⁶

Such use of the term "totalitarian" has given rise to the mistaken impression that by the middle of the 1930s the concept of totalitarianism was current in Marxist literature, even regarding the Soviet Union.⁵⁷ In fact, the term was almost always accompanied by inverted commas which, at the very least, could be interpreted as an expression of hesitation regarding its appropriateness.⁵⁸ Moreover, the term appeared invariably as an adjective rather than as a noun. One spoke of "totalitarian" state power but not of "totalitarianism," and even the adjective frequently figured as a sort of emphatic adverb, as in "totalitarian Bonapartist dictatorship." Above all, the term, especially when applied to the Soviet Union, consistently referred only to the political superstructure and not to the system as a whole.

"Totalitarian" thus described the nature of the leadership or of state policies. Its application did not penetrate to the roots of the system, to that economic base which, for a Marxist, represents the defining characteristic of any social formation.

The Split on the Soviet Question

Rather than elaborating some sort of "totalitarian model," socialist theoreticians throughout the 1930s were thus using the term "totalitarian" loosely and falling back on familiar Marxist categories for analysis. German socialists presented Germany as monopoly capitalist; the Menshevik majority spoke of Soviet Russia tending toward a form of state capitalism with political structures also tending towards Bonapartism.⁵⁹ The increasingly tense international situation, however, rekindled earlier theoretical debates in a new form. The most urgent question for the Socialist International was whether socialists should give support to those capitalist countries that were prepared to go to war against Germany. The initial reaction of many left-wing socialists, including Fyodor Dan, was that socialists should not abet one group of capitalists against another.⁶⁰ According to them, the only road to overthrowing the fascist regime in Germany lay in promoting European revolution.⁶¹ As against this position, an increasing number of socialists advocated recognition of the fact that the new alignment of forces was between democracy--even bourgeois democracy--and dictatorship.⁶² The insistence on democracy as the key criterion of judgement--a development already noted in the Menshevik milieu--thus acquired even wider currency.

As long as socialists saw the principal contradiction of the day as one

between bourgeois and proletarian forces, their choice had been clear. With the growing insistence on the cleavage between democracy and dictatorship, the question of attitude and policy towards the Soviet Union became increasingly problematical. Among the Mensheviks, Fyodor Dan continued to defend the traditional *parti pris* in favour of the Soviet Union. Just as the right-wing Mensheviks had maintained that there was a positive and a negative type of state capitalism, the former exemplified in Roosevelt's "New Deal," the latter in Stalin's "General Line," so now Dan argued that dictatorship was also a variable concept. Unlike the "total" fascist dictatorship, the Bolshevik dictatorship "remained in its nature the revolutionary utopian dictatorship of a party tied to a definite part of the working class."⁶³ Moreover, Dan continued, the Menshevik party had always believed that because of the correlation of forces in Russia, slogans juxtaposing calls for a democratic republic against those for the existing terrorist dictatorship would serve only as a cover for the forces of counterrevolution. The Mensheviks were fighting not only against the illusions of "integral socialism" in the Soviet Union--a concept developed by Otto Bauer--but also against the illusions of "integral democratization." The only prospects for Soviet Union lay in gradual democratization.⁶⁴

Dan's position on this issue was bolstered by a few left-wing Menshevik contributors to the *Sotsialisticheskii Vestnik* who had long inveighed against the "fetishism" of democracy maintaining that the single-minded "struggle for democracy led to an abandonment of the struggle for socialism."⁶⁵ However, Dan's efforts to maintain a consensus within the party were undermined by this same left wing's increasingly strident assertions that the Soviet Union was entering a socialist phase. According to the spokeswoman of this tendency,

Olga Domanevskaja, there were still capitalist tendencies in the Soviet Union, but these were no longer capable of reversing the march towards socialism. The mistake of critics of the Soviet Union lay in their unwillingness to accept the fact that such early or primitive socialism still contained a great many negative traits.

In the face of contradictory pressures within the Menshevik party, Dan evolved leftward. Although Dan asserted that "the role of the dictatorship as a bearer of progress, even in its most barbarian and twisted forms, was exhausted," he criticized any unilateral denunciations of the Soviet Union or departures from Marxist orthodoxy.⁶⁶ After *Sotsialisticheskii Vestnik* had published extracts from the sensational revelations of an ex-communist, Anton Ciliga, Dan took Ciliga to task for an insufficiently dialectical understanding of the Soviet Union.⁶⁷ Ciliga saw only the existing "Stalinist lies" and not the "democratic-socialist truth" being born of the Revolution. After having himself spoken of the "totalitarian-dictatorial regime" in Russia, Dan berated Ciliga for failing to see the positive role of the Soviet Union on the international arena and for writing as if the true place of the Soviet Union were alongside Germany, Italy, and Japan. Ciliga was also wrong in seeing a new type of social system--neither capitalist nor socialist--emerging in the Soviet Union. Although Dan had used the term "state capitalism" frequently, he now rejected Ciliga's similar use of the term. Ciliga did not realize that state capitalism, like fascism on the ideological level, was only a transitional form. If the dictatorship of the bureaucracy maintained itself indefinitely, the result would be not the creation of some "third system," but the outright restoration of capitalism in the Soviet Union. For the moment, the very contradictory nature of developments in the

Soviet Union was itself proof that the revolution was not yet completed.

In the second half of the 1930s the Menshevik synthesis, originally based on the Martov line and on later attempts to interpret the Soviet Union in Marxist terms, began to unravel. Dan's former allies within the Foreign Delegation, such as Nikolaevskii and Abramovitch, moved towards the Menshevik right wing.⁶⁸ If Stalin's Constitution once again raised hopes of a positive evolution of the Soviet regime, the purges of the late thirties destroyed these hopes.⁶⁹ By the end of the decade the traditional Menshevik understanding of the Soviet Union no longer commanded a consensus, although no theoretically coherent alternative interpretation had yet emerged.

In these circumstances the announcement of the Hitler-Stalin pact in August 1939 represented a veritable bombshell. As one Menshevik put it, for some Mensheviks life did not seem worth living after having heard the news.⁷⁰ Within a few weeks--during which Germany and Russia had invaded Poland--the Menshevik Foreign Delegation put out a unanimous resolution couched in the strongest terms: "Stalinist despotism has torn from itself the revolutionary garb in which it long paraded.... It represents the domination of a national-imperialist clique that has fallen to the level of Hitlerism."⁷¹ In an article published simultaneously, Dan recalled that he had envisaged a German-Soviet pact as one of the possible consequences of Munich. Dan admitted, however, that he had believed that such a pact could take place only after Stalin had been forcibly removed. Stalin's acquiescence in this pact proved that Stalin himself incarnated the Bonapartist-Nazi tendencies long harbored by the autocracy. Stalin had thus "broken the last threads tying him to proletarian socialism, and whatever his further zigzags, he had shut himself off from all roads of return onto the terrain of the working class

movement."⁷²

It must have seemed that the Hitler-Stalin pact marked the ultimate degeneration of the Soviet regime. The Mensheviks, however, still tried to salvage something positive out of the turn of events. Picking up arguments being advanced by the extreme left of his party, Dan expressed the view that the appearance of the Red Army had given a push to social ferment in the lands occupied--Eastern Poland--and in neighbouring lands. It might even have a positive impact on the prospects for a German revolution.⁷³ Most party members were not willing to concede this point.⁷⁴ All the Mensheviks, however, consoled themselves with the thought that the Hitler-Stalin pact was not a military alliance and Soviet Russia had not joined the war on the side of fascism.

Even such a weak consolation was removed by the Soviet invasion of Finland. Earlier, Dan had written that such an aggression could not occur because neither the Soviet masses nor privileged Soviet strata would accept it. Moreover, it must not occur because a Soviet attack on Finland would oblige international socialism and the Russian proletariat to adopt a defeatist attitude vis-à-vis the Soviet Union.⁷⁵ When the invasion took place, however, Dan could not bring himself to subscribe to his own earlier conclusions. The Hitlerite and Stalinist regimes were the same, he wrote, but Nazi-fication and Sovietization of a country were not the same.⁷⁶ Once again, Dan defined his party's task as that of bringing Russia back into the anti-German fold and he expressed the hope that the war might serve to further democratization in the USSR.

At this point, the revolt of the new party majority against Dan reached an unprecedented pitch. A formerly left-wing Menshevik, B. L. Dvinov,

reminded Dan that 10 years ago in polemicizing against Kautsky, Dan had written that only the course of events would tell whether the Menshevik position of advocating reform rather than overthrow of the Soviet system was justified. Now Dvinov asked whether the events of August 23--the Hitler-Stalin pact; September 17--the Soviet invasion of Poland; and November 30--the Soviet invasion of Finland, had not given an unambiguous historical verdict on the Menshevik wager. Dan should recognize that Thermidor had already occurred in the Soviet Union, although now was not the time to speculate on when it had taken place.⁷⁷

Dan would not revise his position. He recalled that in 1895 he had entered the Union of Struggle for the Liberation of the Working Class in St. Petersburg as the designated successor to Martov in case of the latter's arrest, and Dan would not now, in Paris in 1940, break faith with the Martov line.⁷⁸ At the same time, Dan could not resist the pressure of his peers any further. In March 1940 Dan resigned from the chairmanship of the Foreign Delegation of the Russian Social Democratic Labour Party and from the collective editorship of *Sotsialisticheskii Vestnik* in order to found a new journal, *Novyi Mir*.

