

The Illusion of Ideological Antagonism? Reassessing The Relationship between Communism, Capitalism, and Transnational Power

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ABSTRACT

This article examined the conventional assumption that communism and capitalism developed as fundamentally antagonistic systems. It investigated recurring historical claims that influential financial, banking, and political actors interacted with, facilitated, or benefited from revolutionary socialist movements despite apparent ideological opposition. Using a qualitative historical-analytical approach, the study drew upon the writings of Karl Marx, Friedrich Engels, and Mikhail Bakunin, elite theory, and selected historical debates concerning finance and revolution, with particular attention to the Bolshevik Revolution. The analysis found that ideological conflict alone did not adequately explain historical interactions between revolutionary socialism and influential financial interests. Instead, patterns of political, economic, and institutional centralization emerged as a recurring theme across competing interpretations. The study concluded that the relationship between communism, capitalism, and power was more complex and interconnected than conventional narratives generally suggest.

Keywords: Communism; Capitalism; Bolshevik Revolution; Elite Theory; Financial Power; Transnational Influence

INTRODUCTION

Communism and capitalism are commonly portrayed as the two great ideological rivals of the modern age. They have been understood since the nineteenth century as competing visions of economic organization, political authority and social change. Communism developed as a response to private property, class hierarchies, and capitalist production. Capitalism was linked to market exchange, private property, and individual economic freedom. The Cold War strengthened the notion that the two systems constituted two opposing camps in a prolonged contest for world dominance, and the political battles of the twentieth century did little to challenge this perception.

This traditional concept has shaped both academic scholarship and popular ideas of modern history. But there is a persistent body of literature that challenges the assumption that communism and capitalism have always been entirely separate and antagonistic systems, running alongside the familiar story of ideological conflict. Various writers, historians and political commentators have argued that influential banking, financial and political interests interacted with revolutionary socialist movements and in some cases facilitated, financed or benefited from their growth and consolidation. These types of arguments have been especially prominent in the discussion of the Bolshevik Revolution, the rise of the Soviet state and the development of communist movements more generally in the nineteenth and twentieth centuries.

These claims present an important historical puzzle. If communism was a challenge to capitalist power, and demanded the abolition of the economic structures associated with capitalism, why are there these repeated claims of cooperation, financial aid and mutual benefit between powerful financial interests and revolutionary socialist movements in various historical epochs? More basically still, why would any powerful actors have anything to do with current financial and economic systems, let alone lend support to movements ostensibly committed to dismantling said systems? In this article we will look at this puzzle, and rethink the general view of the relationship between communism and capitalism. It will examine these claims considering

the implications of these claims for dominant interpretations of modern political history. The article does not start from the position that ideological conflict did not matter. The question rather is whether ideological conflict alone can explain the historical record.

The article examines the relationship between revolutionary socialism, financial influence and political authority, drawing on the writings of Karl Marx, Friedrich Engels and Mikhail Bakunin, theories of elite power and historical debates on finance and revolution. Particular attention is paid to the discussions of the Bolshevik Revolution, the criticisms of the concentration of political and financial power, and the conversations about the influence of powerful financial networks on the rise of revolutionary movements.

The relationship between communism and capitalism has often been explained through the language of ideological conflict. Yet a number of historical debates continue to raise questions that do not fit neatly within this framework. The significance of this study lies in its attempt to revisit those questions and examine whether ideology alone can fully explain certain historical developments. By exploring debates surrounding revolutionary socialism, financial influence, and elite power, the article encourages a broader understanding of how political change occurs. Rather than viewing history solely through competing ideologies, it invites consideration of the role played by institutions, networks, and concentrations of power. In doing so, the study contributes to ongoing discussions about the forces that shape political movements and historical transformation.

The relationship between communism and capitalism has generated extensive scholarly debate across political theory, economic history, sociology, and international relations. The dominant literature has generally portrayed the two systems as fundamentally opposed ideological and economic models engaged in a prolonged struggle for political and global influence. However, alternative perspectives have questioned whether this framework adequately explains the historical relationship between communism and capitalism. While some scholars have focused on ideology, others have emphasized the role of elites, financial interests, and transnational networks in shaping political developments. The present study engages with both traditions in order to examine whether the conventional narrative of ideological antagonism fully captures the historical record.

The conventional understanding of communism and capitalism is rooted in the belief that they represent fundamentally incompatible approaches to economic organisation and political authority. Karl Marx and Friedrich Engels, particularly in *The Communist Manifesto* (1848)¹ and Marx's *Das Kapital* (1867)², argued that capitalism was characterized by class exploitation, the concentration of wealth, and the domination of labour by capital. Communism was presented as a historical alternative that would abolish class divisions and replace private ownership of the means of production with collective ownership.

