

A Breakdown of Breakdown: A Potted Account of Marxist Breakdown Theory

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Abstract:

Zusammenbruchtheorie, the theory of capitalist breakdown: to be expunged from reasonable discourse or a welcome apparition at the Marxist feast? In this article I discuss the theory's historical reception before gauging to what extent this unfashionable piece of Marxism still vexes. I consider its key themes and its discursive consideration in its key phase, the period of Social Democratic Marxism. I suggest that the theory needs to be seen politically; that is, a means to judge political change based on an economic rationale. Its *immanent* understanding has tended to be overblown as regards being central to the theory. Throughout its history, the theory has been a means to debate and discuss, not for necessarily fixing a date in the diary for the end of the capitalist mode of production

Keywords:

Breakdown theory; Social Democratic Marxism; Kautsky; Bernstein; Grossman

Introduction

That the theory of breakdown (*Zusammenbruchtheorie*) is not part of polite Marxist discussion is widely accepted. 'There is no theory of the automatic breakdown of the system' wrote Lawrence Wilde in the early 1990s; more recently Michael Heinrich has taken to task misleading talk about systematic explanations for capitalist collapse in Marx's critique of political economy.¹ For David Harvey, 'Marx is famously supposed to have said that capital would ultimately collapse under the weight of its own internal contradictions. I cannot actually find where Marx said this,

1. (Wilde 1991: 286); (Heinrich 2012: 175-176).

and from my own reading of him I think it extremely unlikely that he would ever have said such a thing'.² 'Although Marx clearly viewed the creation of evermoreformidable barriers as part of the development of capital,' points out Michael A. Lebowitz, 'a breakdown [*Zusammenbruch*] is not part of Marx's economic model'.³

Who indeed wishes to be labelled an advocate of this unfashionable theory of breakdown (henceforth ZBT), particularly in its time-honoured form, namely an inevitable disintegration of the capitalist mode of production, under the weight of its own crisis-ridden contradictions, which generates a definitive existential crisis, *the* point of no return between capitalism and the next communistic social order? Cometh the next global economic crisis, cometh the end of capitalism, cometh the left. In ZBT the left has its own legend, 'a variation of a wider theme in socialist theory of capitalism in terminal stagnation and decline'.⁴

For sensible Marxists, such a formula, with its emphasis on political quietism, is best avoided. For example, in the case of Michael Hardt and Antonio Negri, their concern regarding a certain charge prompts them to state in *Empire* '[w]e do not mean to suggest that this crisis and these barriers will necessarily lead capital to collapse'.⁵ 'For the left,' argues Heinrich, 'the theory of collapse of capitalism has historically always had an excusatory function: regardless of how bad contemporary defeats were, the opponent's end was a certainty'.⁶ Even Marxist blogger Michael Roberts, a supporter of potentially Marx's most logically consequential account of ZBT, the law of the tendency of the rate of profit to fall (TRPF), contends that '[c]apitalism can only be replaced by a new system of social organisation through conscious action' of the global working class.⁷

In this article, I first sketch the general problematic of ZBT before moving onto to discuss the theory's historical reception,

2. (Harvey 2014: 220-221).

3. (Lebowitz 2009: 127).

4. (Albo, Gindin and Panitch 2010: 18).

5. (Hardt and Negri 2001: 222).

6. (Heinrich 2012: 178).

7. (Roberts 2012).

mainly focusing on the most intense phase of ZBT scrutiny. This was the period of Social Democratic Marxism (SDM), a body of thought whose chief sin is often considered to be ZBT. It is within the context of SDM, the Marxism of the Second International, that ZBT had most illocutionary power. Although ZBT is, from time to time, reanimated – see statements by Robert Kurz and recent attempts to revive Henryk Grossman’s ‘Leninist’ ZBT by Deutscher Memorial Prize winner Rick Kuhn⁸ – it is within the context of SDM that debates around ZBT spoke to a certain strategic consideration of the period: whether socialism was an organic process of capitalism reordering itself in a socialist form or a transcendent stage of human activity beyond the capitalist mode of production. According to Wilhelm Kolb, it was a matter of whether the socialist party, organ of the working class, ought to seriously contemplate cooperation with other bourgeois parties and elements ‘inside the existing order’ to its ends. Should the party only acquire institutional power and influence, not just ultimate state power, before any spurious ‘decisive battle’?⁹ For Rosa Luxemburg, what was of uttermost significance was a revolutionary reaction to the damaging tendencies of the existing order, ‘conscious fight-back in the form of organised struggle’.¹⁰ ‘What it [capitalism] offered,’ a Luxemburg biographer contends, ‘was some preconditions and a threat and it required a concerted initiative on the part of the proletarian historical agent to put the first to good use and to pre-empt the second’.¹¹ In the SDM era, ZBT’s economic basis, the question of whether there was an immanent law of dynamic capitalist development, was beside the point. As pointed out by the author of the most comprehensive monograph on ZBT in the period of SDM, Rudolf Walther, what was at stake was not the proof for capitalism’s automatism delivering the future socialist commonwealth per se, but the political response of organised socialism to the generic lessons of Marx’s critique: ‘what was debated as “the theory of

8. (Kurz 2012); (Leslie 2014); (Kuhn 2009).