Surrounded by a small group of young socialists, Dan attacked his party comrades on the *Sotsialisticheskii Vestnik* as a closed circle, resting on its laurels and impermeable to new forces and ideas that had renounced the principles of Marxism in favour of the ideals of bourgeois liberalism.⁷⁹ The editorial position of *Novyi Mir* was clear: Stalin is one thing, the Soviet Union is another.⁸⁰ Those who would have the West declare war on the Soviet Union are dangerously wrong. A merciless critique of Stalin's policy since August 23, 1939 is necessary, but this critique can only be effective if it

shows ways out of the crisis. Such a critique cannot be undertaken by those who believe that the policy of August 23 was inevitable.⁸¹

The *Novyi Mir* put out only four issues before the fall of France sent all the Mensheviks into a third exile. It is interesting to note that the term "totalitarian" appears frequently in its pages but invariably only with respect to the fascist countries. The *Novyi Mir*, like *Sotsialisticheskii Vestnik*, spoke of the confrontation between civilization or freedom, and totalitarian barbarism or force.⁸² For the *Novyi Mir*, however, the Soviet Union, if not in its actual Stalinist form then in its essential nature and potential, clearly belonged to the camp of freedom and not to the camp of totalitarianism. As for the future, *Novyi Mir* expressed the passionate conviction that the only choice before humanity lay between socialism and barbarism. Either the post-war world would be socialist or it simply would not be.

Not surprisingly, *Novyi Mir* and *Sotsialisticheskii Vestnik* immediately saw themselves and were seen by others as rivals. In this competition both journals sought contributions from the acknowledged leaders of international socialism in order to legitimize their own position. In its last issue *Novyi Mir* proudly published an article entitled "Some Illusions" by "Austriacus," who was in fact the prominent Austrian socialist Oscar Pollack.⁸³ Pronouncing himself strongly against defeatism or neutralism, "Austriacus" reiterated the early socialist position that the Hitlerite system was not the enemy of capitalism but capitalism's strongest supporter. The rest of the article was censored--by French wartime censorship--but one may well assume that it differentiated Soviet Russia from Nazi Germany and called for the Soviet Union to recover its true or natural position against fascism.

Meanwhile, the *Sotsialisticheskii Vestnik* group was also drawing on foreign authorities. An article entitled "Fashistskaia Italia i Sovetskaia Rossiia" by the ex-communist A. Rossi, spoke of Mussolini's sympathy for communists, even though "he marches under an anti-Bolshevik banner," and stressed the affinities between the two regimes. Rossi concluded by stating that "we must unveil the most dangerous illusion according to which National Socialist, fascist, and Stalinist regimes have some 'socialist' traits which in fact they never did." In a final paragraph where the term "totalitarian" appears five times Rossi added, "it is essential to define socialism in its principal opposition to totalitarianism as a doctrine which can have nothing in common with totalitarian statism and which can only be brought alive by way of an ideological straightening out of the working class."⁸⁴

Still searching for foreign support *Sotsialisticheskii Vestnik* now turned to an even more authoritative spokesman. In a private letter to a party comrade, Nikolaevskii complained that "we do not know anything at all about American [socialist] literature, which brings us into the orbit of polemics about state capitalism." He added that "Abramovitch wants to find support [for our position] in the authority of an Austrian We could have original articles by foreigners on the necessary themes. For example, Hilf[erding] would be glad to write in our journal, and the theme begs itself--a theoretical piece about state capitalism in connection with contemporary debates about fasco-Bolshevism."⁸⁵ Shortly thereafter, the *Sotsialisticheskii Vestnik* published a piece by the British Marxist R. L. Worrall under the title, "Is the Soviet Union a proletarian or a capitalist state?" An editorial note specified: "This article is in many ways characteristic for those circles of European socialism which until recently stood in the avant-garde of

Stalinism or left communism but which have now begun radically to rethink their views. Worrall departs from many traditional communist views without coming to full clarity."⁸⁶ In the following issue appeared the article by Hilferding, "State Capitalism or Totalitarian State Economy?"

Hilferding's Road to the Theory of Totalitarianism

At the time that he wrote his article for *Sotsialisticheskii Vestnik* Rudolf Hilferding was the most outstanding Marxist theorist alive. Before 1914 Hilferding had been a founder of the Austro-Marxist School and its principal economist. After having been a leader of the radical USPD (Independent Socialist Party of Germany) during the First World War Hilferding was instrumental in effecting a reunification of the rump of the USPD with the SPD in 1922. Under the Weimar Republic, Hilferding remained a towering figure in German Social Democracy. He twice held the post of minister of finance in 1923 and in 1928-29, edited the main organ of socialist theory, *Die Gesellschaft*, and participated in the elaboration of all party programmes. In exile from 1933 on, first in Zurich and then in Paris, Hilferding continued to serve his party and to contribute, under the pseudonym Richard Kern, to its publications. Although his writings in the later part of his life were for the most part occasional pieces, his prestige as a thinker remained undiminished.⁸⁷

First and foremost, Hilferding was acclaimed as the author of *Finance Capital*, which has been described as "the most significant work in the field of economics by a socialist economist since Marx." Published in 1910, *Finance Capital* was intended to bring Marx's *Capital* up to date by describing the existing new trends in the capitalist economy. Above all, Hilferding saw a

tendency towards concentration of capital, leading ultimately towards a sort of universal cartel which would govern all economic processes in a planned and unified way. Later Marxist theories, developed by Bukharin, Lenin and others, that saw imperialism, the growth of state power, and the separation of ownership from management of the means of production, as characteristic of late capitalism, used *Finance Capital* as their point of departure even when they took issue with many of the work's formulations and conclusions.⁸⁹

In 1915 Hilferding developed the concept of "organized capitalism" to describe a possible outcome of finance capitalism. Although socialism was a logical result of processes now occurring, another alternative could be envisaged:

In place of the victory of socialism appears a society which is, to be sure, organized but organized in an authoritarian (*herrschaftlich*) rather than a democratic way. At the tip [of this society] stand the united forces of capitalist monopoly and of the state under which the masses act in hierarchical order as functionaries of production. In place of overcoming capitalist society through socialism appears the society of organized capitalism which is better adapted to the immediate material needs of the masses.⁹⁰

At that time, and even in the early post-war years, Hilferding still remained convinced that given a choice between socialism and "organized capitalism," the working masses would opt in favour of socialism. He continued to attack opportunistic tendencies within socialism that would have socialists adapt their strategy to existing capitalist conditions, in order to reform capitalism rather than to replace it.

By 1924, however, Hilferding seemed to have come around to the position that "organized capitalism" could represent a transitional stage towards socialism. This reorientation in Hilferding's thinking can be seen as a realistic assessment of a new situation or as a capitulation to reformism.

Post-war capitalism appeared to have entered a new period of stabilization. The German working class had proven unwilling or incapable of carrying the revolution of 1918-1919 through to a socialist conclusion. On the other hand, "organized capitalism" itself was giving up the principle of free competition in favour of the socialist principle of planned production.⁹¹ Moreover, the Weimar Republic was providing a political framework through which the working class could assert ever more emphatically control over the economy. The task of this generation, according to Hilferding, was to bring the economy under the aegis of the democratic state through conscious social regulation. In this perspective, political democracy emerged as the road to socialism.⁹²

Given such an outlook one can understand why the "German catastrophe" traumatized Hilferding even more profoundly than it did many of his party comrades. As in the case of other German socialists, Hilferding's first reaction was a radical transformation of his views and a return to a position of classical revolutionary Marxism. In the first issue of his new journal *Sozialistische Revolution*--later *Zeitschrift fur Sozialismus*--successor to *Die Gesellschaft*, Hilferding declared, "The time is revolutionary! The bases of capitalist society are shaking under the effects of capitalist crisis."⁹³ Hilferding explained German fascism as a reaction to the advances made by the working classes. An alliance of big capital and big agricultural property had resolved to break the growing political and economic power of the workers. This alliance had been joined, first by the middle strata of capitalist society and then, after 1929, by the lower middle classes, the urban Middlestand and the peasantry. This peculiar anti-capitalist front which included parts of the big bourgeoisie, had culminated in an overwhelming victory of big capital over the workers. Workers' organizations had been

dissolved, but employers' organizations survived. The anti-capitalist policy of the middle strata and farmers had been jettisoned. All in all, the changes in Germany were only changes *within* a bourgeois capitalist society shattered by economic crisis.