In contrast, liberal and capitalist thinkers viewed communism as a threat to both economic efficiency and political freedom. Friedrich Hayek, in *The Road to Serfdom* (1944)³, argued that centralized economic planning inevitably leads to the erosion of individual liberty and the growth of authoritarian government. Similarly, Milton Friedman, in *Capitalism and Freedom* (1962)⁴, maintained that economic freedom was a prerequisite for political freedom and that market-based systems offered greater opportunities for individual autonomy than centrally planned economies.

These perspectives strongly influenced Cold War scholarship. George F. Kennan's analysis of Soviet behaviour in "The Sources of Soviet Conduct"⁵ (1947), Richard Pipes' studies of the Russian Revolution and

¹ Marx, K., & Engels, F. (1848). *The Communist Manifesto*. Penguin Classics. (Original work published 1848)

² Marx, K. (1867). *Capital: A critique of political economy* (Vol. 1). Penguin Classics. (Original work published 1867)

³ Hayek, F. A. (1944). *The road to serfdom*. University of Chicago Press.

⁴ Friedman, M. (1962). *Capitalism and freedom*. University of Chicago Press.

⁵ Kennan, G. F. (1947). The sources of Soviet conduct. *Foreign Affairs*, 25(4), 566–582.

Soviet history⁶ (1990), and Zbigniew Brzezinski's analyses of Soviet political systems⁷ (1956) generally interpreted communism and capitalism as rival political and economic orders locked in a prolonged geopolitical and ideological struggle. Despite differences in emphasis, these scholars shared the assumption that communism and capitalism were distinct systems whose relationship was primarily defined by conflict and opposition.

Alongside scholarship emphasizing ideological conflict, another body of literature focused on the distribution and concentration of power. Vilfredo Pareto, in *The Mind and Society* (1916)⁸, argued that all societies are ultimately governed by elites, regardless of their formal political structures. Gaetano Mosca, in *The Ruling Class* (1896)⁹, similarly contended that organized minorities inevitably dominate larger populations. Robert Michels expanded these arguments in *Political Parties* (1911), where he introduced the concept of the "iron law of oligarchy," suggesting that all large organizations tend towards elite control irrespective of their democratic aspirations.

These ideas were later developed by C. Wright Mills in *The Power Elite* (1956)¹⁰. Mills argued that political, economic, and military power in modern societies becomes concentrated within interconnected elite groups capable of influencing major political decisions. Although these thinkers did not focus specifically on communism and capitalism, their work challenged the assumption that ideology alone determines political outcomes and suggested that structures of power often persist across different political systems.

The significance of elite theory for the present study lies in its suggestion that political systems may differ less in their ideological claims than in the ways power is organized, concentrated, and exercised. This perspective provides an alternative framework through which relationships between financial power, revolutionary movements, and political authority may be examined.

A more controversial body of literature emerged from writers who questioned whether communism and capitalism were always as antagonistic as they appeared. Rather than viewing revolutionary socialism solely as a challenge to capitalist power, these authors argued that influential banking, financial, and political interests sometimes facilitated, financed, or benefited from revolutionary movements. Their work directly challenges conventional interpretations of the relationship between communism and capitalism and forms an important part of the debate examined in this article.

Among the most influential contributors to this perspective was Antony C. Sutton. In *Wall Street and the Bolshevik Revolution* (1974)¹¹, Sutton argued that elements within Western banking and financial circles provided assistance to revolutionary forces in Russia and later benefited from economic relationships with the Soviet state. He expanded these arguments in *Wall Street and the Rise of Hitler* (1976)¹² and in *America's Secret Establishment: An Introduction to the Order of Skull and Bones* (1984)¹³, he examined how elite networks, financial institutions, and influential policy-makers could exercise disproportionate influence over major political developments and the direction of public affairs.

Similar themes appeared in Gary Allen's *None Dare Call It Conspiracy* (1971)¹⁴. Allen argued that ideological conflicts often concealed deeper patterns of cooperation among powerful financial and political elites. According to Allen, socialism and monopoly capitalism were not always opposing forces but could

⁶ Pipes, R. (2011). *The Russian Revolution*. United Kingdom: Knopf Doubleday Publishing Group.

⁷ Brzezinski, Z. (1956). *The permanent purge: Politics in Soviet totalitarianism*. Harvard University Press.