9. (Kolb 1910: 1185).

10. (Luxemburg 1974: 609).

11. (Geras 2015: 35-36).

breakdown” in Social Democracy between 1890 and 1914 often had more to do with questions concerning the political actuality (*Gehalts*) of Marxian theory than with specific economic problems’.¹² Following my recap of ZBT and SDM, I close my discussion of ZBT with a consideration of its central ‘promise’; namely, the tendential unravelling of the capitalist mode of production to a stage of no return and the instigation of a communal association of producers by a revolutionary-minded proletariat as correlate.¹³

I do not intend to highlight ZBT in stark linear terms (a crude hypothesis that got conceptually more sophisticated and ‘less’ ZBT) or in terms of its epistemic credibility – a fictive *post hoc* invention or philologically reconstructable from Marx. I take a more oblique, pragmatic tack. Given the revolutionary imperative of organised Marxist thought to instigate ‘the political overthrow from below of one state order, and its replacement by another’,¹⁴ is preparing, in some form or other, for capitalism’s downfall helpful to revolutionary organisation? Or is it the case that ZBT is ‘conservative’, that it gives credence ‘to political passivity and to a diminished role for class action in social change’?¹⁵

Present Sir!

One formulation sums up ZBT of popular consumption. In the first volume of *Capital*, Marx’s description of ‘The Historical Tendency of Capitalist Accumulation’ offers a powerful precis of capitalist development. ‘[W]ith the inexorability of a natural process’, capitalism, the mode of capitalist production, does away with itself, ‘the action of the immanent laws of capitalist production itself’. Thanks to ‘centralization’ i.e. ‘the constant decrease in the number of capitalist magnates’, ‘the entanglement of all peoples in the net of the world market’, the growing ‘mass of misery, oppression, slavery, degradation and exploitation’ and ‘the revolt of

12. (Walther 1981: 21).

13. ‘That the workers want to create the conditions of co-operative production in all society, and hence first on a national scale, means only that they are working for the overthrow of present-day conditions of production...’ (Marx 1996: 221).

14. (Anderson 1984: 112).

15. (Hansen 1985: 142-144).

the working class' – a class being equipped, 'united and organized by the mechanism of the capitalist process of production' –, there is a conjuncture at which said working class achieves 'co-operation and the possession in common of the land and the means of production produced by labour itself'. 'This is the negation of the negation'. An 'integument is burst asunder'. Marx cites at this point the *Communist Manifesto* and its 'gravediggers' metaphor, an historical actor – the bourgeoisie – preparing its own historical exit and the society that supported its ascendancy and rule.¹⁶

From this set of paragraphs in *Capital* was derived the Erfurt Programme, the ur-text of SDM, that, following its 1891 adoption, framed the SDM understanding of the development of capitalism and the duties of political parties. As acknowledged by the Programme's author Karl Kautsky,¹⁷ the Programme was firmly rooted in the prognoses of Marx's 'Historical Tendency' in *Capital*, outlining, in its first half, a concentration of industrial ownership, class polarisation – a shrinking, but powerful bourgeoisie versus a growing body of proletarians –, 'crises which are becoming ever more large-scale and devastating'¹⁸ and social ownership arising out of the failures of capitalist production, complete with a proletarian party standing by to secure state control.

In the case of Marx and his collaborator and chief populariser Friedrich Engels on ZBT, there are other telling remarks. For example, one has the phrases of 'iron necessity' and 'inevitable results' in the preface to *Capital*.¹⁹ There is also TRPF in the third volume of *Capital*. Here Marx discusses 'the rapid breakdown of capitalist production, if counteracting tendencies were not constantly at work alongside this centripetal force'.²⁰ In Engels's remarks in his preface to the 1885 edition of *The Poverty of Philosophy*, we get a stark reminder that 'Marx, therefore, never based his communist demands upon this [the extraction of surplus value], but upon the inevitable collapse of the capi-

16. (Marx 1990: 929-930).

17. (Kautsky 1974: xx).

18. (Kautsky 1974: 2).

19. (Marx 1990: 91).