Above all, the "German catastrophe" imposed a complete reorientation in Hilferding's attitude toward the state. Hilferding now turned his attention to "the 'total state' as fascists and national socialists call their dictatorship."⁹⁴ This total state was characterized by the vast extension of state power to absolute state power. It destroyed not only all political institutions and organizations, as had earlier absolutist systems, but also all economic and cultural associations, which became coercive organizations and immediate components of state power. The nation was depoliticized and atomized into an unconnected mass of subjects subordinated to the state. The citizen was transformed into a slave of the state. The only struggle against such a total state could be total revolution. The focus on the "total" state affected Hilferding's view of the state in general. As the title of one of his articles put it, "total state" meant "total bankruptcy," and the notion of the democratic state as a lever by which the working class could promote its demands gave way to a consciousness of the state as an instrument of nihilism.⁹⁵ In preparing the final version of the SPD's Prague Manifesto in 1934, Hilferding changed the positive term "*Verstaatlichung*" found in the earlier drafts to "*Vergesellschaftung*."⁹⁶ Although he had used the latter term earlier, it now reflected a new wariness regarding the state--not only the fascist state. In writing about experiments in "organized capitalism," such as those being undertaken in America during the period of the New Deal, Hilferding now expressed a highly critical attitude, instead of seeing these

experiments, as he might have seen them a few years previously, as promising steps towards a socialist transformation.⁹⁷

At the same time, however, there were two elements in Hilferding's new outlook that provided an element of continuity with his earlier views. First, notwithstanding his disillusionment with the evolution of capitalism in the West, Hilferding adopted what was known in the SPD as a "Western orientation."⁹⁸ This implied that the natural allies of the German socialists in their struggle against Hitler were to be found in the socialist parties of the Western countries and even in those non-socialist Western forces opposed to Hitler, rather than in alliance with the Soviet Union and the communist movement. In fact, Hilferding went much further in this line of reasoning than many of his party comrades were prepared to go, at least initially. From 1933 on, Hilferding lobbied the LSI in favour of a policy of Western rearmament and military opposition to the Hitler regime.⁹⁹ This contrasted with still-existing trends in the Socialist International in favour of "equal rights for Germany" and even with the official Socialist International position, which consisted of calls for general disarmament and a strategy of general strike in case of war.

The second element of continuity in Hilferding's views appeared in his position in the ongoing debate concerning "freedom" versus "socialism," a debate between the Mensheviks as well and a debate in which Hilferding eventually was to come out in favour of the primacy of freedom. Whereas in the programmatic article already cited Hilferding avoided a clearcut choice between these values by leaving it up to the "dynamic" of historical processes and specific conditions to determine their relative importance, by the following year Hilferding was insisting that one cannot suspend the goal of

freedom in order to realize the means, that is, socialism.¹⁰⁰ Indeed, by formulating the issue in these terms Hilferding was suggesting that a basic line of division lay not only between socialist and non-socialist regimes but between those states that valued freedom and those that did not.

Finally, and perhaps most significantly, the "German catastrophe" moved Hilferding to undertake a long-term process of reassessing Marxism itself. Hilferding's intimates recount that he had long resisted all urgings to revise his *Finance Capital*, claiming that conditions were not yet ripe.¹⁰¹ After 1933 such revision became both more imperative and more difficult. The metamorphosis of "organized capitalism" into the "total state" made the hypothetical possibility of a negative evolution evoked by Hilferding 20 years earlier into a tragic reality. This evolution undermined the postulates of Marxism not merely because Marx had not foreseen such an evolution but, more fundamentally, because such an evolution put into question the Marxist understanding of historical necessity itself. In a letter to Kautsky dating from 1937 Hilferding expressed his intellectual disarray:

On both points [regarding capitalist development] it seems to me that a new consideration of the Marxist perspective is necessary. If one wants to grasp the whole matter in a truly scientific, i.e. in a cut-and-dry fashion, this assumes a new analysis of capitalist development at least since 1914 and this is a difficult and substantial task, which includes a new investigation of the foundations. I am still very far from "formulations" because I would approach this matter without "premises," as the results which one would attain are not yet firmly established. It is precisely this doubt as to what sort of positive results are possible, which is somewhat discouraging.¹⁰²

Hilferding continued ever more strongly to express such doubts about the course of historical development and to voice his disappointment at the failure of the Marxist historical subject--the proletariat--to accomplish the task of liberation to which it had been called. In the last months of his

life, in late 1940, Hilferding was to write a posthumously published article in which he affirmed that blind force was the decisive factor in history.¹⁰³ The very "blindness" of this process imposed limits on the possibility of knowing the laws of history so that "one cannot speak of 'necessity' in Marx's sense but only of 'chance' in Max Weber's sense." In this article, Hilferding traced the process of the evergrowing power of the state and the state's increasing domination over society and economy in a vast historical perspective. However, Hilferding's first, and indeed only, concrete analysis of this process in relation to Marxist theory is to be found in the article he had published earlier in 1940 in the *Sotsialisticheskii Vestnik* on the Soviet Union as a totalitarian state economy.

Hilferding's Russian Connections

The fact that Hilferding should make an important theoretical statement concerning the Soviet Union requires explanation. Unlike Otto Bauer, Hilferding was not an expert on the Soviet Union, was not familiar with the Russian language, nor did he possess first-hand knowledge of Soviet Russia. Unlike Karl Kautsky, Hilferding did not have the sort of long-standing interest in the Russian Question that had led Kautsky to make frequent pronouncements on Soviet and Russian matters. To be sure, Hilferding's career also had been affected by Russian events. At the historic Halle Congress of the USPD in 1920 Hilferding had shared the stage with Martov as they both debated against Zinoviev in an attempt to stem socialist defections to the communist camp.¹⁰⁴ Then as later, however, although Hilferding occasionally expressed his distaste for Soviet Bolshevism his direct comments on Soviet Russia were rare and even his attitude toward communists was pragmatic rather

than theoretically founded. In the exile period, as his party comrades discussed the merits of a common front with the communists, Hilferding expressed impatience that disagreement over the future order in Germany should take precedence over the immediate need for common action.¹⁰⁵ Moreover, right up to 1939, when writing about the "total" state, Hilferding avoided using the Soviet Union as an example of the phenomenon he was describing.¹⁰⁶

At the same time, in the circumstances of the period, Hilferding could not remain any more indifferent than other socialists to the course of events in the Soviet Union and to their theoretical implications for the Marxist idea. Hilferding thus relied on a small group of intimate associates and friends to satisfy his need for information, to keep abreast of the theoretical debates concerning Russia, and to test his own views on contemporary trends against the lessons to be drawn from the Russian experience. As it happens, the four individuals on whom he relied most heavily were all active Mensheviks: they were Iurii Denicke--Georg Decker by pseudonym; Alexander Schifrin--Max Werner by pseudonym; Grigorii Bienstock; and Boris Nikolaevskii.

A participant in one of the Socialist International's congresses in the 1920's recalls that when Hilferding entered the Congress Hall with Denicke and Schifrin some delegates commented, with a wry reference to Hilferding's journal, "*Das ist die Gesellschaft*."¹⁰⁷ One wonders how many of these delegates realized that Hilferding's right-hand man on the *Gesellschaft*, Denicke, and its brilliant young contributor, Schifrin, were Russians, as was another contributor and prominent member of the Berlin SPD organization, G. O. Bienstock. The fact that there were close relations between Russian and German socialists and that the SPD willingly helped the exiled Mensheviks was

well known. *Sotsialisticheskii Vestnik* was first published on the presses of the SPD's *Vorwärts*. Rumour had it that when the SPD was in a position to do so, it used the German diplomatic pouch to transmit correspondence and copies of the *Sotsialisticheskii Vestnik* from Berlin to Russia. The Menshevik party organization also may have received a subsidy from the SPD through indirect channels, and several Mensheviks were employed at SPD or Trade Union headquarters. However, the extent to which Russian socialists like Denicke, Schifrin, and Bienstock could be completely integrated into the German party does not seem to be sufficiently appreciated. Indeed, German scholarly literature on the period barely seems aware of the Russian ties of these individuals.¹⁰⁸ Moreover, the prominence of these three Russians in the German party increased after 1933, perhaps because they proved less disoriented by the experience of exile--a second exile for them--than were the Germans.

Iurii Petrovitch Denicke was born in Kazan in 1887, the illegitimate offspring of gentry.¹⁰⁹ After having participated locally in the revolution of 1905 as a Bolshevik, he returned to party work as a right-wing Menshevik in 1917. Denicke chaired the Kazan Soviet of Workers' Deputies and, after the October Revolution, took part in the movement of factory plenipotentiaries and in other Menshevik political activities in Moscow. As a history graduate with publications on Thucydides and other classical authors to his credit, Denicke was elected in 1920 to a chair in history and sociology in Moscow. During this time he was on close terms with prominent Bolsheviks, including Bukharin and Riazanov, the head of the Marx-Engels Institute.¹¹⁰ In 1922 Denicke left Russia to take up a post at the Soviet diplomatic mission in Berlin. Shortly thereafter he cut his ties to the Soviet regime and, in 1927, the Menshevik

Foreign Delegation "restored his rights as a party member."¹¹¹ By that time Denicke was Hilferding's indispensable assistant editor on *Die Gesellschaft*.