⁸ Pareto, V. (1935). *The mind and society* (A. Bongiorno & A. Livingston, Trans.). Harcourt, Brace and Company. (Original work published 1916)

⁹ Mosca, G. (1939). *The ruling class* (H. D. Kahn, Trans.). McGraw-Hill. (Original work published 1896)

¹⁰ Michels, R. (1915). *Political parties: A sociological study of the oligarchical tendencies of modern democracy*. Hearst's International Library. (Original work published 1911)

¹¹ Sutton, A. C. (1974). *Wall Street and the Bolshevik Revolution*. Arlington House.

¹² Sutton, A. C. (1976). *Wall Street and the Rise of Hitler*. GSG & Associates.

¹³ Sutton, A. C. (1984). *America's secret establishment: An introduction to the Order of Skull and Bones*. Liberty House Press.

¹⁴ Allen, G. (1971). **None dare call it conspiracy**. Concord Press.

function in ways that ultimately served the interests of concentrated power. Allen's work became one of the most widely read contributions to the unconventional literature and helped popularize arguments concerning elite influence over political and economic systems.

Related arguments were advanced by G. Edward Griffin in *The Creature from Jekyll Island*¹⁵ (1994). Griffin argued that the establishment of the Federal Reserve System resulted from cooperation between influential banking interests and political actors, leading to the concentration of financial power within a relatively small network of institutions. He further contended that central banking mechanisms enabled significant influence over monetary policy, credit creation, and broader economic decision-making, thereby raising questions about the relationship between financial institutions, political authority, and democratic accountability (Griffin, 1994).

Although these writers differ in their methods, evidence, and conclusions, they share a common scepticism toward conventional narratives that portray communism and capitalism as entirely separate and opposing systems. Their work raises broader questions concerning whether influential financial interests have sometimes operated across ideological boundaries and whether political conflict can be fully understood through ideological explanations alone.

A separate body of scholarship has explored how globalization has reshaped the distribution of political and economic power. Susan Strange, in *The Retreat of the State* (1996)¹⁶, argued that global markets and financial institutions increasingly constrain the ability of national governments to control economic outcomes. Leslie Sklair, in *The Transnational Capitalist Class* (2001)¹⁷, examined the emergence of global elites whose interests and activities often extend beyond national boundaries. Similarly, William I. Robinson, in *A Theory of Global Capitalism* (2004)¹⁸, argued that globalization has contributed to the development of transnational structures of economic and political power that operate across states and societies.

Although these scholars do not focus directly on communism or revolutionary movements, their work is relevant because it draws attention to the growing influence of networks, institutions, and actors that transcend traditional political and ideological divisions.

Although a substantial body of scholarship exists on communism, capitalism, elite power, and financial influence, these subjects have generally been studied separately. As a result, relatively little attention has been devoted to examining how these perspectives intersect and what they collectively reveal about the relationship between ideology, finance, and political power.

This article seeks to address that gap by exploring four interrelated questions. First, does the conventional portrayal of communism and capitalism as fundamentally antagonistic systems adequately reflect the historical record? Second, to what extent do historical accounts and unconventional interpretations support claims that influential financial and capitalist interests contributed to the emergence, development, financing, or consolidation of revolutionary socialist movements? Third, have powerful actors historically operated across ideological boundaries in pursuit of broader strategic, economic, or political objectives? Finally, what do such interactions reveal about the relationship between ideology, elite power, and the concentration of influence in the modern world?

¹⁵ Griffin, G. E. (1994). *The creature from Jekyll Island: A second look at the Federal Reserve*. American Media.

¹⁶ Strange, S. (1996). *The retreat of the state: The diffusion of power in the world economy*. Cambridge University Press.

¹⁷ Sklair, L. (2001). *The transnational capitalist class*. Blackwell Publishers.

¹⁸ Robinson, W. I. (2004). *A theory of global capitalism: Production, class, and state in a transnational world*. Johns Hopkins University Press.

RESEARCH METHOD

This article adopts a qualitative historical-analytical approach to investigate the relationship between communism, capitalism, and transnational power. Rather than treating communism and capitalism solely as competing ideological systems, the study examines the extent to which political movements, financial institutions, and influential actors have interacted across ideological boundaries. The objective is not to establish definitive causal relationships but to critically assess competing interpretations and historical debates concerning revolutionary socialism, finance, and political power.

The analysis draws upon a wide range of primary and secondary sources, including the writings of Karl Marx, Friedrich Engels, and Mikhail Bakunin; historical studies of the Bolshevik Revolution; parliamentary debates; archival materials; scholarly literature; and selected unconventional interpretations concerning the relationship between finance and revolutionary movements. These sources are examined comparatively in order to identify recurring themes, patterns, and areas of disagreement within the literature.

