Following publication of Hilferding’s *Finance Capital* in 1910 and Luxemburg’s *Accumulation of Capital* in 1913, a clear distinction of emphasis developed among writers on imperialism concerning the relative importance of capital-exports and commodity-exports. Anton Pannekoek thought Hilferding was correct to give primary importance to capital-exports, and, for that reason, he disputed Luxemburg’s thesis that capitalism invariably depended upon commodity-sales in third-party markets (chiefly colonies) for the realisation of surplus-value. Pannekoek noted that capital and commodity-exports were ‘intimately linked’, but the question of emphasis was *politically significant*. If capitalist production depended primarily on commodity-exports, then workers’ jobs would also appear to depend directly on imperialist expansion, ‘an idea that bourgeois politicians willingly advertise in order to turn attention away from capital’s greed for profit’. In the document preceding this one, Ludwig Quessel, a right-wing Social Democrat, also alluded to exactly this concern at Chemnitz when he emphasised the need to protect German export-opportunities and ‘to stand behind
the German government wherever it actually champions the equality of rights for our industry. That lies in the interest of the proletariat, exactly as we stand behind the government when it really tries to conclude favourable commercial agreements.’

Pannekoek’s assessment of this question was shared by Lenin. In his own early debates with Russian Narodniks, Lenin had anticipated Luxemburg’s thesis and come to a conclusion exactly the opposite of her view in The Accumulation of Capital. Lenin wrote that ‘Marx proved in Volume II of Capital that capitalist production is quite conceivable without foreign markets, with the growing accumulation of wealth and without any “third parties”.’1 ‘Pure capitalism’ was abstractly conceivable, but, in reality, Lenin, like Hilferding, also associated capitalist expansionism with a falling rate of profit and the need to correct disproportionalities in the domestic economy resulting from lack of coherent planning. In his later writing on Imperialism, the Highest stage of Capitalism (first published in 1917), Lenin directly associated this theme with the compulsive export of capital and reformulated Hilferding’s thesis as the law of uneven development:

The uneven and spasmodic development of individual enterprises, of individual branches of industry and individual countries, is inevitable under the capitalist system…. [T]he accumulation of capital has reached gigantic proportions. An enormous ‘surplus of capital’ has arisen in the advanced countries.2

Pannekoek’s criticism of Luxemburg, in the article translated here, was endorsed by Lenin, who, shortly after its publication, sent Pannekoek a letter asking ‘if you could send me the two issues of Bremer Bürger-Zeitung in which you published a review on Rosa Luxemburg’s book’. He added:

I am very pleased to see that on the main point you come to the same conclusion as I did in the polemic with Tugan-Baranovsky and the Narodniki 14 years ago, namely, that the realisation of surplus-value is possible also in a ‘purely capitalist’ society.3

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3. Lenin 1913a, Lenin refers to his essay 1899c.