When the SPD was driven into exile in 1933, Denicke was among the first in the German socialist milieu to initiate a fundamental rethinking of German socialist strategy and doctrine. Seeing the defeat of the SPD as analogous to the defeat of Russian Social Democracy in 1917, Denicke was among those who identified the mistake of German socialists as that of having failed to complete the revolution at the opportune moment--1918 to 1919, in the case of Germany, and February to October 1917, in the case of Russia. Moreover, at the crucial moment of confrontation with their enemies--fascist or Bolshevik--both socialist parties had failed to muster the political will necessary to prevail.¹¹² This lack of political will combined with a disregard for spontaneous mass forces, for those "shattered [social] elements" which carried Lenin and Hitler to power, had sealed the fate of both Russian and German Social Democracy.¹¹³ In Denicke's view, however, underlying these mistakes was a faulty theoretical stance. For far too long German--and Russian--Marxists had been too abstract, too mechanistic and too smug in their conception of Marxism. Even at the present time, that is, in 1933-34, as some German socialists were trying to make a "new beginning" by seeking out "true Marxism," they were incurring the danger of repeating the same errors once again. Instead of concentrating on class analysis and constructing their image of man out of their analyses of classes, Marxists should work in the opposite direction and put the analysis of man into the foreground.¹¹⁴ According to Denicke, instead of emphasizing material and economic conditions, they should concentrate on the "un-Marxist question" of the spiritual values that make up reality.¹¹⁵

Denicke was by no means alone among the German socialists in his reassessment of fundamental issues. It is interesting to note, however, that from the point of view of the existing ideological-political spectrum, the thrust of Denicke's reflections oriented him both "leftward" and "rightward."¹¹⁶ Simplifying somewhat, one may suggest that in Hilferding's immediate entourage the leftist implications of a critique of the SPD past were drawn by Alexander Schifrin whereas the rightist implications of a critique of Marxism were developed by Grigorii Bienstock.

Alexander Mikhailovitch Schifrin was considerably younger than most other Mensheviks.¹¹⁷ When Hitler seized power Schifrin was only 31 years-old but already he was the well known foreign editor of a Mannheim socialist daily and had acquired a reputation, through articles in *Die Gesellschaft* and elsewhere, as a brilliant thinker. These achievements were all the more remarkable for someone whose formal education had been limited to Kharkov in the turbulent years of the Civil War and who had come to Germany as an unknown refugee in 1922. Perhaps because of Schifrin's relative youth as well as his Soviet education and experience, after 1933 Schifrin immediately identified with the "Revolutionary Socialists" group. He soon emerged as a leader of those SPD members who sought a complete break with the party's reformist past and who worked on behalf of a common front with the communists.¹¹⁸ Indeed, in the debate concerning the SPD Prague Manifesto of 1934, Shifrin went so far as to defend a policy of curtailment of civil rights for class enemies, pointing to the Soviet example to support his position.¹¹⁹ At the same time, he contributed an article, published both in the *Zeitschrift für Sozialismus* and in *Sotsialisticheskii Vestnik*, praising Trotsky and, in effect, calling for a rapprochement between the Trotskyists and the Mensheviks.¹²⁰

In the course of the 1930s, Schifrin trained himself as a specialist on military and strategic questions. He was so successful in this respect that when the War broke out Schifrin, under the name of Max Werner, became a popular pundit in America on military affairs and author of best-selling works published in English. During these years, however, Schifrin moved away ideologically both from Hilferding and from the Menshevik *Sotsialisticheskii Vestnik* group. After Hilferding's death Schifrin wrote a commemorative article in *Novyi Put'*, the journal Dan founded in New York in 1941 as a successor to *Novyi Mir*. The theme of Schifrin's article was the tragic contradiction between Hilferding as a revolutionary Marxist theoretician and as a reformist politician--a contradiction that had culminated in Hilferding's capitulation to liberal socialism.¹²¹

Grigorii Ossipovitch Bienstock never enjoyed the same proximity to Hilferding as did Denicke and Schifrin. However, Bienstock was an invaluable ally for Hilferding in promoting a "Western orientation" within the SPD. Born into a lawyer's family in Petersburg in 1887, Bienstock, like Denicke, was a Bolshevik before becoming a Menshevik. During the Revolution, Bienstock was closely involved in economic organization with the future communist planner, Iurii Larin.¹²² In emigration Bienstock belonged, paradoxically, to the left wing of the SPD and to the right wing of the Mensheviks. He was thus both a radical militant in the SPD Berlin party organization and a sympathizer of Potresov's extra-party right-wing Mensheviks around *Zapiski Sotsialdemokrata*. The paradox may reflect the fact that Bienstock was an original and unconventional figure. In the 1930s he wrote about the world economy and about geopolitics; his book, *The Struggle for the Pacific*, was translated into six languages. In the 1940s he became particularly interested in oriental

religion and philosophy. Bienstock also seems to have been a lively and stimulating personality who sought out contacts with individuals of all ideological complexions.¹²³

Among the themes of Bienstock's writings in the 1930s was a persistent reference to Europe, not as a geographical but as a cultural and spiritual concept.¹²⁴ The contrast between Europe as the incarnation of values, such as political freedom and social justice, as against the barbarism that had descended upon Germany was one of Hilferding's cherished themes as well, and it was the basis of the call, voiced by Schifrin also, to "bring Germany back into Europe."¹²⁵ Significantly, however, for Bienstock, fascist barbarism in the West had its counterpart in Bolshevik barbarism in the East. Hilferding may have tacitly adopted this identification from the outset.¹²⁶ Only in 1939-40, however, did Hilferding commit himself explicitly to such an identification, making it one of the premises for his assimilation of Germany and Russia under the common heading of "totalitarian."¹²⁷

If one could mistake Denicke, Schifrin or Bienstock for a German, no one could make the same mistake regarding Boris Ivanovitch Nikolaevskii.¹²⁸ Descended from eight generations of village clergy, Nikolaevskii was more firmly rooted in the Russian soil than any of the other exiled Mensheviks. Before being expelled from Russia in 1922, Nikolaevskii had never been abroad, although he had spent years of internal exile in Siberia. Even though he was to become a well known and respected historian in the West, Nikolaevskii never really mastered a foreign language; his German was makeshift, and his other tongues were even weaker. In spite of this handicap Nikolaevskii enjoyed close relations with many Western socialists. His ties to the Germans and his prestige among them were reinforced after 1933 by the fact that it was

Nikolaevskii who rescued SPD archives from Berlin, including the precious Marx-Engels Nachlass. It was also Nikolaevskii who served as intermediary on behalf of the SPD in various efforts to sell the archives or to place them in security.¹²⁹ Among the German socialists with whom Nikolaevskii was in closest contact after 1933 stood Rudolf Hilferding. This is confirmed not only by Nikolaevskii's own reminiscences but also by the files of the Paris police. During a period in 1936 when Nikolaevskii was under police surveillance Hilferding proved to be the most frequent visitor to Nikolaevskii's lodgings.¹³⁰ When Hilferding moved from Zurich to Paris in 1938 these relations intensified.

As a member of the Menshevik Foreign Delegation, Nikolaevskii was privy to all party debates. For a long time he seemed more interested in his scholarly pursuits than in politicking, contenting himself with following Dan and the Martov line. However the tragic fate of the Russian peasantry in the process of collectivization galvanized Nikolaevskii into reconsidering his political stance. Just as Nikolaevskii's encounter with the cruelty of the White armies towards the peasantry in the course of the Civil War had moved Nikolaevskii "leftward," so now the brutality of Stalin's war against the peasantry pushed Nikolaevskii in the opposite direction. Nikolaevskii denounced what he saw as a strong vein of "peasantophobia" among the Mensheviks in general and in Dan particularly--a phobia that Nikolaevskii was not afraid to link to Marxism itself. Nikolaevskii thus found it intolerable that anyone should find positive aspects to the crime being perpetrated against the peasants.¹³¹ Soon, Nikolaevskii's criticism had evolved into a general condemnation of the Martov line's indulgence in regard to the Soviet regime. By the end of the 1930's Nikolaevskii could find no positive quality

in the Bolshevik order and the terms used to describe this order--state capitalist, Bonapartist, Thermidorian, even fascist--failed to satisfy him. It was in these circumstances that Nikolaevskii turned to Hilferding for an attempt at a theoretical analysis of the new social formation emerging in the Soviet Union.

The Hilferding Article and its Aftermath

Hilferding's article, "State Capitalism or Totalitarian State Economy?" opened with a lament on the sorry state of contemporary Marxism. This lament was prompted by an article that had originally appeared in English in December 1939 and had been summarized in the previous issue of *Sotsialisticheskii Vestnik*.¹³² In this article R. L. Worrall had argued that the Soviet Union was a capitalist rather than a proletarian state. Even though private ownership of the means of production had been abolished, the process of capital accumulation was proceeding apace. The Stalinist bureaucracy may not resemble a capitalist bureaucracy in structure, but it was similar in function. In short, the Soviet Union represented capitalism in a state capitalist form. At the same time, Worrall affirmed that even though there had been a violent counterrevolution in Russia since Lenin's death, the Russian version of state capitalism constituted a transitional stage to socialism.