The article employs a multi-layered analytical framework based on four interrelated perspectives. First, it engages in ideological analysis by examining how communism and capitalism have traditionally been understood as opposing political and economic systems. Second, it draws upon elite theory, particularly the works of Pareto, Mosca, Michels, and C. Wright Mills, to explore the concentration of political and economic power. Third, it evaluates unconventional interpretations advanced by writers such as Antony C. Sutton, Gary Allen, and G. Edward Griffin concerning the relationship between financial interests and revolutionary movements. Finally, it incorporates perspectives from scholarship on transnational power and global networks to assess the role of actors and institutions operating beyond conventional ideological boundaries.

The study acknowledges that many of the claims examined remain contested within the historical literature. Consequently, the objective is not to provide a definitive resolution to ongoing debates but rather to critically evaluate the arguments, evidence, and interpretations that have emerged concerning the relationship between revolutionary socialism, financial influence, and elite power.

RESULTS AND DISCUSSION

Theoretical Foundations of Communism and Capitalism

The intellectual foundations of communism are most closely associated with the writings of Karl Marx and Friedrich Engels. In *The Communist Manifesto*, Marx and Engels argued that human history is fundamentally shaped by class struggle and that capitalism represents a stage of historical development characterized by exploitation, inequality, and the concentration of wealth in the hands of those who control the means of production. Marx further elaborated these arguments in *Das Kapital*, where he examined the functioning of capitalist economies and argued that capitalism contains internal contradictions that would ultimately contribute to its transformation.

Communism, in its classical Marxist formulation, envisioned the abolition of private ownership of the means of production, the elimination of class distinctions, and the establishment of a classless society. The state itself was expected to gradually disappear once class antagonisms had been overcome. Marx and Engels therefore viewed communism not merely as an alternative economic system but as a fundamentally different social and historical order intended to replace capitalism. Their ideas would go on to influence revolutionary movements across Europe, Russia, and other parts of the world, making Marxism one of the most influential political doctrines of the modern era.

Capitalism developed along a different intellectual trajectory. Rooted in ideas associated with private property, market exchange, competition, and individual initiative, capitalist thought emphasized the role of voluntary economic activity in generating wealth and innovation. Classical economists such as Adam Smith

argued that market mechanisms could coordinate economic activity more efficiently than centralized control and that individual pursuit of self-interest could contribute to broader social prosperity.

Later liberal thinkers continued to defend market-oriented systems as foundations of economic and political freedom. Friedrich Hayek argued in *The Road to Serfdom*, that centralized economic planning inevitably concentrated power and threatened individual liberty, while Milton Friedman maintained in *Capitalism and Freedom*, that economic freedom was an essential condition for political freedom. From this perspective, capitalism and communism appeared not simply as competing economic models but as fundamentally different understandings of freedom, authority, and human society.

Any discussion of revolutionary socialism must begin with Karl Marx, whose analysis of capitalism and ideas for social change have had a profound influence on socialist thought and revolutionary movements throughout the world.

Marx, Revolutionary Socialism, and the Question of Financial Influence

The conventional image of Marx presents him as one of capitalism's most uncompromising critics. His criticism of class conflict, private property, and economic exploitation positioned him as an eminent critic of the capitalist order. Yet a notable aspect of Marx's life is that many of the opportunities that enabled him to develop and disseminate his ideas emerged within the very economic and social system he criticized. It is, however, remarkable that much of the opportunity which allowed Marx to develop and disseminate his ideas was a product of the very economic and social system he condemned. Marx was supported by friends like Friedrich Engels in times of financial hardships, and he also earned money by writing, for example for the *New York Tribune*, one of the most influential newspapers of the nineteenth century¹⁹. The fact that a revolutionary critic of capitalism found an audience through institutions operating within capitalist societies highlights a broader historical reality: ideological opposition does not necessarily prevent interaction, dependence, or engagement across political and economic boundaries.

A second aspect of Marx's political thought relevant to the present discussion concerns his views on Russia and its role within nineteenth-century Europe. Several scholars have observed that Marx and Friedrich Engels consistently regarded Tsarist Russia as one of the principal obstacles to revolutionary transformation on the European continent. Throughout the revolutionary upheavals of 1848–49 and in subsequent writings, both men portrayed the Russian Empire as a reactionary force committed to preserving the existing political order. Their hostility toward Tsarist Russia was therefore not merely geopolitical but closely connected to their broader revolutionary vision for Europe.

The importance of these questions extends beyond Marx himself. As Marxism evolved from a body of theory into a revolutionary political movement, debates emerged regarding the extent to which revolutionary movements operate independently of existing political and economic structures, or become entangled with them. The debates surrounding Marx's political thought, his engagement with contemporary institutions, and his views on Russia provide an important foundation for examining later arguments concerning the relationship between revolutionary socialism, financial influence, and political power.

