The background to this document was the Agadir Crisis, also called the Second Moroccan Crisis (1 July–4 November, 1911), in which Germany provoked international tension by deploying the gunboat *Panther* in the Moroccan port of Agadir. Germany intended to intimidate France into an alliance and to enforce claims for compensation after accepting French control over the area. France’s pre-eminence in Morocco had been upheld by the 1906 Algeciras Conference following the Tangiers (or First Moroccan) Crisis of 1905. Germany finally accepted France’s position in Morocco, which was turned into a French protectorate by the Treaty of Fez (30 March 1912), in return for territory in the French Equatorial African colony of Middle Congo (now the Republic of the Congo). This territory of 275,000 km², known as Neukamerun, became part of the German colony of Kamerun and of German West Africa until they were captured by the allies in World War I.

The conclusion of Hilferding’s article, calling for ‘international disarmament’, placed him squarely in the developing centrist tendency within the SPD and the Second International, led by his mentor Karl Kautsky. During the First World War, Hilferding
revised his former revolutionary perspective and endorsed the possibility of achieving ‘organised capitalism’. In 1918, he joined the Independent Social-Democratic Party of Germany (USPD), where he belonged to the right wing that supported a rapprochement with the SPD. At the peak of the hyperinflation, he served as German Minister of Finance from August to October 1923. In May 1924, he was elected to the Reichstag, where he served as the SPD chief spokesman on financial matters until 1933. Between 1928 and 1929, he again served as finance minister. After the Nazis’ rise to power, Hilferding escaped from Germany but was later murdered by the Gestapo in Vichy France in 1940.

* * *

‘The Party Congress and Foreign Policy’

The party congress is meeting in Jena at a critical time. While representatives of the working class prepare for the coming electoral struggle, in Berlin [the German Foreign Minister Alfred von] Kiderlen-Wächter and [the French Ambassador] Jules Cambon are holding a private conference whose outcome will decide on peace and war. This is a forceful reminder to the proletariat that however important and significant parliamentary action is, and however decisive the result of the coming elections may be for the scale and intensity of future struggles, decisions concerning the fate of peoples and the most momentous events in their history will not be made in the speakers’ tribunes and assembly-halls of parliaments. The German, French and English parliaments are adjourned, and a small number of leading ministers hold in their own hands the uncontrolled power of decision over the vital questions of their nations. The popular representatives wait patiently to be confronted with the *faits accomplis*. The only unique feature of German absolutism is that in the selection of leading figures the Reichstag was completely ignored and the personal role of the monarch stands out much more prominently.

---

2. Hilferding 1911.
3. [The second Jena congress of the German Social Democratic Party (*Parteitag*) was held on 10–16 September 1911. See Sozialdemokratische Partei Deutschlands 1911.]
4. [See Hilferding 1905b. Original version: Hilferding 1905a.]