For Hilferding the proponents of such views were nothing but Marxist "scholastics."¹³³ They failed to acknowledge the fact that social and historical processes were frequently self-contradictory, containing both progressive and regressive potential. In trying to fit a new and original phenomenon, such as the Soviet Union, into the neat and mutually exclusive

categories of "capitalist" or "proletarian," these scholastics were deforming the very categories they were using. In Russia both the bourgeois state apparatus and the capitalist economy had been destroyed. How could one possibly describe the outcome of this double process of destruction as a form of state capitalism?

Even independently of Russian conditions, "the concept of 'state capitalism' can hardly pass the test of economic analysis." According to Hilferding, a capitalist economy is governed by the autonomous laws of the market. Indeed, it is the autonomy of the market rather than the existence of private property that constitutes the specificity of capitalism. A capitalist economy is a producers' economy, whereas a state-run economy is a consumers' economy. In a state-run economy, prices and wages continue to exist but instead of determining what is produced they become the state's means of distributing the production of society. There is no "profit" in such an economy because profit means the individual appropriation of surplus products. Nor is the process of accumulation similar in a state-run economy and a capitalist economy. Capitalists accumulate value derived from ever-expanding, profit-oriented economic activity. State functionaries in a state-run economy accumulate consumers' goods--"products that the central power wants in order to satisfy consumers' need." As Hilferding put it, "[t]he mere fact that the Russian state economy accumulates does not make it a capitalist economy, for it is not capital that is being accumulated." Moreover, could anyone really believe that a socialist economy would be able to do without accumulation?

As accumulation does not prove the existence of a capitalist economy, the fact that management of the economy is entrusted to bureaucracy does not make the bureaucracy into a capitalist ruling class. The bureaucracy is not a

unified group, its material benefits do not constitute an important portion of the social product, and it does not possess any independent basis of power. The apparent omnipotence of the bureaucracy only camouflages the real situation, that is, rule by a few individuals who seized state power, eliminated democracy and transformed the state apparatus to their own ends. These individuals--Lenin, Trotsky, and later, Stalin--"created the first totalitarian state--even before the name was invented."

The overriding historical significance of the process undergone by Soviet Russia--and experienced also in the countries where fascism and national socialism had taken power--was that the economy had lost the primacy that it had enjoyed in bourgeois society. As the totalitarian state realized its essential nature by subjecting the economy to its own aims, the economy was stripped of its own laws. Whether in Germany, Italy, or Russia, economic laws were replaced by subjective and irrational factors in decision-making. Instead of economics ruling politics, politics governed economics, and politics acquired such autonomy that the totalitarian state could only be compared, if at all, to the Praetorian regime of the late Roman empire.

Hilferding did not shy away from drawing out the implications of this historical development for Marxist theory. He criticized the "Marxist sectarian," who "like the faithful [believing] only in heaven or hell," sees only capitalism or socialism, bourgeoisie and proletariat. At the same time, Hilferding admitted that "we"--Marxists and democratic socialists--had never imagined that "the political form of that 'managed economy' which was to replace capitalist production for a free market, could be unrestricted absolutism." Even if the emergence of the totalitarian state could be attributed to exceptional circumstances, this development warranted a

rethinking of the correlation between economics and politics assumed by classical Marxism. As for the specific question that had prompted his piece, Hilferding concluded his article:

... the controversy as to whether the economic system of the Soviet Union is 'capitalist' or 'socialist' seems to me rather pointless. It is neither. It represents a *totalitarian state* economy, i.e. a system to which the economies of Germany and Italy are drawing closer and closer.

The *Sotsialisticheskii Vestnik* published Hilferding's article with an editorial note stating that the *Vestnik* would return to the questions raised here in a later issue. However, historical events intervened. Within several weeks of the article's publication Paris had fallen to the Germans, and Hilferding and the Mensheviks had joined the flood of refugees flowing into the unoccupied part of France. Over the next few months, thanks to the intervention of the AFL-CIO, some of these refugees, including most of the Mensheviks, set sail for America. However, in spite of the vigorous urging of Nikolaevskii and other friends, Hilferding decided to remain in France, whether out of lassitude, fatalism, or a false sense of security. He spent the last months of his life doing research on ancient civilizations in the municipal library of Arles and writing "Das historische Problem." Hilferding was arrested by the Gestapo early in 1941 and taken to prison in Paris, where he disappeared.¹³⁴

In the following years, the Mensheviks, now publishing *Sotsialisticheskii Vestnik* in their third exile New York, returned to the theme of Hilferding's article. Nikolaevskii wrote several pieces on Hilferding himself and the *Sotsialisticheskii Vestnik* reprinted Hilferding's article in 1946, although without the opening lament on the fate of Marxism and without some of Hilferding's introductory comments.¹³⁵ In 1947, this version of the article appeared in English in *Modern Review*, an ambitious journal that sought to

revive socialist theory in the aftermath of the World War.¹³⁶ The editors of *Modern Review* were two Americans--Travers Clement and Lewis Coser--as well as Hilferding's closest Menshevik associate, Georg Denicke. The "moving spirit" behind the *Modern Review* was the senior Menshevik, Rafael Abramovitch.¹³⁷ In the same year, Hilferding's article was also published in French in the *Revue socialiste* with an extended commentary by Boris Nikolaevskii.¹³⁸

In the course of the 1950s, the surviving Mensheviks made the theory of totalitarianism the lynchpin of their interpretation of the Soviet Union, even reading the germs of totalitarianism back into the events of the Second Congress of the RSDRP in 1903 out of which Bolshevism and Menshevism had emerged.¹³⁹ In the conditions of the 1950s, however, the circumstances that had given rise to the theory of totalitarianism no longer existed. Democratic Socialists were no longer agonizing over the attitude to adopt towards the Soviet Union, and the theory of totalitarianism, now dominant in academic circles and even within the American foreign policy establishment, no longer needed the authority of Hilferding to justify itself. When the American journal *Telos* published an article in 1979 by a member of the German New Left, describing the Soviet Union as a "totalitarian state capitalist" regime and regretting the fact that the left had neglected the theory of totalitarianism because of the theory's Cold War connotations, it was clear that the insight offered by Hilferding and the Menshevik debates underlying this insight had been forgotten.¹⁴⁰

Notes

1. Rudolf Gil'ferding, "Gosudarstvennyi kapitalizm ili totalitarnoe gosudarstvennoye khoziaistvo?" *Sotsialisticheskii Vestnik* [henceforth SV] 460, April 25, 1940.

2. Walter Laqueur, *The Fate of the Revolution: Interpretations of Soviet History* (New York: Macmillan, 1967), p. 172; and Tom Bottomore, "Totalitarianism" in Tom Bottomore, Laurence Harris, V. G. Kernan, and Ralph Miliband, eds., *A Dictionary of Marxist Thought* (Oxford: Basil Blackwell, 1983) p. 479, have recently drawn attention to the importance of Hilferding's article.

3. This section is based largely on André Liebich, *Les Mencheviki en exil face à l'Union soviétique*, ICES Research Report, no. 4, (Montreal: Interuniversity Centre for European Studies, 1982) 68 pp., which is an expanded and revised version of an article entitled "La critica menscevica alla costruzione dell'URSS e allo stalinismo" in Eric J. Hobsbawm, Georges Haupt, Franz Marek, Vittorio Stada, and Corrado Vivanti, eds., *Storia del Marxismo* vol. 3, pt. 2 (Turin: Einaudi, 1981), pp. 130-162.

4. In I. Martov, "Otvét Kritikam," SV 48, January 17, 1923.

5. In I. Martov, "Po povodu pis'ma tov. P. B. Aksel'roda," SV 8, May 20, 1921, which is a reply to "Tov. P. B. Aksel'rod o bol'shevizme i bor'be s nim," SV 6, April 20, 1921, and SV 7, May 4, 1921.

6. R. A. [R. Abramovitch] "Malen'kaia netochnost'," SV 5, April 5, 1921.

7. A. S. [Alexander Stein] "Bolshevismus und Proletariat in Russland," *Russisches Bulletin* 2, February 14, 1922.

8. "Pravo na samoopredelenie," SV 3, March 1, 1921 [editorial].

9. See Stephen F. Cohen, *Bukharin and the Bolshevik Revolution: A Political Biography 1888-1938* (New York: Alfred A. Knopf, 1973); Henri Weber, "La Russie soviétique et le 'pape du marxisme' Karl Kautsky" in Lilly Marcou, ed., *L'URSS vue de gauche* (Paris: Presses universitaires de France, 1982), pp. 13-40.

10. V. I. Lenin, "The Tax in Kind (The Significance of the New Policy and its Conditions)," *Selected Works* 3 (Moscow: Progress, 1971), pp. 590 ff.