Bakunin's Critique of Marxism

Among the most influential critics of Karl Marx within the nineteenth-century socialist movement was the Russian revolutionary thinker Mikhail Bakunin. Although Bakunin shared Marx's opposition to capitalism and his desire for radical social transformation, he fundamentally disagreed with Marx on questions of political authority, state power, and revolutionary organization²⁰. These disagreements eventually led to a major split within the First International and gave rise to competing traditions within socialist thought.

¹⁹ McLellan, D. (1973). *Karl Marx: His life and thought*. Harper & Row.

²⁰ Bakunin, M. (1990). *Statism and anarchy* (M. Shatz, Ed. & Trans.). Cambridge University Press. (Original work published 1873)

At the centre of the Marx–Bakunin dispute was the role of the state in the revolutionary process. Marx maintained that the working class would need to seize political power and establish what he termed the "dictatorship of the proletariat" as a transitional stage between capitalism and communism. In Marx's view, state power could be employed to dismantle existing class structures and facilitate the construction of a socialist society. Bakunin, however, regarded this proposition with deep suspicion. He argued that any concentration of political authority, regardless of its stated objectives, would inevitably produce new forms of domination.

For Bakunin, the danger lay not merely in the individuals who exercised power but in the structure of centralized authority itself. He believed that revolutionary leaders who assumed control of the state would gradually become a new governing class, separated from and ultimately dominant over the masses in whose name they claimed to rule. Consequently, Bakunin rejected the notion that freedom could emerge through increasing political centralization. Instead, he advocated decentralized political arrangements, local autonomy, and voluntary forms of social organization.

Bakunin's critique extended beyond the state to the broader question of expertise and elite rule. He warned that a revolutionary system administered by intellectuals, party officials, or technical experts could generate a new hierarchy that was no less oppressive than the one it replaced²¹. In one of his most frequently cited observations, Bakunin predicted that a Marxist system would produce a "new class" of administrators and managers who would exercise authority over society while claiming to act in the interests of the people. This concern distinguished Bakunin from Marx and anticipated later debates regarding bureaucracy, technocracy, and centralized governance.

The significance of Bakunin's critique lies in its focus on power rather than ideology alone. While Marx emphasized the abolition of capitalist ownership and the transformation of class relations, Bakunin argued that the concentration of authority itself constituted the primary danger. From this perspective, the question was not simply whether a system was capitalist or socialist, but whether political and economic power became concentrated within a relatively small group capable of directing society from above.

These disagreements are particularly relevant to the present study because they reveal that concerns regarding centralization, elite control, and institutional authority emerged from within the socialist movement itself. Long before twentieth-century debates concerning the relationship between finance, political power, and revolutionary movements, Bakunin had already raised fundamental questions about the tendency of centralized systems to generate new structures of domination. His critique therefore provides an important bridge between nineteenth-century socialist debates and later discussions concerning the relationship between revolutionary socialism, financial influence, and concentrated power.

Bakunin, Rothschild, and the Question of Financial Power

Bakunin's critique of Marxism extended beyond questions of political authority and state centralization. He also raised concerns regarding the relationship between centralized political power and centralized financial institutions. These concerns are particularly significant because they represent one of the earliest attempts within the socialist tradition to examine the connection between revolutionary politics, financial power, and institutional control.

Bakunin articulated this argument most explicitly in *Statism and Anarchy* (1873)²², where he wrote: "This world is now, at least for the most part, at the disposal of Marx on the one hand, and of Rothschild on the other. This may seem strange. What can there be in common between socialism and a leading bank? The point is that authoritarian socialism, Marxist communism, demands a strong centralisation of the state. And where there is centralization of the state, there must necessarily be a central bank."

²¹ Ibid.

²² Bakunin, M. (1990). *Statism and anarchy* (M. Shatz, Ed. & Trans.). Cambridge University Press. (Original work published 1873)

Although written decades before the Bolshevik Revolution, Bakunin's observation is significant because it challenged the assumption that revolutionary socialism and concentrated financial power were necessarily incompatible. Rather than focusing solely on ideological differences, Bakunin drew attention to the common tendency of centralized political and financial institutions to accumulate power. In doing so, he anticipated later debates concerning the relationship between socialism, banking, and elite influence.

For Bakunin, the central issue was not the personal relationship between Marx and Rothschild, nor was it a question of individual motives. Rather, it concerned the institutional consequences of centralization itself. He believed that any system requiring extensive political, administrative, and financial concentration would inevitably generate new forms of authority, regardless of the ideology under which it operated. A centralized socialist state, in his view, would require centralized mechanisms of administration, taxation, credit, and finance, thereby creating structures of power capable of exercising extensive control over society.

