

up the defeat of their entire policy during the war. The new era under Maximilian, based as it is upon fraud, is not a new era.... Germany, that has permitted its rulers to commit the big crime of war in its name, must be prepared to pay the price. We will have to be ready to give up Alsace-Lorraine as well as Prussian Poland and Polish territory. Danzig must become the new harbor of the Polish Republic. The damage done in Belgium and in Northern France must be at least partially repaired."

This extract shows that his whole line of thinking is in sympathy with the Haase-Ledebour rather than with the more conservative Kautsky and Bernstein, with a strong leaning toward the position of the Spartacus Group. This explains the phenomenon that the Independent Social Democracy as well as the radical wing seem to be with him in his fight, even in the contradictory reports of the American correspondents.

In open opposition to the attitude of the two main groups is the Spartacus group, that, under the leadership of Liebknecht and Rosa Luxemburg, is conducting a feverish agitation all over the country in favor of a government under the exclusive and absolute control of the proletariat. They are opposed to the calling of a constituent assembly and demand the political supremacy of the Soldiers' and Workmen's Councils. They favor immediate social ownership of the means of production and the repudiation of the debts incurred by the old regime for the conduct of the war. They are bitterly caustic concerning the peace-at-any-price position of men who, during the entire course of the war, belonged to the most consistent supporters of the war machine, and are the only element in Germany that openly opposes the terms of the armistice.

These last two questions, the question of peace and that of the payment of war debts are of no mean significance for the future development of the German Republic. In Russia, the Mil-yukoff and the Kerensky governments were overthrown because they were not prepared to carry out the peace demands of the people, while the Soviet Government owes its strength and its

hold upon the people of Russia to the fact that it stands ready, at all times, to carry out their demands. In Germany it is possible that the same conditions may bring about exactly the opposite effect. The soldiers and the working class, according to all indications at the present time, will probably support the Moderates of the Independent Social Democratic Party against the radical wing because they fear, and as the experience of Russia has shown, not without cause, that they may hope for but little mercy at the hands of the Allies should Germany establish a distatorship of the proletariat. The fact that even the poorest classes of the country were made partners to the war by the clever policy of the monarchial regime of practically forcing all classes of society to buy war bonds—and the socialist press gave its columns freely for this purpose—may also prejudice a considerable portion of the population against a wholesale repudiation of the war debt of the nation.

While this struggle for supremacy among the three socialist groups is occupying the minds and thoughts of the world, the capitalist class of Germany is rallying its disorganized forces. Already the call has gone forth to unite the liberal bourgeois elements, and all non-socialist elements in Germany to-day belong to the "liberal" bourgeoisie, into one great organization, whose aim is the re-establishment of "order" in Germany and the fight against anarchism and Bolshevism. Already the leaders of this movement have appealed to Washington for aid, and in spite of the open sympathy that is shown in these quarters for Ebert and Scheidemann at the present time, the time will come, and it is probably not far distant, when the Russian Bakmetieff will be joined by some equally representative ambassador of the German Republic, to safeguard the interests of the German "people." In Germany the capitalist class is by no means the negligible factor that it was in the Russian revolution. It is a powerful body, that will be as brutal and unscrupulous in its methods and its warfare upon its own people as it was in its treatment of the unfortunate peoples that stood in the way of its determination for world power. The capitalist class of Germany, with its enormous wealth and its manifold international business relations that the