20. (Marx 1991: 355).

talist mode of production which is daily taking place before our eyes to an ever greater degree'.²¹ Engels's recourse to ZBT in this preface was a favourite source for the chief populariser and scourge of the notion of a fully-formed orthodox Marxist ZBT, Eduard Bernstein.²² Bernstein quoted Engels's remark in his famous *The Preconditions of Socialism* (1899), before finding that the inevitable collapse prophesied was not taking place to an ever greater degree.²³ In his lecture, Bernstein cited it again to show official Marxist indifference to redistributive socialist ethics.²⁴

Engels devoted a good many words to elaborate upon a view of capitalist development heading in a catastrophist, irredeemable direction that mandated its own negation. In an 1883 letter to German Social Democratic leader August Bebel he noted 'the great crash will quite surely come'.²⁵ In his 1886 Preface to the English edition of *Capital* Engels spoke of '[t]he decennial cycle of stagnation, prosperity, overproduction and crisis, ever recurrent from 1825 to 1867' running 'its course; but only to land us in the slough of despond of a permanent and chronic depression'. There would come 'the moment' where an agent, in this case 'the unemployed, losing patience, will take their own fate into their own hands'.²⁶ In *Socialism: Utopian or Scientific* (1892) Engels marked capitalism's 'inevitable downfall', its "vicious circle" and how 'the whole mechanism of the capitalist mode of production breaks down under the pressure of productive forces'.²⁷ In his correspondence Engels speculated on the 'mathematical calculation' of the proletarian party's coming to power, 'pinpointing the actual time of its ultimate victory'.²⁸

Critically, though, for those who would cast ZBT as another En-

21. (Engels 1962: 178).

22. Bernstein triggered reflection on an alleged ZBT with his 1898 reference to 'a total collapse of the capitalist system by way of its own contradictions' (1898: 555).

23. (Bernstein 1993: 56).

24. (Bernstein 1976: 61-62).

25. (Engels 1997a: 23).

26. (Engels 1990: 113).

27. (Engels [n.d]: 93; 113; 115).

28. (Engels 1997b: 213).

gelsian corruption of Marxist thought, it is perhaps more accurate to name Engels the father of crisis theory, detailing crisis-ridden economic developments which constitute ‘a hinderance’²⁹ to the socialist cause, imperative to overcome, not necessarily a specific conclusion following capitalism’s logical *telos*. Thus, Engels talked of a ‘solution’ to the crisis-ridden economy, the proletariat’s coming to power through possessing state power. The proletariat are ‘forced’ to take that course of action – they are left precious little choice – but there is more than a hint of rationality in Engels’s appeal: it is the right thing to do on the part of organised labour.³⁰ Capitalism has to be rescued from itself; the option of better management, as opposed to an ultimate breakdown, is what does for capitalism. Engels’s alleged crude economism – his one-sided focus on economic forces – is a limited form of economism in that the immanent aspect of Marx’s critique of political economy is side-lined in favour of Engels’s appeals to tackle the anarchy of capitalist production. ‘[T]o *protect* the products and productive forces produced by bourgeois capitalist society against the destructive, ravaging effect of this capitalist social order’ was the mission of ‘socialist revolution’.³¹ Moreover, in the letter in which he referred to mathematically calculating victory, Engels also notes his disappointment with the failure in archetypal (when compared with the Germany of the 1880s) capitalist nations such as England and France of the socialist party to break through or register a success. ‘If there is to be another revolt against capitalist production’, Engels thought, ‘there must be another, more powerful impulse, such as the ousting of England from the dominant position she has hitherto occupied in the world market, or some special revolutionary opportunity in France’. Relying on such exogenous intrusions hardly suggest that capitalism would deliver revolution itself. For all of Engels’s use of phrases such as ‘the irresistible progress’, he was very much concerned with the resistibility of progress and the need for a political body acting judiciously and in their

29. (Engels [n.d]: 127).

30. (Engels [n.d]: 120-123).

31. Quoted in (Hollander 2011: 334).

own interest.³²

Other important statements for this first presentation of ZBT, alongside Engels's, are Kautsky's and August Bebel's, preeminent Social Democratic representative of the interpretation of 'the development of capitalist society as an inevitable (*naturnotwendig*) process, at whose end point the organised proletariat could simply assume the authority that had slipped from the grip of bourgeois society'.³³ In his oft-republished commentary on the Erfurt Programme, Kautsky argued that 'the breakdown of the present social system' was 'unavoidable, because we know that economic evolution inevitably brings conditions that will compel the exploited to rise against this system of private ownership'.³⁴ To Kautsky, 'the capitalist social system has run its course . . . Irresistible economic forces lead with the certainty of doom to the shipwreck of capitalist production.'³⁵ '[S]ocialist production must, and will, come. Its victory will have become inevitable as soon as that of the proletariat has become inevitable'.³⁶ In Bebel's conception of the downfall of the bourgeois order, Social Democrats 'need only await the moment in which to pick up the power that falls from its grasp'.³⁷ There was no doubt about the direction of history. On the floor of the *Reichstag*, Bebel spoke of 'the law of development, through which our social order more and more embarks upon its further development and refinement, and also towards its ultimate downfall'.³⁸