Bakunin's argument shifted attention away from ideological labels and toward the organization of power. While Marx emphasized the abolition of capitalist ownership and the transformation of class relations, Bakunin warned that the concentration of authority itself constituted the greater danger. From this perspective, the crucial question was not whether a system identified itself as capitalist or socialist, but whether political and economic power became concentrated within a relatively small group of institutions and decision-makers.

Whether one accepts or rejects Bakunin's conclusions, his writings established a line of inquiry that would reappear in subsequent debates concerning communism, finance, and elite influence. The questions he raised regarding centralization, banking, and political authority would later find expression in discussions surrounding the Bolshevik Revolution and in the works of writers who challenged conventional understandings of the relationship between capitalism, communism, and power. In this sense, Bakunin serves as an important intellectual bridge between nineteenth-century socialist debates and later controversies concerning revolutionary movements and financial influence.

The Bolshevik Revolution and the Debate on Financial Influence

The concerns raised by Bakunin did not disappear with the nineteenth century. Following the Bolshevik Revolution of 1917, questions regarding the relationship between revolutionary socialism, centralized authority, and financial power re-emerged in a new historical context. While the Soviet Union came to symbolize the global challenge to capitalism, a number of writers later questioned whether the relationship between revolutionary movements and influential financial interests was as straightforward as conventional narratives suggested.

Conventional scholarship generally interprets the Bolshevik Revolution as the product of social unrest, economic crisis, political instability, wartime dislocation, and the organizational effectiveness of the Bolshevik Party under Vladimir Lenin. Within this framework, the revolution is primarily understood as the outcome of internal Russian conditions and the broader upheavals generated by the First World War.

Alongside this interpretation, however, an alternative body of literature has argued that influential financial and political interests operating outside Russia may also have played a role in facilitating, supporting, or benefiting from revolutionary developments. Although these claims remain contested, they occupy a significant place within debates concerning the relationship between revolutionary movements, finance, and elite power.

Among the most influential contributors to this perspective was Antony C. Sutton. In *Wall Street and the Bolshevik Revolution*²³ (1974), Sutton argued that elements within Western banking and financial circles-maintained connections with revolutionary forces in Russia and later developed economic relationships with

²³ Sutton, A. C. (1974). *Wall Street and the Bolshevik Revolution*. Arlington House.

the Soviet state. Sutton challenged the assumption that capitalist and communist interests were necessarily incompatible, suggesting instead that political and economic actors sometimes operated across ideological boundaries when doing so served broader strategic or financial objectives.

A similar argument was advanced by Gary Allen in *None Dare Call It Conspiracy*²⁴ (1971). Allen contended that the conventional portrayal of communism and monopoly capitalism as irreconcilable enemies obscured deeper patterns of elite cooperation. According to Allen, powerful financial interests often transcended ideological divisions, allowing political conflict and elite collaboration to coexist simultaneously.

Writers such as G. Edward Griffin and James Perloff continued these themes. In *The Creature from Jekyll Island*²⁵ (1994), Griffin argued that the creation of the Federal Reserve System was a reflection of the increasing power of powerful banking interests over monetary policy and economic decision-making. He argued that this concentrated financial power in a relatively small network of institutions. This raised broader questions about the relationship between finance, political authority and democratic accountability (Griffin, 1994). In *The Shadows of Power*²⁶ (1988), Perloff also examined the power of elite policy-making organisations, especially the Council on Foreign Relations, and argued that interconnected political, financial, and intellectual elites wielded considerable influence over major policy decisions and public discourse (Perloff, 1988).

Whether one accepts or rejects the conclusions of these writers, the questions they raise remain important. If influential financial and political actors were willing to engage with, facilitate, or benefit from movements that publicly defined themselves in opposition to capitalism, then the historical relationship between communism and capitalism may have been more complex than is commonly assumed. The Bolshevik Revolution therefore provides a crucial case study through which to examine the intersection of ideology, finance, and political power. The following sections examine the principal evidence, arguments, and competing interpretations surrounding these claims.

Jacob Schiff, Kuhn Loeb & Co., and the Financing Debate

Jacob Schiff, senior partner of the New York investment bank Kuhn, Loeb & Co., occupies a prominent place in debates concerning the relationship between international finance and revolutionary-era Russia. An outspoken critic of the Tsarist regime, particularly because of its treatment of Russia's Jewish population, Schiff gained international attention during the Russo-Japanese War (1904–1905), when his firm helped arrange loans for Japan, thereby weakening Russia's position in the conflict.