11. D. Dallin, "Gosudarstvennyi kapitalizm," SV 58, July 1, 1923, and "Denatsionalizatsiia," SV 47, January 1, 1923.

12. Fyodor Dan, "Pervyi Shag," SV 49, January 31, 1923.

13. P. Garvi, a right-wing member of the Menshevik majority, expressed this ambivalence by speaking of "a social-Bonapartist oligarchy [which] in front of our eyes is turning into a bourgeois-Bonapartist one," "Bonapartizm

ili Demokratiia?" SV 69/70, December 17, 1923.

14. For a statement of this position see David Dallin, "O sushchnosti rezhima," SV 171, March 6, 1928.

15. For the Menshevik debate on Stalin and the factions within the Bolshevik party see [RSDRP], "K partiinoi platforme: tezisy D. Dalina, F. Dana, M. Kefali, G. Aronsona," Nicolaevsky Collection 18/2, Hoover Institution Archives.

16. Karl Kautsky, *Der Bolschewismus in der Sackgasse* (Berlin: J. H. W. Dietz Nachfolger, 1930), p. 101.

17. R. Abramowitsch, "Revolution und Konterrevolution in Russland: Das neue Kautsky-Buch Über Russland," *Die Gesellschaft* 8, no. 2 (1930), pp. 532-541.

18. For another statement of the Menshevik critique of Kautsky see Theodor Dan, "Probleme der Liquidationsperiode," *Kampf* 23 (December 1930), pp. 504-519.

19. Otto Bauer, *Kapitalismus und Sozialismus nach dem Weltkrieg* vol 1, *Rationalisierung-Fehlrationalisierung* (Berlin-Vienna: Wiener Volksbuchhandlung, 1931), pp. 220-224, and especially his article, "Die Zukunft der russischen Sozialdemokratie," *Der Kampf* 24 (December 1931), pp. 1-7.

20. "Die Zukunft der russischen Sozialdemokratie," p. 6.

21. R. Abramowitsch, "Stalinismus oder Sozialdemokratie," *Die Gesellschaft* 9, no. 1 (1932), pp. 133-147. Bauer's *Kampf* article is a reply to earlier articles by Dallin, Dan and Garvi in SV, by Abramovitch and Kautsky in *Die Gesellschaft*, by Decker (Denicke) and Grünfeld in *Die Arbeit*, as well as to articles by Potresov and Ivanovitch in *Zapiski Sotsialdemokrata*. The Menshevik reply to Bauer's *Kampf* article is Theodor Dan, "Tuares agitur," *Der Kampf* 25 (February 1932) pp. 59-71.

22. R. Abramovitch, "Perspektivy bol'shevizma i nashi zadachi," typescript of a lecture dated February 17, 1931 at the klub im. Iu. O. Martova, Berlin, transcribed in *Protokoly Berlinskoi Organizatsii*, copy in Nicolaevsky Collection 25B, Hoover Institution Archives.

23. Th. Dan, "Zur sozial-ökonomischen Entwicklung Russlands" *Die Gesellschaft* 9, no. 1 (1932), pp. 310-324.

24. Grigorii Aronson, "Russkii vopros na forum RSI (dokumenty vnutripartiinoi oppozitsii)," April 1930, in G. Aronson, *Bol'shevistskaia revoliutsiia i men'sheviki: stat'i i materialy k istorii sotsialisticheskoi mys'li v emigratsii* (New York: n.p., 1955), p. 90.

25. Grigorii Bienstock, letter to Karl Kautsky, May 3, 1929, Kautsky Archives, G-16, I.I.S.H., Amsterdam.

26. "Stalinismus oder Sozialdemokratie," p. 145.
27. Stepan Ivanovitch (Portugeis), "Aforizmy" [for S. Ingerman, 1938], Nicolaevsky Collection 23/4, Hoover Institution Archives, aphorism no. 24.
28. St. Ivanovitch, "Gosudarstvennyi kapitalizm i russkaia demokratiia," *Zapiski Sotsialdemokrata*, no. 14 (May 1932), p. 10, referring to Kautsky as his source.
29. A. Potresov, "Traditsiia Martova i sovremennaia deistvitel'nost'," *Zapiski sotsialdemokrata*, no. 11 (1931), pp. 7-15.
30. Olga Domanevskaia, "Mezhdunarodnoe rabochee dvizhenie i zadachi sotsial demokratii," lecture dated November 10, 1932, at the klub im. Iu. O. Martova, Berlin, transcribed in *Protokoly Berlinskoi Organizatsii*.
31. On the SPD in exile see J. Edinger, *German Exile Politics: The Social Democratic Committee in the Nazi Era* (Berkeley and Los Angeles: University of California Press, 1956); and Erich Matthias, *Sozialdemokratie und Nation: Ein Beitrag zur Ideengeschichte der sozialdemokratischen Emigration in der Prager Zeit des Parteivorstandes 1933-1938* (Stuttgart: Deutsche Verlags-Anstalt, 1952). Menshevik influence on the French SFIO was facilitated by the intermediary of Orest Rosenfeld, a Menshevik who was editor of the SFIO's *Le Populaire* and an intimate associate of Léon Blum. A letter from one SPD leader to another bears citation here: "The party press [in France] is essentially limited to the *Populaire*. It goes without saying that we German emigrants do not really exist for it. If anything happens in Germany it is not we who are asked for information but Dan, since it [i.e. the *Populaire*] is basically an organ of the Mensheviks. Winter, the correspondent of *Pravo Lidu* [the Czech socialist paper] here, said the same to me yesterday." R. Breitscheid to F. Stampfer, November 4, 1934, in *Mit dem Gesicht nach Deutschland: eine Dokumentation über die sozialdemokratische Emigration. Aus dem Nachlass von Fr. Stampfer*. Edited on behalf of the Kommission für Geschichte des Parlamentarismus und der politischen Parteien by Erich Matthias (Düsseldorf: Droste Vlg., 1968), p. 226.
32. Ernst Nolte, "Vierzig Jahre Theorien über den Faschismus" in E. Nolte, ed., *Theorien über den Faschismus* (Cologne-Berlin: Kiepenheuer und Witsch, 1967), p. 15.
33. Nolte, pp. 18-25, with reference in particular to Giovanni Zibordi's article of 1922 reprinted in the same volume, pp. 79-87.
34. Nolte, pp. 31-33, with reference to Turati's article of 1928 reprinted in the same volume, pp. 143-155.
35. With respect to the SPD this view is presented, and is energetically, but, to my mind, not entirely convincingly, refuted in Reinhard Sturm, "Julius Braunthal und die Anfänge sozialdemokratischer Faschismusinterpretation," *Internationale wissenschaftliche Korrespondenz zur Geschichte der deutschen Arbeiterbewegung* 17 (March 1981), pp. 1-14.

36. Oda Olberg, "Ist der Faschismus eine Klassenbewegung?" *Der Kampf* 17 (October 1924), pp. 390-398.

37. R. Abramovitch, "Nakanune pobedy fashizma," *SV* 67/68, November 27, 1923. Other articles on fascism in the *SV* during the period from 1921 to 1925 were written by S. Sumskaa, F. Dan and Ya. Marshak.

38. V. Schwartz (Alexandrova), "Mezhdunarodnoe polozhenie i russkaia sotsial demokratiia," typescript of a lecture dated January 28, 1932 at the klub im. Iu. O. Martova, Berlin, transcribed in *Protokoly Berlinskoi Organizatsii*, copy in Nicolaevsky Collection 25B, Hoover Institution Archives.

39. See Pierre Ayçoberry, *La question nazie: les interprétations du national-socialisme 1922-1975* (Paris: Seuil, 1979), especially pp. 59-61; and Nolte, "Vierzig Jahre Theorien über den Faschismus," pp. 47-49.

40. Les K. Adler and Thomas G. Paterson, "Red Fascism: The Merger of Nazi Germany and Soviet Russia in the American Image of Totalitarianism 1930's-1950's," *American Historical Review* 75, no. 4 (1970), pp. 1046-1064; as well as Robert Allen Skotheim, *Totalitarianism and American Social Thought* (New York: Holt, Rinehart and Winston, 1971).

41. S. Sumskaa, "Fashizm," *SV* 59, July 26, 1923.

42. See the comments by Alexandrova and Abramovitch in the discussion of Alexandrova's "Mezhdunarodnoe polozhenie i russkaia sotsial'demokratiia."

43. I. Talin, (S. Ivanovich-Portugeis), "Lenin, Horti (*sic*), Mussolini," *Zaria*, no. 8 (1922), pp. 248ff.

44. Nolte, "Vierzig Jahre Theorien über den Faschismus," pp. 19-46 *passim*.

45. See G. Aronson, "Posle pobedy natsizma," *SV* August 1933, reprinted in *Bol'shevistskaia revoliutsiia i mensheviki*, pp.65-70; as well as the discussion in E. Matthias, *Sozialdemokratie und Nation*, especially with reference to Georg Denicke (Decker) whose contribution is examined below, p. 48.

46. B. Sapir, "Sotsial'demokratiia pered problemoi fashizma," *SV* 294, June 10, 1933. On Kautsky's and Dan's reaction see B. Sapir, letter to author, June 25, 1985.

47. A. Potresov, "Revoliutsiia reaktsionnogo plebsa i germanskaia sots-demokratiia," *Zapiski Sotsialdemokrata* 19 (1933).