Looking at Bebel's and Kautsky's conception of ZBT, one recognises 'the notion of its inevitable replacement by a *higher* form of social organization, i.e. with the inevitability of socialism'.³⁹ ZBT can be seen, in this light, as two different theories: one, the search for capitalism's endogenous demise; the second, that a higher form of society is a necessary result of the capitalist mode

32. (Engels 1997b: 213-214).

33. (Steinberg 1979: 60).

34. (Kautsky 1974: 102).

35. (Kautsky 1974: 131-132).

36. (Kautsky 1974: 221).

37. Quoted in (Henning 2014: 26).

38. (Bebel 1893: 816).

39. (Mandel 1991: 79).

of production's demise. What Bebel and Kautsky proposed was not just establishing fault lines in the reproduction of capitalist accumulation, but moreover, the connection between a socialist state of affairs succeeding the shipwreck of capitalist production and the state of capitalism. In their conception, as per the point regarding Engels's view on capitalist breakdown, the economism in Kautsky and Bebel is limited. While using vivid language and picking up themes in Marx on the temporality and non-equilibrium of the capitalist mode of production, it is hard to say that their ZBT offers a full-blown, profoundly immanent account of capitalist collapse on its own terms. The capitalist economy certainly largely prepares the ground for an agent to act, and is in no sense reproduceable long term, but its decline does not engender its epochal transition inasmuch as provides a host of possibilities for an agent, the party, to advance its cause. Is it the case that a *bona fide* ZBT is being proposed here, or more a crisis theory stressing the vulnerability of capitalist reproduction, far removed from delineating a negation of the negation?

Whatever the subtleties, works of recent Marx scholarship continue to cast the familiar aspersions towards ZBT. In Gareth Stedman Jones's *Karl Marx: Greatness and Illusion*, it is argued that 'expansive claims' were made about Marxist theory by the first generation of Marxists. ZBT writ large 'the idea...that capitalism would come to end, not so much as the result of the workers' revolt, as because in the absence of new markets to exploit the system would reach a point of terminal breakdown'.⁴⁰ In his *Capital in the Twenty-First Century*, Thomas Piketty talks of avoiding 'Marx's prediction of an apocalyptic end to capitalism'. Marx, for Piketty, set himself the 'task' of being the theorist of the industrial distress of the 1840s, taking the 'long-term evolution' of the capitalist economic system as his starting point and ending with claims regarding the structural impossibility of capitalist equilibrium, a crisis of profitability, the intensification of competition, and a growing excluded mass of revolutionary workers.⁴¹ Both these encapsulations of ZBT contain an underappreciation

40. (Stedman Jones 2016: 3).

41. (Piketty 2017: 10-11).

of certain shifts in ZBT's interpretation. In Stedman Jones's summary, the 'not so much' allows for the limited economism point I have already made, seeing as it concedes that the Marxists who allegedly spread ZBT were not so deterministic as to fail to push and argue for the idea of workers revolt and an organised movement, properly equipped, to carry it out. The emphasis on capitalism's ruthless expansionary quest for new markets in Stedman Jones's comments echoes a point made forcefully in Luxemburg's *The Accumulation of Capital*. This 1913 critique was, though, very much of the imperial stage of ZBT interpretation, unlike 1890s and early 1900s conceptions of Engelsian cyclical business crises, or the account of long-term overproduction and underconsumption given by Kautsky before he shifted to a more dynamic crisis theory after 1902.⁴² As for Piketty's synopsis, the 'theory' element of ZBT is rather overdone, particularly when we consider the now more expansive understanding of Marx's critique of political economy 'project'. Marx made allusions to capitalist end times, and to ways to get there, but did he articulate a *theory* of capitalist breakdown, complete with unimpeachable deductive reasoning? Marx's famous prognoses and relish for capitalism's 'big storms'⁴³ are not proof for adducing a necessary collapse of capitalism out of Marx.