These activities later attracted the attention of unconventional writers such as Antony C. Sutton and Gary Allen, who argued that Schiff's role should be viewed within a broader pattern of interaction between influential financial interests and anti-Tsarist political movements. Particular attention has been directed toward allegations that Schiff and individuals associated with international banking networks provided assistance, directly or indirectly, to revolutionary groups opposing the Tsarist government²⁷.

These claims remain controversial. While unconventional writers regard them as evidence of cooperation across ideological boundaries, critics argue that opposition to Tsarism should not automatically be equated with support for Bolshevism. The Schiff debate therefore raises a broader question that remains central to this study: can hostility toward an existing regime be distinguished from support for the forces that eventually replace it?

²⁴ Allen, G. (1971). **None dare call it conspiracy**. Concord Press.

²⁵ Griffin, G. E. (1994). **The creature from Jekyll Island: A second look at the Federal Reserve**. American Media.

²⁶ Perloff, J. (1988). **The shadows of power: The Council on Foreign Relations and the American decline**. Western Islands.

²⁷ Cohen, N. A. (1999). *Jacob H. Schiff: A study in American Jewish leadership*. Brandeis University Press

The Warburg Connection and Revolutionary Russia

The Warburg family occupies a prominent place in discussions concerning the relationship between international finance and the revolutionary transformation of Russia. Writers such as Antony C. Sutton²⁸, Gary Allen²⁹, and Eustace Mullins³⁰ drew attention to members of the Warburg banking family when examining claims regarding the interaction of financial networks, political influence, and revolutionary movements (Sutton, 1974; Allen, 1971; Mullins, 1983). Active in both Europe and the United States, members of the Warburg family played important roles in banking, finance, and public policy during the late nineteenth and early twentieth centuries. Their prominence within international financial networks later attracted the attention of writers seeking to explore potential connections between influential banking interests and revolutionary political developments.

Particular attention has been directed toward Max Warburg, a German banker who served as an adviser to the German government during the First World War. As the war progressed, German policymakers increasingly viewed internal instability within Russia as a potential strategic advantage. Within this context, Germany facilitated Vladimir Lenin's return to Russia in 1917 through the well-known "sealed train" journey from Switzerland across German territory. Historians generally interpret this decision as a wartime strategy intended to weaken Russia and hasten its withdrawal from the conflict.

The Warburg debate occupies a significant place within the broader literature because it shifts attention from individual actors to larger networks of influence linking finance, diplomacy, and political change. These themes would later be explored in far greater detail by Antony C. Sutton, whose work sought to move beyond isolated episodes and construct a broader documentary case concerning the relationship between Western financial interests and revolutionary movements. The idea of revolution was different in China which took place under the leadership of Mao Zedong (Nandy and Biswas, 2025).

Antony C. Sutton and the Documentary Case

Among the writers who challenged conventional interpretations of the Bolshevik Revolution, Antony C. Sutton occupies a particularly significant position. Unlike many popular commentators on the subject, Sutton attempted to construct a systematic historical argument based on documentary evidence, archival materials, corporate records, government documents, and contemporary reports. His work therefore represents one of the most comprehensive efforts to examine the relationship between Western financial interests and revolutionary movements in Russia.

Sutton's central argument was presented in *Wall Street and the Bolshevik Revolution* (1974). He contended that elements within Western banking and financial circles maintained connections with revolutionary forces in Russia and, in certain cases, provided forms of assistance that contributed to the consolidation of Bolshevik power. According to Sutton, the conventional assumption that capitalism and communism were necessarily irreconcilable adversaries failed to account for instances in which influential financial actors appeared willing to engage with, support, or benefit from revolutionary political developments.

A key feature of Sutton's analysis was his emphasis on institutional relationships rather than individual personalities alone. While figures such as Jacob Schiff and members of the Warburg family appeared in his work, Sutton's broader concern was the role of financial networks, banking institutions, and corporate interests operating across national and ideological boundaries. He argued that the interaction between finance and revolution should be understood not merely through isolated episodes but through a wider examination of economic and political relationships.

²⁸ Sutton, A. C. (1974). *Wall Street and the Bolshevik Revolution*. Arlington House.

²⁹ Allen, G. (1971). *None dare call it conspiracy*. Concord Press.

³⁰ Mullins, E. (1983). *The secrets of the Federal Reserve*. Bankers Research Institute.

Particular attention was devoted to claims regarding financial transfers, commercial interactions, and contacts between Western business interests and revolutionary actors. Sutton maintained that these connections challenged the conventional image of a rigid divide separating capitalist and communist worlds. In his view, ideological conflict did not necessarily prevent cooperation when strategic, political, or economic interests aligned.

