In the history of European Social Democracy, Eduard Bernstein’s position was unique. In his famous collection of essays, *The Preconditions of Socialism*, he was one of the first followers of Marx to dispute the most essential themes of Marxism. His critical commentary began with the proposition that ‘the materialist conception of history’ must ‘take full account of the legal and moral concepts, the historical and religious traditions of every epoch, geographical and other natural influences, which include the nature of man himself and his intellectual dispositions’.  

He then proceeded to forget ‘the materialist conception of history’ and to argue instead that Marx had helped to clarify the laws of economic development, thereby also implying the possibility of controlling their effects if only ‘the conflict of interests’ between various elements of society could be overcome.

The principal themes of Bernstein’s book can be summarised briefly: 1) Marx’s labour-theory of value was mistaken, since the rate of profit had not fallen nor had unemployment significantly increased; 2) the emergence of trusts and cartels facilitated

2. Bernstein 1993, pp. 18–19.
more rational control of economic phenomena, thereby diminishing the prospect of a general crisis of capitalism for ‘purely economic’ reasons; 4) joint-stock ownership also contributed to social stability by expanding the number of members of the possessing classes ‘both absolutely and relatively’; 5) greater economic stability and the extension of ownership discouraged class-consciousness; and 5) if socialism was, therefore, neither economically nor politically inevitable, it could only come about by virtue of its ethical superiority over capitalism. Bernstein concluded that universal suffrage represented the alternative to violent revolution, for in a democracy

… the parties, and the classes supporting them soon learn to recognise the limits of their power and, on each occasion, to undertake only as much as they can reasonably hope to achieve under the circumstances. Even if they make their demands rather higher than they seriously intend in order to have room for concessions in the inevitable compromise – and democracy is the school of compromise – it is done with moderation.

In all things, Bernstein’s watchword was moderation, a trait he greatly admired in the English tradition, with its pragmatism and compromises such that even the feudal monarchy and the Lords had been bridled by constitutionalism: ‘The state,’ he once declared, ‘is a product of development. Its form at any time is partly determined by the past. It is impossible to jump out of the state: we can only hope to change it.’

Holding the political in much higher regard than the economic, he treated the issue of imperialism with the same scepticism as he did Marxist economic theory. He believed it was simply folly to regard imperialist reactions as economically inevitable, much less as the dying gasp of capitalism. Imperialism was a phenomenon as old as history itself, and, among its contemporary variants, some were more and others less reactionary. Indeed, Bernstein emphasised that the emergence of modern British imperialism had actually coincided with expansion of workers’ rights alongside growth of self-determining democracy in the settlement-colonies. French imperialism, on the other hand, was more centralised and less enlightened, while German imperialism