


UNIVERSITÄT OSNABRÜCK
„MILITARISM & CAPITALISM”

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1. Abstract

One of the main concerns at the beginning of the 20th century was in front of a possible world war the issue of imperialism and the accumulation of capital on a global scale. Rosa Luxemburg's main treatise is in my eyes her "The Accumulation of Capital – A Contribution to the economic explanation of Imperialism" – first published in 1913. In this paper I will concentrate on the small, however, most relevant 32nd chapter "Militarism as field of capital accumulation", where the contradictions of modern capitalism accumulate. Even after two World Wars the final stage of capitalism, i.e. imperialism, seems not yet over, on the contrary we are facing new conflicts based on the military-industrial complex on the one hand and the resistance or resurgence of ancient, pre-capitalist societies and value systems (fundamentalisms). Her most important contribution is still the non-dogmatic, humanist approach to political economy.

2. The Relevance of Rosa Luxemburg's Ideas for today's World

More than 80 years have passed since the first publication of Rosa Luxemburg's "The Accumulation of Capital – A Contribution to the economic explanation of Imperialism" and nearly eighty years since her terrible murdering. Without any doubt this book has been one of the most influential ones during the different class struggles in the 20th century. Together with Rudolf Hilferding's "Accumulation of Capital" (1904) it has influenced W.I. Lenin's understanding and strategy of modern capitalism. Rosa Luxemburg

She criticizes Marx rightly, in pointing out that his second volume of the Capital (as we know not finished in his life-time and edited by Friedrich Engels) is presenting an ideal type of a world economy with only two classes remaining. Whereas she insists on the process of capital accumulation with its historical and cultural specificities. Although she uses the term of Marxism for the analysis of these processes, it seems to me more appropriate of speaking of Marxian thinking in the Gramscian sense. After Marxism-Leninism has become the ideology for the new ruling classes of the Soviet Union and later other so-called really existing socialist countries.

Another point is that the Marxian analysis is first of all concentrating on the micro-, the company level and by that neglecting the macro-level, which is the main concern of Rosa Luxemburg.

She works out this 32nd chapter that at the end it is always the working class, which has to bear the financing of the military. The capital is never ready to concede on it. So, at the end the proletariat is financing its own exploitation and repression – and the one of its brothers and sisters in the colonies under imperialism. This is one of the paradoxes of modern capitalism. The other paradox is that the capital has as strong interest to reduce the "faux frais" – including state expenditure, namely the military – but needs the state to protect its own interests against other classes and foreign competitors. As long as the capital remains largely still a national one – even within the E.U. and now its European Company – it uses and needs nationalism as ideology and practice, and religion as its counterpart, the "opium for the people".

3. Militarism & Capitalism at the Beginning of the 20th Century

As the long 19th century ended the terrible 20th century started with the show-down of the imperial powers and led to the First World War. With the Berlin Conference in 1885 the colonial rule of distribution of the earth was enacted. Germany wanted to have its place under the sun – as Japan as well. And irony of history: The much-praised Bismarckian welfare-state had a double function. On the one hand it kept the working classes quiet (at the same time we had the "socialists' laws" – prohibiting the SPD) in offering basic social security, on the other hand the reserves of the national pension fund were used to finance the building up of the German war navy, the basis for its hegemonic aspirations.

The military served to open regions for the exploitation of their natural and human resources, and later also the establishment of markets.

One more paradox: The military needed healthy soldiers to win the wars. So health and safety protection became one of the main issues of imperial powers. By this fighting against the overexploitation of the workforce.

Another useful and paradoxical function of the military is its role “as the school of the nation”. The soldiers were largely uneducated. So in a modern army with technology (today even high-technology) education is a necessary precondition for success. Together with teaching of the basic skills for all the nationalist-imperialist ideology could be transmitted as well.

One more paradox was that the colonial and imperial powers recruited soldiers from the occupied regions, not only to intervene for the oppression within their own colonies, but also during their imperial wars. Famous became the Gurkha, the Harki, and the Senegalese troops.

However, in one point Rosa Luxemburg made a wrong assessment in criticizing Otto Bauer, who foresaw a huge immigration of workers from the colonies (1921: 111). Today we are just confronted with this mass migration from the former colonies. There was nice book in Great Britain in the 1980s with the title “The Empire strikes back”. On the one hand this mass migration brings cheap labour to the economic centres and by this increasing the profit rates. On the other hand it increases social conflicts and criminality. Environmental crises and a continuing unjust world order helping this will remain one of the main challenges of capitalism in the 21st century (Széll 2002).