Reception

In ZBT's contested tale, it is worth noting its curious inception. ZBT debate was at its most intense in the 1890s and 1900s, the heyday of SDM. According to a critic of the theory Ludwig Woltmann, by 1899 ZBT 'had established itself in popular consciousness'.⁴⁴ Its popularity, its place in the firmament of theoretical debate, was somewhat paradoxical. As with other so-called Marxist theories, the theory of immerisation for instance,⁴⁵ ZBT's very existence was denied, by its alleged supporters and its devout critics, albeit with the former focusing on ontological grounds,

42. (Sweezy 1946: 216).

43. (Marx 1987: 412).

44. Quoted in (Steinberg 1979: 93).

45. (Sozialdemokratische Partei Deutschlands 1903: 369).

the latter more on epistemological. No sooner alive was ZBT pronounced 'dead'.

The fundamental illegitimacy of ZBT was then a strange matter of agreement for both its orthodox and radical Marxist 'proponents', those who defended the Erfurtian settlement, and Revisionist-Reformists, like Bernstein, highly critical of the Erfurtian account of capitalist development. For Kautsky, ZBT was a fiction. There was no terminal ruin of capitalism that would foster revolution. He stated this most clearly in several places, in his reply to Bernstein's *Preconditions*,⁴⁶ in pointing out the democratic possibilities of acquiring power in liberal nation states⁴⁷ and in his 1927 *Die materialistische Geschichtsauffassung*: '[t]he prospects of socialism depend not on the possibility or necessity of a coming collapse or decline of capitalism, but on the hopes we must have that the proletariat attains sufficient strength'.⁴⁸

The last statement has been seen as confessional, a sign of Kautsky finally losing any confidence that capitalism would promote revolutionary change, in a socialist direction, of its own accord.⁴⁹

For the Revisionist-Reformists, attempts to disavow ZBT were not plausible. For Bernstein, such protestations and denials were in vain, especially if one considered ZBT's facets such as the unsustainability of capitalist production as presently observed, the zero-sum implications of conceiving the current social order as doomed and the passivism associated with a law-derived understanding of history. This understanding committed orthodox Marxists to a belief in, as put by Revisionist Paul Kampffmeyer, 'the dissolution' of capitalism under its own weight of irrevocable differences.⁵⁰ In the most sophisticated attempt to refute ZBT on immanent Marxian grounds, in works such as *Studien zur Theorie und Geschichte der Handelskrisen in England* (1901) and *Theoretische Grundlagen des Marxismus* (1905), Mikhail Tugan-Baranovsky argued that, whatever the contested nature

46. (Kautsky 1899: 43).

47. (Kautsky 1974: ix).

48. Quoted in (Grossman 1992: 56).

49. (Sweezy 1946: 207-208).

50. (Kampffmeyer 1901).

of the concept of 'breakdown', Marx and the Marxists thought 'the development of the capitalist mode of production sooner or later has to create the conditions under which the realisation of surplus value becomes economically impossible'.⁵¹

To Bernstein, 'the theory of the inevitable *economic* breakdown of bourgeois capitalist society' was 'untenable', a belief he also saw behind Kautsky's pronounced shift away from the notion of a singular collapse and towards proclaiming 'the increasing frequency, vehemence, and expansion of economic crises'. For Bernstein, for a host of counter developments to the Erfurtian economic model – such as the state's redistributive capacity to manage slumps and the increase not decrease in individual capitalists – 'we should not count on impending economic breakdown'. The vision of some form of catastrophic conjuncture was similarly ameliorated by another important social process, 'increasing democratisation'.⁵² It was this 'subjective' side of development that Bernstein wanted to accent, the control being exercised upon a rapacious capitalism by workers and those representing their interests. 'As soon as one discards the idea of a "great breakdown", one can pay more attention to real developments, like socialist activities on a municipal level, the social importance of unions as vehicles for enhancing economic life, and the expansion of workers' consumer cooperatives'.⁵³ Bernstein was keen to promote the extent to which organised workers could institute socialism presently, an ostensibly more radical ambition than its postponement to an objective revolutionary moment in the Erfurtian schema.

Kautsky's and Bernstein's conflict led to concrete different tactical inferences – to cooperate or not with institutions tarred by bourgeois allegiance, for example. However, as emphasised in many histories of SDM, not least in the recent republication of Jukka Gronow's *On the Formation of Marxism: Karl Kautsky's Theory of Capitalism, the Marxism of the Second International and Karl Marx's Critique of Political Economy* (2016), Kautsky,

51. (Tugan-Baranovsky 1901: 230).

52. (Bernstein 1996a: 59-61).

53. (Bernstein 1996b: 78).

