Kautsky was quite clearly at his strongest in criticising Bernstein’s conceptions about the role of the ‘property owners’ and the middle classes in society – as can be seen from Kautsky’s discussion of the role of the new middle class, which he preferred to call the intellectuals. Bernstein was generally referring to the increase in the number of property owners or people deriving some income from their property – and not from wage labour exclusively – or to small entrepreneurs in different fields of industry. According to Kautsky, it would be more valid to discuss the role of intellectuals rather than property owners as the new middle class in modern capitalist society:

Had Bernstein wanted to say nothing other than that the middle class is not dying out, with a new middle class taking the place of the old one, i.e. the ‘intelligentsia’ taking the place of the independent craftsmen and small merchants, then we would have conceded this to him without further ado.¹

Kautsky’s concept of the intellectual was very broad. To him, an intellectual was any qualified worker representing some kind of organisational function in society. The representatives of free professions were a clear and rather uninteresting case of intellectuals – as part of the old middle classes. The reason for the increase in the number of middle classes is the transmission of some of the functions of the exploiting classes to specific employed functionaries, qualified wage workers. The broadening of the functions of the modern state and modern enterprises has led to a remarkable increase in these functions. A relatively well-paid group of people with a specially qualified labour power has emerged. It would, however, be a grave misunderstanding to consider the new groups to be identical with the old middle classes. Their position and functions in society are rather different. It would, however, be equally erroneous to regard them as similar to the proletariat in a straightforward way.

¹ Kautsky 1899a, p. 19.
They resemble the bourgeoisie in their way of life and they have close relations with it in other respects too. While representing the functions of capital, they assume many of the mental attitudes of the bourgeoisie as well: ‘From this too, an antagonism against the proletariat arises between the proletariat and the several “intelligentsias”’.

The main characteristic of the new middle class stems from its privileged position based on the privilege of education \([\text{der Privilegium der Bildung}]\). Even though education has become relatively common among the population compared with the period of feudalism, it is still a privilege preserved for a narrow section of the population. Kautsky’s most interesting contribution to the analysis of the intellectuals was, however, his analysis of their class position. From this point of view, intellectuals do not form a homogeneous class. Their more privileged members are close to the bourgeoisie, while their least privileged members are almost proletarian in position. The most interesting group of intellectuals is, however, the increasing middle stratum of the middle class \([\text{die Mittelschichten der Mittelschichten}]\), which is situated between the anti-proletarian intellectuals sharing the attitudes of capitalists and the genuinely proletarian intellectuals. This group shares some of the features of both strata in a way similar to the old traditional petit bourgeoisie. There are, however, two important differences: first, there is an important advantage from the point of view of the socialist movement:

\begin{quote}
It is distinguished from it by its broad intellectual horizons and its instructed ability to think abstractly. It is the stratum of the population that is most easily able to rise above its class and caste-narrowmindedness, to feel idealistically ‘above’ momentary and sectional interests, to look the enduring needs of the whole of society in the eye and to represent them.
\end{quote}

On the other hand, the middle stratum of the new middle class presents a feature that is disadvantageous from the point of view of socialism: it lacks the readiness to fight against capital. Being a relatively small group, without any specific class interest and without a unified organisation, it is not willing to fight for its interests. Moreover, it can easily safeguard its interests even without fighting, while being in a relatively privileged position:

\begin{footnotes}
2 Kautsky 1899a, p. 131.
3 Kautsky 1899a, p. 133.
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