Earlier in this volume, we included two articles by Parvus: Chapter 19 (‘Before the Hottentot Elections’) and Chapter 20 (‘Colonies and Capitalism in the Twentieth Century’). The theme of those articles was that the productive forces of modern capitalism had outgrown the confining limits of nation-state organisation with imperialism as the result. Parvus wrote that ‘Each industrial state wants to have its own colonial empire, from which all other industrial states will be excluded or driven back as much as possible.’ In 1907, Parvus also wrote an article on German trade-policy that contemplated a European union in response to the rising industrial power of the United States: ‘There is only one means,’ he declared, ‘for European countries to withstand America: that is economic unification of the whole of Europe.’

Leon Trotsky collaborated closely with Parvus during the first Russian Revolution of 1905. Together, they played a leading role in debates over the theory and tactics of permanent revolution. Trotsky also adopted from Parvus the lasting conviction that one of the major purposes of socialism was to free modern forces of industrial production from the tariff-barriers

1. Parvus 1908, p. 31.
imposed by nation-states. The potential scale-economies of modern industry could not be achieved without access to wider markets. Confined within national limits, and with enormous commitments of fixed capital, large-scale industry would have needlessly high production-costs that would contradict capital’s imperative to maximise profit. The inevitable consequence must be imperialist warfare that could only be prevented by international revolution.

As a correspondent covering the Balkan wars for the journal Kievan Thought, in 1909 Trotsky wrote that ‘Only a single state of all the Balkan nationalities, based on democratic-federative principles – along the lines of Switzerland or the North-American republic – can bring internal peace to the Balkans and create the conditions for a powerful development of the productive forces.’

In 1910, he returned to the same theme in an essay on ‘The Balkan Question and Social Democracy’:

The only way out of the national-state chaos and bloody stupidity of Balkan life is unification of all the peoples of the peninsula into a single economic-state unit on the basis of national autonomy of the constituent parts. It is only within the limits of a single Balkan state that the Serbs of Macedonia, Sanjak [Bulgaria], Serbia proper and Herzegovina will be able to unite in a single national-cultural community, simultaneously enjoying all the advantages of a common Balkan market. Only the united Balkan peoples will be able to provide a genuine rebuff to the shameless pretensions of tsarism and European imperialism.

With the outbreak of world war in 1914, Trotsky regarded the Balkan conflicts as a microcosm of the global contradictions that now threatened the whole of human culture. In an article on ‘Imperialism and the National Idea’, published in May 1915, he applied the lessons of the Balkan wars to the new conflict between the Great Powers. ‘For petty-bourgeois ideologues,’ he wrote, ‘two principles are struggling in the current war: the principle of national right and the principle of coercion – of Good and Evil….For us materialists, the war appears in its imperialist essence as the fundamental striving of all capitalist states for expansion and conquest.’

---

3. Trotsky 1909.