Bernstein, orthodox Marxist, Revisionist-Reformist alike were on the same ground as regards their theoretical underpinnings. They had in common an essential pre-value critique, pre-Hegelian SDM-ness, and ZBT was set against this general framework. What concerned both Kautsky and Bernstein was what Lucio Colletti has called the “factorial” approach.⁵⁴ Assuming that the objective economy and the subjective agent are independent and determinant, that they are ‘partially autonomous’,⁵⁵ the key SDM calculation involved assessing and ascertaining that which assumed the whip hand in a given field of analysis. In Bernstein’s case, he was more liable to highlight opportunities for organised socialism to intervene within the capitalist order, and in Kautsky’s, to highlight the extent to which capitalism was failing or mitigating against class interest, but neither ‘father’ of ZBT wanted anything to do with it, if its non-reflective, necessary interpretation undermined the consideration of the objective or subjective as active considerable, quasi-independent factors in socio-historical analysis.

In Kautsky’s case, his 1927 confession is not then a confession so much as confirmation that he took proletarian action to be decisive, in line with the assertion in the same year by Rudolf Hilferding ‘that the overthrow of the capitalist system is not to be fatalistically awaited, nor will it come about through the workings of the inner laws of the system, but that it must be the conscious act of the proletariat’.⁵⁶ Kautsky’s inclination was to specify grounds for revolutionary take-off, using factors in both the objective and subjective set to that end. In 1902 he posited that ‘[t]he continued existence of capitalist production remains possible, of course, even in a marked state of chronic depression, but it becomes completely intolerable for the masses of the population; they are forced to escape this general misery, and they can only find such a way in socialism’.⁵⁷ In his 1909 *Der Weg zur Macht*, Kautsky spoke of strengthening working class

54. (Colletti 1972: 69).

55. (Mandel 1991: 82).

56. Quoted in (Sweezy 1946: 208).

57. (Kautsky 1902: 141).

agency,⁵⁸ of Social Democrats supporting, in certain circumstances, weapons such as the mass strike.⁵⁹ This was linked to taking the working class as they were, their situation in the social relations of their time, and thus was in line with the realism and anti-romanticism found in the Revisionist aversion to loose revolutionary talk. Building working class organisation allowed the proletariat to act when appropriate, in reaction to events, any war for example, that exposed the ruling class for what it was.⁶⁰ Over the course of Kautsky's shifting conception of capitalism's development, whether in his 1890s belief that capitalism's weakness was the lack of effective demand,⁶¹ to his early 1900s picture of worsening crises, to his later organised capitalism views, Kautsky was posing the question of the possibilist prospects of socialism in relation to the dominant mode of production.

As was Bernstein also. Like Kautsky, he sought to justify the grounds for socialism on both objective and subjective grounds. His main ideological argument was that the fallacy of a ZBT threatened the progressive, piecemeal introduction of socialism; the ethical, democratic desirability of socialism.⁶² For this subjective conception of the role of organised socialism, Bernstein's Revisionism once received praise from the unlikely source of Karl Korsch for actually having a positive understudying of political intervention.⁶³ At least, Revisionists were asking questions regarding the character of the class state. Yet, as in the case of Kautsky, there is also a detectable Revisionist objectivism to grounding political intervention. As one of Bernstein's defenders posited, 'we will not plunge into socialism according to mechanical laws, but rather, mature into socialism organically'.⁶⁴ Bernstein's anti-utopianism was rooted in taking present conditions as the guiding thread of political intervention. He praised Marxism where '[it] recognised – and this distinguished it from the

58. (Kautsky 1972: 33).

59. (Kautsky 1972: 110).

60. (Kautsky 1972: 45).

61. (Clarke 1994: 27).

62. (Meyer 1984: 226-228).

63. (Korsch 2012: 65).

64. (Hertz 1899: 261).

demagogic parties – that the working class had not yet reached the maturity required for its emancipation, and also that the economic preconditions for this emancipation were not yet present'.⁶⁵ As with Kautsky's orthodoxy, it was a matter of strategy for Bernstein, moving away from the tendency to speculate *a priori* about the revolutionary moment, and focus instead, on the material determinants of socialist progress, 'an authentic and important process of foundation building'.⁶⁶

Surmounted

ZBT's history, following the classic phase of SDM, comes to a halt, although there were notable attempts to reanimate it, most famously Henryk Grossman's *The Law of Accumulation and Breakdown of Capitalist System* (1929). By 'halt', I do not mean that the spectre of ZBT vanished, but that ZBT – conceived as the discursive SDM two-step between its objective and its subjective element – was dropped, whether as faulty epistemology or integral to Marxian political economy. In the post-SDM narrative of ZBT, the central question '[a]re crises capitalism's *memento mori*?'⁶⁷ became dominant, uncoupled from a correlate relationship with the political activism, the central aspect of SDM's ZBT exchanges. Grossman's defence of ZBT stands out, for its primal acceptance of ZBT, tied to advocacy of Leninist political practice and its attack on political quietism.