48. F. Dan, "Germanskaia katastrofa" *SV* 293, May 25, 1933.

49. J. Martov, *Le Bolchévisme mondial*, introduction by Th. Dan, translated by V. Mayer, preface by J. Lebas (Paris: Nouveau Prométhée, 1934).

50. Martov, *Le Bolchévisme mondial*, p. 54.
51. Otto Bauer, "Das Gleichgewicht der Klassenkräfte," *Der Kampf* 16, no. 2 (1924), pp. 57-67.
52. Domenico Fisichella, *Analisi del Totalitarismo* (Messina-Florence: G. D'Anna, 1976), pp. 18-19.
53. Joachim Radkau, *Die deutsche Emigration in den USA: Ihr Einfluss auf die amerikanische Europapolitik, 1933-1945*, (Hamburg: Bertelsmann, 1971), p. 226.
54. F. Dan, "Puti vrozozhdeniia," *SV* 370/1, August 14, 1936.
55. Otto Bauer, *Zwischen zwei Weltkriegen: die Krise der Weltwirtschaft, der Demokratie und des Sozialismus* (Bratislava: E. Praeger, 1936), p. 207.
56. Leon Trotsky, *The Revolution Betrayed: What is the Soviet Union and Where Is It Going?* [London: New Park Publications, 1973 (1st ed. 1936)].
57. A recent study writes "le concept de totalitarisme est alors [in the middle of the 1930s--AL] courant dans la littérature marxiste," Henri Weber, "La théorie du stalinisme dans l'oeuvre de Kautsky," in Evelyn Pisier-Kouchner, ed., *Les interprétations du stalinisme*, (Paris: Presses universitaires de France, 1983), p. 63. This affirmation seems to me exaggerated and, in respect to the Soviet Union, unfounded. Weber is also wrong, p. 75, in attributing to Kautsky's texts of the 1930s the influence of Hilferding's "State Capitalism or Totalitarian State Economy?" article published in 1940, after Kautsky's death. Martin Jänicke, *Totalitäre Herrschaft: Anatomie eines politischen Begriffes* (Berlin: Duncker & Humblot, 1971), p. 74 is more judicious in his more cautious evaluation.
58. As in the quotation from Trotsky, *Revolution Betrayed* and Bauer, *Zwischen zwei Weltkriegen* given above. The latter quotation is used by Weber in the passage cited above but without the inverted commas and in an inexact form to found his argument. The term also appears in inverted commas in Dan's "Puti vrozozhdeniia," cited above as well as in his "Dvadtsatiletie diktatury," *SV* 400, October 30, 1937, "Teror i konstitutsiia," *SV* 410, March 31, 1938, "Lozh i pravda o Sovetskom Soiuze," *SV* 413/4, May 23, 1938.
59. See, for instance, F. Dan, "Na istoricheskome perelome," *SV* 298, July 25, 1933, "K mezhdunarodnoi diskusii o russkoi sotsial demokratii," *SV* 262/3, January 27, 1932, and "Puti vrozozhdeniia."
60. F. Dan, "Fashizm, voina, revoliutsiia," *SV* 310, January 10, 1934 and *SV* 311, January 25, 1934.
61. This was also the official position of the LSI. See *L'Internationale et la guerre: theses d'Otto Bauer, Theodore Dan, Amédée Dunois et Jean Zyromski*. Preface by F. Adler (Paris: Nouveau Prométhée, 1935).
62. Matthias, *Sozialdemokratie und Nation*, pp. 251-255.

63. F. Dan, "O zadachakh sotsial demokratii," SV 341/342, May 25, 1935.
64. F. Dan, "O zadachakh sotsial demokratii."
65. O. Domanevskaya, "Bor'ba za sotsializm," SV 297, July 10, 1933.
66. F. Dan, "Dvadstatiletie dikatury."
67. F. Dan, "Lozh i pravda o Sovetskom Soiuze."
68. B. Nikolaevskii, "O lozunge 'bor'ba za legal'nost' i o lozungakh voobshche," SV 413/414, May 23, 1938; R. Abramovitch, "Zagadka moskovskogo protsesa," SV 372, August 30, 1936.
69. The Stalin Constitution aroused hopes even within the traditional right wing of the Menshevik majority. See P. Garvi, "Novaia sovietskaia konstitutsiia," SV 369, July 10, 1936.
70. V. Alexandrova, "Starye spory i novye fakty," SV 449/450, December 2, 1939.
71. "Rezoliutsiia Zagranichnoi Delegatsii RSDRP," SV 445, September 29, 1939.
72. F. Dan, "Pod gromom pushek" (part 1), SV 445, September 29, 1939.
73. F. Dan, "Pod gromom pushek" (part 11), SV 446, October 19, 1939.
74. R. Abramovitch, "Namereniia i diela Stalina," SV 446, October 19, 1939.
75. F. Dan, "Pod gromom pushek" (part III), SV 447/448, November 12, 1939.
76. F. Dan, "Pod gromom pushek" (part IV), SV 453/454, January 24, 1940.
77. B. L. Dvinov, "K partiinoi platforme," SV 458, March 24, 1940.
78. F. Dan, "Neobkhodimoe obiasnenie," *Novyi Mir* 1, March 20, 1940.
79. F. Dan, "Neobkhodimoe obiasnenie," *Novyi Mir* 1, March 20, 1940.
80. "Kapitulatsiia Finlandii," *Novyi Mir* 1, March 20, 1940 [editorial].
81. A. Mikhailov (A. Schifrin), "Upushchennye vozmozhnosti," *Novyi Mir* 1, March 20, 1940.
82. "Kapitulatsiia Finlandii."
83. Austriacus (O. Pollack), "O nekotorykh zabluzhdeniakh," *Novyi Mir* 4, May 25, 1940.

84. A. Rossi, "Fashistskaia Italiia i Sovetskaia Rossiia," SV 458, March 24, 1940.

85. B. Nikolaevskii to S.S. Garvi, letter of March 16, 1940, Nicolaevsky Collection 18, Hoover Institution Archives.

86. R. L. Worrall, "Iavliaetsiia li SSSR proletarskim ili kapitalisticheskim gosudarstvom?" SV 459, April 11, 1940.

87. For Hilferding's biography see Wilfried Gottschalch, *Strukturveränderungen der Gesellschaft und politisches Handeln in der Lehre von Rudolf Hilferding* (Berlin: Duncker und Humblot, 1962) and Alexander Stein, *Rudolf Hilferding und die deutsche Arbeiterbewegung* (Hannover: SPD, 1-46).

88. Benedikt Kautsky, introduction to Rudolf Hilferding, "Das historische Problem," *Zeitschrift für Politik* 1, no. 4 (1954), p. 293.

89. Leszek Kolakowski, *Main Currents of Marxism*, vol. II of *The Golden Age* (Oxford: Clarendon Press, 1978), pp. 297-304.

90. In *Kampf* 8 (October 1915) as cited by Gottschalch, *Strukturveränderungen*, p. 190.

91. See, for instance, R. Hilferding, "Sozialismus und Eigentum," *Sozialistische Bildung* 2 (February 1932).

92. Stein, *Rudolf Hilferding*, and Gottschalch, *Strukturveränderungen*, pp. 191ff

93. R. Hilferding, "Die Zeit und die Aufgabe," *Sozialistische Revolution* 1, no. 1 (1933), p. 1.

94. R. Hilferding, "Die Zeit und die Aufgabe," *Sozialistische Revolution* 1, no. 1 (1933), p. 5.

95. Richard Kern (R. Hilferding), "Totaler Staat, totaler Bankerott," *Neuer Vorwärts* 7, July 30, 1933.

96. I am indebted for this observation to Mr. Jürgen Fenske, letter author, August 8, 1984.

97. Richard Kern (R. Hilferding), "Scheitern der Wirtschaftskonferenz: das amerikanische Experiment," *Neuer Vorwärts* 7, July 30, 1933.

98. E. Matthias, *Sozialdemokratie und Nation*, p. 180 and A. Stein, *Rudolf Hilferding*.

99. B. Nikolaevskii, "Voina i taktik sotsialdemokratii" (part II), SV 557/558, December 27, 1944.

100. Compare Hilferding's position in "Die Zeit und die Aufgabe" (1933),

where Hilferding avoids the choice between "freedom" and "socialism" by saying that it is the "dynamics of the struggle of the working class" which are decisive--i.e. that this is a false choice--with his position in "Revolutionärer Sozialismus," *Zeitschrift für Sozialismus* 1, no. 5 (1934), pp. 145-151. See also an account by one of Hilferding's intimates who recounts Hilferding's complaints in the exile period about the lack of democratic passion among German workers, A. Shifrin, "Rudolf Hilferding," *Novyi Put'* 11/12, October 26, 1941.

101. B. Kautsky, introduction to "Das historische Problem."

102. Cited by Jürgen Fenske, letter to author, August 8, 1984.

103. R. Hilferding, "Das historische Problem."

104. On the Halle Congress see Julius Braunthal, *History of the International*, vol. II, 1914-1943, trans. John Clark, (New York-Washington: Frederick A. Praeger, 1967), pp. 221-223.