For part of the national capital the military – besides the above mentioned power functions – is always also a safe source of capital accumulation: In the past all military contracts had a guaranteed 5 % profit-rate for the invested capital. (Today the minimum profit-rate is expected to be 15 %, better 25 or 40 %!) In these days this rate was absolutely attractive. The share of the military-industrial complex was in average around 5-6 % of the GDP, however, in war times it increased manifold. During the climax of the Cold War in the 1980s it reached even 30 % of the accumulation rate in the U.S.A., and 60 % in the Soviet Union. Actually this competitive arms race was one of the main reasons for the break-down, i.e. the implosion of the economic system of the Soviet Union. Certainly this was also one of the main reasons for this arms race from the West.

But authoritarian rule, fascism are against some assumptions not the rule in capitalist societies, but the exception. The “faux frais” are just too high to maintain a large police force and army. In so far Rosa Luxemburg was right in expecting that Imperialism would be the last stage of capitalism. But to our surprise this system is much more sustainable than expected and is able to rediscover until now always new sources of extra-profit.

Arms conversion was therefore one of the strategies to overcome part of these contradictions (Széll 1984, 1987, 1988, 1990, 1991, 1992), but it was with new kind of local wars since the end of the Cold War brought to a quick end. Unfortunately there are very few peaceful nations mainly Costa Rica, the Scandinavian countries. The famous Norwegian peace researcher Johan Galtung is pleading for the reduction of all nations to the size of Norway, i.e. there would be some 4,000 nation states. In his eyes this would prevent further wars and imperialism – and probably a better accumulation- and profit-rate (2007).

4. Militarism & Capitalism today

George W. Bush’s wars against terrorism, in Afghanistan and Iraq are the newest manifestations of today’s imperialism, led by the military-industrialist complex (Baran/Sweezy 1967, Széll 2003a, 2004). As one hundred years the main driving interest is the control of natural resources, and first of all energy. Although modern, industrial societies seem to be independent from their material basis – there is the talk of post-industrial society, the information society, the knowledge-based society – it will always remain true that human beings are not angels and therefore need material resources for their reproduction (Széll 1994). And the control of these resources remains the basis of power in society and the economy. And again the struggle around the US budget 2007 show the same conflict

of interests, as demonstrated by Rosa Luxemburg 100 years ago: To finance the war efforts, namely in Iraq, the Bush administration tends to reduce welfare spending.

Definitely capitalism has reached a new quality over the past 100 years: Fascism, fundamentalisms, the dying of the nation-state far away – even leftists like attac or trade-unions clinch to the nation state to defend their “*acquis sociaux*” – those social rights won in many hard conflicts. Again we are confronted with many paradoxes.

George Soros, one of the most famous anthroposophists, has written in 1998 a pertinent critique “The crisis of global capitalism. The open society endangered”. In this treaty he sees more danger in an unregulated global capitalism than in any other system. As a disciple of Karl R. Popper (1949, 1957) he is certainly not directly in line with Rosa Luxemburg, however, his knowledge of modern capitalism – as he is one of the insiders of its financial system – is very helpful for our own analyses and strategies.

5. Summary

Rosa Luxemburg believed – like Karl Marx – in the imminent victory of the proletariat. But the first socialist country in the world was not Germany – against all expectations and her hopes – but the Soviet Union. Misled first by Lenin, but even more by Stalin in developing Marxism-Leninism as state-ideology – it developed its perverse form of so-called “really existing socialism”, where the only socialist principle was in its name. The dictatorship of the proletariat became the one of a Nomenklatura, basing its power on the KGB, the secret police, just the country of what Rosa Luxemburg understood as her own principle: Democracy as the freedom of those thinking differently.

Being in Japan, it seems appropriate to dedicate some special remarks on its role in world politics and in relation to our topic. When Rosa Luxemburg wrote her treatise, Japan seemed to be at the other of the world, and did hardly enter the reflections of socialist and communist thinkers. (I am not sure, if she made any reference at all to this country.) Japan learnt well its lesson from the other imperialist countries. In defeating at Tsushima the Russian navy in 1905 it definitely entered the imperial powers (Akashi 2001; Ito 2006; Széll 2000).

Perhaps one of the strongest contributions in the follow-up of the Luxemburgian thinking is in my eyes by another immigrant from the former Austro-Hungarian Empire, Karl Polanyi. His *Great Transformation* in 1945 is definitely still today one of the best analyses of modern capitalism and its contradictions. He was able to integrate the developments of Stalinism and Fascism into theory.

The strongest legacy of Rosa Luxemburg for the 21st century is for me without any doubt her non-dogmatic socialist approach, which is based on deep humanist traditions and the Enlightenment. As Neil Postman nearly a century later (1999) she claimed for a Second Enlightenment in the face of Marx’ slogan “Socialism or Barbarism!” This legacy has still to be accomplished. It is our task to contribute to it (Széll 2003).

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