It should be noted that Kautsky and Bernstein's exchange did not exhaust the SDM treatment of ZBT. Following their high Erfurtian discussion of ZBT, with its Revisionist moment, SDM's ZBT entered its imperialist phase, the arguments of *The Accumulation of Capital* and Hilferding's *Finance Capital* (1910). The former concerned the inability of capitalism to reproduce itself. Because of the underconsumption of capitalism's bounty in a closed system, thus leaving surplus value unrealised, there was rapacious need to find external markets on the part of the capitalist class. Hilferding's contribution was concerned with the irrationality of

65. (Bernstein 1993: 203).

66. (Bernstein 1996b: 78).

67. (Sweezy 1946: 190).

investment decisions – bad capitalists making bad decisions. Hilferding was not fixated by capitalist decline or the fundamental lack of global markets; but rather, drawn to his ‘corporatist conclusions’ that capitalism was fundamentally regulatable into socialism given its imperialist consolidation into a monopolistic, listless form of economic activity.

In the wake of these late SDM markers, the narrative of ZBT becomes a highly economistic affair, especially as TRPF became the most Marxian grounds for collapse, with ‘an enormous literature often marked by bitter controversy and fruitful debate’.⁶⁸ ‘Crisis theory’ is perhaps a more appropriate designation for what followed high ZBT, as generations of Marxists sought to justify (or not) capitalism’s temporality on its own terms and within Marx’s conceptual framework. As opposed to the anti-orthodox Marxist approach of the Frankfurt School or Western Marxists, which distanced itself from the economistic precepts of Marxian political economy, this neo-Marxist orthodox approach explored the possibility of Marx’s tendential evolution towards blips and breakdowns.⁶⁹

In Grossman’s attempt to re-establish ZBT, there is something slightly different compared to this general economistic tack. This is certainly the interpretative angle taken by Rick Kuhn in *Henryk Grossman and the Recovery of Marxism*. Kuhn’s attempt to rescue Grossman from the charge that ZBT in Grossman’s hands was yet again a case for political quietism. In his 1934 review of *The Law of Accumulation*, Anton Pannekoek, for example, claimed that the book’s main thesis was ‘that capitalism must collapse purely economically, that is to say, independent of human intervention or uprising, capitalism’s further existence, as an economic system, is impossible’.⁷⁰

Grossman, unlike earlier and later Marxists, was indeed prepared to argue for ZBT and to claim that it came from Marx, regardless of no textual *affidavit* on the part of Marx backing something called ZBT. Marx’s comments on TRPF in the third volume of

68. (Basu and Manolakos 2012: 76).

69. For the history of ZBT after SDM, see (Hansen 1985) and (Clarke 1994).

70. (Pannekoek 1934).

Capital were sufficient to construct a theory.⁷¹ To Kuhn, critically, what is striking about Grossman is his noneconomism. Grossman's Leninist commitment to subjectivity in the revolutionary process meant that he did avoid the obvious charge thrown at ZBT enthusiasts. '[N]o economic system,' Grossman made clear, 'no matter how weakened collapses by itself in automatic fashion'. 'It must,' he went on, 'be "overthrown"'.⁷² Contra to Paul Sweezy's dismissal in *The Theory of Economic Development* that Grossman held to 'mechanistic thinking',⁷³ the core objective of Grossman 'was to advance the class struggle' through 'economic research'.⁷⁴ Grossman in the introduction of *The Law of Accumulation* sought to 'dispel any suspicion of "pure economism"'.⁷⁵

Grossman's economic rationale for the tendency to breakdown, despite Kuhn's best efforts, has been strongly criticised, another example of ZBT's fruitless search for the grounds for capitalism's inevitable implosion. Grossman's advocacy of capital over-accumulation leading to a lack of surplus value, thus depriving capitalists of their primary objective, is, for Michael R. Krätke 'peculiar' and undercuts Kuhn's rescue job.⁷⁶ 'Grossman's approach, which – following Marx – stressed that the fundamental contradictions of capitalism derived from the organisation of production rather than the circulation of value'⁷⁷ ignores the dynamic realisation of surplus value in favour of a schematic understanding of capitalist reproduction

The economic failing of Grossman aside, in Kuhn's presentation of him, he appears to be wrestling with the objective-subjective problematic of ZBT present in SDM. For Grossman, '[i]t is thus apparent that the idea of a breakdown that is necessary on objective grounds, definitely does not contradict the class struggle. Rather, the breakdown, despite its objectively given

71. (Grossman 1992: 59).

72. (Kuhn 2007: 194).

