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Austro-Marxism

Amongst leftists, Austromarxism has never been hot, especially not after its defeat at the hands of clerical fascism in 1934. For the theoretically minded, it lacked the grandiose architecture of Louis Althusser's structuralist Marxism, did not share the rank-and-file commitments of E. P. Thompson's historical Marxism, and could not offer the assurances of Henryk Grossman or Paul Mattick's capitalist-breakdown Marxism. For supporters of Soviet or Sino communism, it was just another variety of revisionism. Social democratic practitioners would look to Sweden rather than Austria for inspiration. After some youthful flirtation with Marx, the Swedes embarked on a project of welfare state expansion in which theory was strictly tied to policies that seemed to transform every aspect of society. The Austrians, on the other hand, created a Marxist-Keynesian superstructure but actually practiced a form of peaceful coexistence with the conservatives.

There was a brief moment when it seemed that Austromarxism, along with the works of Antonio Gramsci, offered strategic guidance. This was in the late 1970s when social democratic leftists had to realize that their party comrades on the right were more committed to restoring capitalist profitability after the end of the long postwar boom than to continued welfare state expansion. At the same time, growing numbers of Western European communists were abandoning long-held hopes that Soviet communism might be able to reinvent itself in a democratic way. The Eurocommunist moment was over by the time Mikhail Gorbachev began his last-minute efforts to democratize the political system and modernize the economy of the Soviet Union. For many left intellectuals, the failures of perestroika and glasnost, culminating in the collapse of the Soviet Union, marked just one more step along their way from Marxism of whichever kind to post-Marxism. Inside social democratic parties, the changes in the East hastened the turn from J. M. Keynes to Friedrich Hayek. Thus, Austromarxism fell back into oblivion. Gramsci remained popular in the small left circles that rejected post-Marxism and Third Way social democracy—not as a guide to socialist hegemony but as someone helping to understand neoliberal hegemony.

This ideological hegemony did not stop capitalism from producing a series of crises, beginning as debt crises in the peripheries but eventually reaching the financial centers of the system and reverberating through the entire world. Neither did this lead to a complete breakdown of capitalism (ad-hoc measures from the Keynesian textbook came to the rescue), nor did a wave of protest transform itself into a persistent working-class movement. But the hegemony of neoliberal ideas that before the crises one could dislike but not challenge, was broken. An ideologically and politically more fluid situation emerged that gave rise to a new Right, which partly adopted the neoliberal package and partly replaced it with xenophobic identity politics, and also to regroupings on the left.

Efforts to consolidate such regroupings and to build viable alternatives to a beleaguered neoliberalism and an aggressive new Right might benefit from a review of the entire history of the Left. This review should include left currents that at one time or another attracted large followings but were defeated, as well as currents that might have achieved greater progress if they had managed to build a mass following. Austromarxism falls into both categories. In Austria, it did have a mass following for quite some time. Outside its borders, it was rarely more than an experts' thing.

Mark E. Blum and William Smaldone's two-volume edition of original texts make Austromarxism accessible beyond expert circles. Both editors draw on long years of researching the issue. Blum published *The Austro-Marxists, 1890-1918: A Psychobiographical Study* in 1985, shortly after the Eurocommunist moment had vanished. The publication of Smaldone's *Rudolf Hilferding: The Tragedy of a German Social Democrat* in 1998 was timelier—but also tragic. At that time, finance capital, after escaping the restraints that a Hilferding-inspired organized capitalism had put on it during the postwar boom, seemed to lead a new economy to never-ending growth. Until the dot.com crash, that is.

Blum and Smaldone offer 1,300 pages of articles, book excerpts, and speeches by Max Adler, Otto Bauer, Karl Renner, Friedrich Adler, Rudolf Hilferding, and in the first volume, Otto Neurath. For years, if not decades, these volumes will be the reference source for anyone interested in Austromarxism. The editors chose an apt title for their volumes, *The Ideology of Unity*, but could have done a better job of highlighting both the different meanings of unity and the repeated failures of Austromarxist practice to either maintain unity or achieve the political goals attached to it. Originally, unity referred to the multinational makeup of the Habsburg Empire. Unlike the Bolsheviks who, after some discussion, rallied around the notion of the right of nations to self-determination, which included the right to secession, the Austromarxists sought to transform the partly feudal, partly capitalist empire into a multinational socialist democracy. To this end, Bauer developed the concept of cultural autonomy for nations within a political entity as an alternative to secession and the establishment of multiple sovereign nation-states. This was a very "Austro-German," if not Viennese, idea. With the exception of Renner, who moved to Vienna to attend university, all of the Austromarxists included here were born in Vienna. Friedrich Adler, Bauer, and Neurath went into exile, but it is quite likely that they would have spent their entire lives in Vienna if Austromarxism had not been defeated by Engelbert Dollfuß' and Kurt Schuschnigg's clerical fascism. Only Hilferding had already left for Berlin before World War I.