105. See E. Matthias, *Sozialdemokratie und Nation*, pp. 25-38.

106. Compare Hilferding's discussion of Germany, Italy, and "in a slightly different way" Japan as totalitarian states in a *Neuer Vorwärts* article of November 15, 1936 with his first (passing) reference to the Soviet Union as a totalitarian state in *Neuer Vorwärts*, January 1, 1939. Both articles have been reprinted in translation as respectively "Foundations of Foreign Policy" and "World Economy in Danger of War" in R. Hilferding, "The Modern Totalitarian State," *Modern Review* 1, no. 8 (1947).

107. B. M. Sapir, letter to author, June 25, 1985.

108. Neither standard reference sources such as the *Biographisches Handbuch der deutschsprachigen Emigration nach 1933* nor the main monographic studies, such as Matthias' and Edinger's take note of the Russian dimension of these individuals' lives.

109. On Denicke see the collection of biographical materials and selection of writings in Georg Denicke/Georg Decker, *Erinnerungen und Aufsätze eines Menschewiken und Sozialdemokraten*, with biographical contributions by Fritz Heine, Kurt Lachmann, Boris Nikolajewski, Solomon Schwarz, edited by Werner Plum (Bonn: Friedrich-Ebert-Stiftung, 1980).

110. Leopold H. Haimson, "Iurii Petrovich Denike (1887-1965)" *Slavic Review* 24 (1965), pp. 370-375.

111. "Rezoliutsiia Zagranichnoi Delegatsii RSDRP," November 27, 1927, copy in Abramovitch-Adler correspondence, LSI Archive 2623/166, IISG, Amsterdam.

112. See Matthias, *Sozialdemokratie und Nation*, p. 54. Denicke also makes an interesting and important comparison between Soviet Russia and Nazi Germany in the two regimes' common lack of a firm and identifiable class

basis. George Decker (Georg Denicke), "Erkenntnis als Aufgabe," *Zeitschrift für Sozialismus* 1, no. 9 (1934), reprinted in *Erinnerungen und Aufsätze*, pp. 179-184.

113. On Denicke's concept of "shattered elements" see his "Aufstand der Gescheiterten" in his *Revolte und Revolution: Der Weg zur Freiheit* (Karlsbad: Graphia, 1934) reprinted in *Erinnerungen und Aufsätze*, pp. 173-178.

114. Georg Decker (Georg Denicke), "Nicht Radikal genug!" *Sozialistische Revolution* 1, no. 1 (1933), reprinted in *Erinnerungen und Aufsätze*, pp. 173-178.

115. Georg Decker (Georg Denicke), *Revolte oder Revolution* cited in Edinger, *German Exile Politics*, pp. 134-135.

116. The leftist connotation of Denicke's views is brought out by Matthias, *Sozialdemokratie und Nation*, pp. 54ff. From the point of view of this paper Denicke's critique of the SPD Prague Programme of 1934 is particularly relevant. Here, Denicke argues that the only true critique of the Nazi total state is a critique of the total state in general and a commitment to democracy as against étatisme. "Am Leben Vorbei," *Zeitschrift für Sozialismus* 2, no. 14 (1934), in *Erinnerungen und Aufsätze*, pp. 184-191.

117. For biographical information see *Biographisches Handbuch der deutschsprachigen Emigration* and *The New York Times* obituary on Max Werner (Schiffrin's pen name), January 9, 1951.

118. See, for example, A. Schiffrin, "Revolutionärer Sozialdemokratie," *Zeitschrift für Sozialismus* 1, no. 3 (1933). On Schiffrin in the SPD in exile see Gottschalch, *Strukturveränderungen* p. 230, Matthias, *Sozialdemokratie und Nation*, p. 186, Edinger, *German Exile Politics*, pp. 80, 143-144.

119. A. Schiffrin, "Die Konsequenzen des revolutionären Programms," *Zeitschrift für Sozialismus* 1, no. 9 (1934), p. 288.

120. A. Shiffrin, "Trotskii i Trotskizm," *SV* 310, January 10, 1934.

121. A. Shiffrin, "Rudolf Hilferding."

122. For biographical information on Bienstock see S. M. Schwarz, "Pamiati G. O. Binshtoka 1887-1954," *Novoe Russkoe Slovo*, December 21, 1954.

123. Author's interview with Leon Schapiro, April 4, 1984. Bienstock also sought out a meeting with Trotsky, L. Sedov to L. Trotsky, February 19, 1934, letter in Hoover Institution Archives, text conveyed by courtesy of Pierre Broué.

124. See Matthias, *Sozialdemokratie und Nation*, p. 176

125. A. Schiffrin, "Revolutionäre Sozialdemokratie," *Zietschrift für Sozialismus* 1, no. 3 (1933), p. 89.

126. On Hilferding's references to the sources of Soviet foreign policy as lying in Russian power politics considerations rather than in the interests of the working class, a theme developed by Bienstock, see Richard Kern (R. Hilferding), "Die Politik der Sowjetunion: Kommunistische Ideologie und Machtpolitische Realität," *Neuer Vorwärts*, December 6, 1936.

127. Walter Schlangen in an excellent study, *Die Totalitarismus Theorie: Entwicklung und Probleme* (Stuttgart: Kohlhammer, 1976), misdates Hilferding's article by three years.

128. See the biographical essays by L. Kristof, P. Moseley in Alexander and Janet Rabinowitch with Ladis Kristof, *Revolution and Politics in Russia: Essays in Memory of B. I. Nicolaevsky* (Bloomington-London: Indiana University Press, 1973) as well as the essay by Boris Sapir, "Boris Ivanovic Nikolaevskij" in Maria Hunink, Jaap Kloosterman, Jan Rogier, *Over Buonarroti* (Baarn: Wereldvenster, 1979), pp. 367-375.

129. Paul Mayer, "Die Geschichte des sozialdemokratischen Parteiarchivs und das Schicksal des Marx-Engels-Nachlasses," *Archiv für Sozialgeschichte* 6/7 (1966/1967), pp. 90-123.

130. Paris. Préfecture de Police, "Au sujet du cambriolage du 7 novembre, 7 rue Michelet," file B/A 1626.

131. Boris Nikolaevskii, "Algebra i arifmetika," transcript of a lecture at the klub im. Iu. O. Martova, Berlin, March 26, 1931, in *Protokoly Berlinskoi Organizatsii* and his comments to Dan's lecture, "Sovremennoe polozhenie i zadachi russkoi sotsial-demokratii," March 10, 1932.

132. R. L. Worrall, "USSR: Proletarian or Capitalist State?" *Left* 39 (December 1939).

133. All references pp. 54-56 are to Hilferding's article "Gosudarstvennyi kapitalizm ili totalitarnoe gosudarstvennoe khoziaistvo?"

134. See B. Nikolaevskii, "Teoreticheskoe zaveschchanie R. Gil'ferdinga," *SV* 593/594, January/February 1947.

135. The reprint of the Hilferding article appeared in *SV* 585, May 22, 1946. In addition to Nikolaevskii's article cited immediately above, see his "O klassovoi strukture totalitarnykh gosudarstv," *SV* 471, March 26, 1941 and *SV* 471 (*sic*) April 12, 1941, as well as Boris Goldenberg, "Kriticheskie zamechaniia k state R. Gil'ferdinga," *SV* 587/588, April 20, 1946, and B. Dvinov, "Sotsial'naia baza komfashizma," *SV* 590, October 23, 1946.

136. Rudolf Hilferding, "State Capitalism or Totalitarian State Economy?" trans. Nina Stein, *Modern Review* 1, no. 4 (1947), pp. 266-271. It is this version which has been used in the extracts published in Sidney Hook, *Marx and the Marxists: The Ambiguous Legacy* (Princeton: D. Van Nostrand, 1955), pp. 239-243, as well as by C. Wright Mills.

137. Daniel Bell, Introduction to reprint edition of *Modern Review* in *The*

American Radical Press 1880-1960, edited with an introduction by Joseph R. Conlin, vol. II (Westport-London: Greenwood Press, 1974).

138. Boris Nicolaievski, "Nature de l'Etat soviétique: capitalisme? socialisme? Ou quoi?" *La Revue socialiste* December 16, 1947. This is a translation of his "Teoreticheskoe zaveshchanie R. Gil'ferdinga."

139. On totalitarianism as the key to understanding the Soviet regime see Raphael R. Abramovitch, *The Soviet Revolution* (New York: International Universities Press, 1962), p. 454. On totalitarianism and the Second Congress see N. Valentinov-Volskii, "Men'sheviki i problema vlasti," manuscript in Menshevik Project Archives, Columbia University, New York; and Isaiah Berlin, "Political Ideas in the Twentieth Century," *Foreign Affairs* 28 (April 1950), pp. 351-385

140. Andreas Wildt, "Totalitarian State Capitalism: On the Structure and Historical Function of Soviet-type Societies," *Telos* 41 (Fall 1979), pp. 33-57.