73. (Sweezy 1946: 211).

74. (Kuhn 2009: 4).

75. (Grossman 1992: 33).

76. (Krätke 2008: 521).

77. (Kuhn 2009: 13).

necessity, can be influenced by the living forces of the struggling classes to a large extent and leaves a certain scope for active class intervention'.⁷⁸ In a letter to Paul Mattick, Grossman pointed out that '[o]bviously the idea that capitalism must break down "of itself" or "automatically" . . . is far from being my position. It can only be overturned through struggles of the working-class'. In making partially autonomous qualifications to his supposedly deterministic thesis – '[b]ut I wanted to show that the class struggle alone is not sufficient' – Grossman is acting in the best tradition of ZBT. As with Kautsky and Bernstein, Grossman's awareness of the perils of one-sidedness is an appreciation of 'both sides of the process, the objective and subjective elements influence each other *reciprocally*'. For Grossman, '[o]ne cannot "wait" *until* the "objective" conditions are there and only then allow the "subjective" factors to come into play. That would be an inadequate, mechanical view, which is alien to me'.⁷⁹

Whether Grossman's work is a testimony to a dynamic objective-subjective process is a matter for debate, his work seemingly far more economistically focused than a Kautsky or Bernstein playing off various factors in their lively social analysis, 'what is currently going on in society and what sort of political response would be appropriate'.⁸⁰ But it does return us to the problematic of ZBT. Without such a problematic, ZBT is the poorer in that it shifts decisively away from pragmatic politicized discussion around the grounds for intervention, possible revolutionary initiatives, to something a good deal dryer and less applicable to plotting and planning guided by revolutionary intent.

Conclusion

In accepting that ZBT never really has been the explanatory golden bullet that it has made out to be, instead a construct, a thematic aid to Marxist thinking, then the political consequentials of ZBT become more apparent. SDM's imperative, to establish grounds or not for revolutionary change, was a cause to which

78. Quoted in (Kuhn 2009: 12).

79. Quoted in (Green 2008: 209).

80. (Scholle 2016: 169).

ZBT was put, the means to judge appropriate political action. Such a speculative process is very much part of the Marxist inheritance. That is not to say Marxists have ever provided satisfactory answers; rather, establishing the grounds for political will has proved persistent, even when ZBT itself remains such a non-ferund area of investigation for serious Marxist political economists.

Overly dismissing ZBT arguably has the same effect of political quietism traditionally attributed to it. To refute ZBT, complete with impeccable Marxian proof, on the basis of a strict interpretation of Marx's statements, ignores the anti-economism of ZBT's original SDM reception. From SDM on, capitalism's terminal unravelling was always a busted flush insofar as it was understood mechanistically, a pivotal point at which all would change post the *telos* of bourgeois society's contradictions. The *idea* of capitalism's collapse is indeed still with us, and is eminently traceable in the words of a SDM figurehead such as Engels or Kautsky, but ZBT was more than an idea. It was a challenge (not a promise), a challenge to marry revolutionary intent with sober economic analysis, that which Karl Korsch called a '*materialist stance*'⁸¹. ZBT has a revolutionary function. Against the notion that capitalism can be conclusively corrected prior to its transcendence, and also against the absolute objectivist notion, that there is a ready-made limit to the capitalist mode of production, is materialist revolutionary practice, compatible with ZBT's consideration of objective and subjective elements.

ZBT's main benefit has been the attention it has placed on economic development's relationship to the political. ZBT is a SDM-developed heuristic, a shorthand for the strategic considerations of a radical socialist party of movement (rather than of order). Thus, faced with the modern wholesale rejection of ZBT, we should not go too far. That is, not engaging with chiliastic rhetorical strategies associated with ZBT does not have to mean that political considerations of the revolutionary urgency to transcend capitalism need to be dropped. For example, in his *How Will Capitalism End?*, Wolfgang Streeck does not want to assume

81. (Korsch 1977: 186).

'responsibility' for speculating on or proposing an alternative to a dying, failing capitalist system.⁸² Here one can recognise both the lack of prophesising intent, in keeping with the general reaction against ZBT's more grand explanations, as well as ZBT's terminal implications regarding our present mode of production. One observes, too, Streeck declining to confront the encounter between economic imperative and subjective intervention, 'a definite phase of struggle'⁸³. ZBT's inheritance is not simply avoiding cataclysmic pronouncements when discussing capitalism's decline. It is a political reflection, rooted in establishing the political grounds for change, as much as it was ever making a date in the diary for the collapse of the capitalist mode of production.

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82. (Streeck 2016: 56).

83. Max Horkheimer quoted in (Hansen 1985: 138).

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