The problem with the Austromarxists' "Vienna-centrism" was that it inhibited their ability to translate ideas about cultural autonomy into policies that could have rallied support amongst the popular classes in Czechoslovakia and Hungary. Neither the Czechoslovakian nor the Hungarian Social Democratic Party, founded in 1878 and 1890 respectively, showed much interest in

Austromarxist blueprints for cultural autonomy. At the end of World War I, no political, let alone social, force tried to transform the Habsburg Empire into a single democratic entity. The founding of three independent nation states defeated the Austromarxist idea of national unity. It was soon replaced by the idea of political unity. As elsewhere, the outbreak of World War I strained relations inside the Austrian Social Democratic Party. Renner supported the war, but Friedrich Adler, way outside the social democratic playbook, assassinated the Austrian prime minister Kurt von Stürgkh in opposition to the war. However, the party survived all internal divisions until November 1918, when the Austrian Communist Party was founded. After Stürgkh's assassination in October 1916, the Social Democrats returned to the centrist Marxism around which the party had grown in the decades before the war. This allowed them to avoid the kind of three-way split between the Spartacists, the Independent Social Democrats (Hilferding among them), and the Majority Social Democratic Party that tore their German comrades apart. Unlike the German Communist Party that won mass support after the majority of the Independent Social Democrats joined, the Austrian Communist Party remained marginal. The Austrian labor movement was, on the other hand, quite strong and united; however, it was as easily defeated by insurgent fascism as its deeply divided German counterpart.

The Austromarxists advocated for unity across nationalities and for political unity across different currents within the labor movement. They failed on both counts. Is this because their understanding of capitalism was wrong? Or because the strategies derived from their understandings were misleading? Or were they unable to implement their strategies? All of these questions revolve around the relationship between theory and practice. The national and political unity that the Austromarxists were aiming at may have failed, but their work does represent some kind of unity between theory and practice. Blum and Smaldone invite us to review the intellectual and political project pursued by the Austromarxists. Volume 1 offers theoretical foundations touching on everything from changing relations between the state, notably its legal system, and society, class and national relations, and also ethics and science. A common theme running through these texts is the recognition that political progress relies on changes of individual values and behaviors. These latter changes are part of larger social transformations, they are open to political education—and they are slow. The claim that people do not change their behaviors overnight is then projected back to politics.

What emerges is a vision of gradual change that does not leave room for political ruptures. However, ruptures did occur: the outbreak of World War I, the collapse of the Habsburg Empire, revolution, and counterrevolution. Of course, these ruptures included sudden changes in behavior, indicating that the human mind is neither one-dimensional nor developing along a linear path as was assumed by the Austromarxists. Volume 2 provides an insight into the concrete politics pursued by the Austromarxists at different junctures. These politics were closest to their basic theoretical convictions during the decades of the rise of the Austrian labor movement before World War II and during the short period of economic stabilization between the post-World War I crises and the Great Depression. During the tumultuous times of war, revolution, counterrevolution, and economic crises, they tried to stick to their gradualist politics even though they were not exactly fitting. In those times, it could be argued, breaking the unity of theory and practice would have been a prerequisite to stay on top of rapidly changing conditions. It seems that on this point the Austromarxist analyses are most revealing—their argument that human behavior does not change overnight, even if it does not apply in general, might apply to themselves. The theoretical convictions they had developed over long years of theory- and party-building were so deeply engrained in their brains that

they could not switch to another mode of thinking and acting under rapidly changing conditions.

Biographical sketches in the first volume hint at the intellectual milieu in which the Austromarxists formed their ideas. Their Vienna-centrism might have impacted the Austromarxists' ability to connect with demographics beyond city limits, but the city was certainly buzzing with new ideas. The editors mention Sigmund Freud, Edmund Husserl, and Ernst Mach as cutting-edge intellectuals with whom the Austromarxists engaged. Strangely absent from this list of influences or even contacts are the Austrian economists and Bolshevik exiles living in Austria. The latter may have very much stuck to their own and were not the celebrities they would become after the Russian revolution. Yet one of them, Bukharin, wrote a critique of Böhm-Bawerk's version of neoclassical economic theory while in exile in Vienna. Hilferding had made his debut as a theoretician a few years earlier with a critique of Eugen Böhm-Bawerk's interpretation of Marx's theory of value. He also was a student of Böhm-Bawerk, along with Bauer and Joseph Schumpeter. Apparently, Bauer recommended Schumpeter as finance minister during the Austrian revolution. Schumpeter also served with Hilferding on the Socialization Commission during the German revolution.

Personal and intellectual connections are not the only reason why the books' silence on the Austromarxist-Austroeconomist connection is strange. The editors stress the role of psychology in Austromarxist theory production, most significantly in the works of Max Adler. However, if the Austromarxists distinguished themselves from other then-existing currents of Marxism by recognizing the role of the psyche in guiding human behavior, the same can be said about the Austroeconomists, who based their theories on psychologically determined consumer behavior to offer an alternative to cost-based theories from David Ricardo to Karl Marx and, to some degree, even Alfred Marshall. The specifics of these theories may only be relevant to economists or historians of the development of ideas. However, seeing the political power that was forged around them under the more general label of neoliberalism, it would have been quite interesting to be offered more hints about the relations between Austromarxists and Austroeconomists. While the former failed, the latter succeeded beyond the wildest dreams of their founding fathers. But who knows? Maybe a reengagement with Austro- and other Marxisms will now contribute to the forging of left alternatives to crisis-stricken neoliberal capitalism.

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