Sutton's work attracted both attention and criticism. Supporters regarded his research as an important challenge to established historical narratives and praised his extensive use of documentary sources. Critics, however, questioned aspects of his interpretation and argued that some of the connections he identified did not necessarily demonstrate intentional support for Bolshevism. They maintained that complex historical events such as the Russian Revolution could not be reduced to the actions of financial institutions alone and cautioned against drawing conclusions that extended beyond the available evidence.

Despite these criticisms, Sutton's contribution remains significant because it transformed what had often been treated as isolated allegations into a broader historical argument. By bringing together evidence concerning banking networks, business interests, political actors, and revolutionary movements, he provided one of the most influential foundations for subsequent debates concerning the relationship between finance and revolution.

Sutton's work also influenced a later generation of writers who sought to interpret political conflict through the lens of elite cooperation and concentrated power. Among the most prominent of these was Gary Allen, whose analysis extended the discussion beyond the Russian Revolution to broader questions concerning the relationship between communism, capitalism, and transnational elite influence.

Gary Allen and the Theory of Elite Cooperation

While Antony C. Sutton focused primarily on documentary evidence concerning the relationship between Western financial interests and revolutionary movements, Gary Allen approached the subject from a broader interpretive perspective. In *None Dare Call It Conspiracy* (1971), Allen argued that many major political conflicts of the modern era could not be fully understood through conventional ideological categories alone. Instead, he contended that influential political, financial, and institutional elites often operated across apparent ideological divisions in pursuit of broader objectives related to power and control.

A central theme of Allen's work was the claim that communism and monopoly capitalism should not always be viewed as irreconcilable opposites. Rather, he argued that both systems could, under certain circumstances, contribute to the concentration of political and economic power. In Allen's interpretation, apparent ideological conflict often obscured deeper patterns of cooperation among influential actors whose interests transcended conventional political divisions.

Allen argued that elite influence frequently operated through institutions that crossed national and ideological boundaries. International banking networks, major corporations, policy-making bodies, and political organizations were viewed not as isolated entities but as components of broader structures of influence. Consequently, political struggles that appeared to be defined by ideological opposition could, in his view, coexist with forms of cooperation among powerful actors operating beyond public scrutiny.

Allen's analysis attracted both interest and criticism. Supporters regarded his work as a provocative challenge to conventional political narratives and as a useful framework for examining relationships between finance, ideology, and institutional influence. Critics, however, argued that his conclusions often relied upon broad generalizations and that some of the connections he identified lacked sufficient evidentiary support. They cautioned against interpreting complex political developments through a single explanatory framework centred on elite coordination.

Despite these criticisms, Allen's contribution remains significant to the present study because it extends the discussion beyond the historical details of the Russian Revolution. Whereas Sutton focused on

documenting interactions between financial interests and revolutionary movements, Allen raised a broader theoretical question concerning the relationship between ideology and power. His work challenged the assumption that ideological antagonism necessarily prevents cooperation among influential actors and encouraged a reconsideration of political conflict through the lens of elite influence and concentrated authority.

Taken together, the works of Sutton and Allen represent two distinct but complementary approaches to the issues examined in this article. Sutton attempted to construct a historical and documentary case concerning the interaction of finance and revolution, while Allen sought to provide a broader interpretive framework for understanding why such interactions might occur. Their combined contribution forms an important foundation for reassessing conventional assumptions regarding the relationship between communism, capitalism, and concentrated power.

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Counterarguments and Historiographical Critiques

The arguments advanced by Antony C. Sutton in *Wall Street and the Bolshevik Revolution* (1974), Gary Allen in *None Dare Call It Conspiracy* (1971), and other unconventional writers have generated considerable debate within the broader historiography of the Russian Revolution. While these authors emphasize the possible role of financial interests, elite networks, and transnational influence in revolutionary developments, many mainstream historians have offered alternative explanations that place greater emphasis on internal political, social, and economic factors.

Richard Pipes, in *The Russian Revolution* (1990), argued that the collapse of the Tsarist regime and the rise of Bolshevism were primarily products of Russia's internal political weaknesses, social tensions, and revolutionary conditions. While acknowledging the importance of international circumstances, Pipes did not regard claims concerning the decisive role of Western financial interests as central to explaining the success of the Bolsheviks. Instead, he emphasized the ideological commitment, organizational discipline, and political strategy of revolutionary actors themselves.

A similar perspective appears in Orlando Figes' *A People's Tragedy: The Russian Revolution, 1891–1924*³¹ (1996). Figes highlighted the cumulative effects of war, economic hardship, state failure, peasant unrest, and social discontent. From this viewpoint, revolutionary change emerged largely from conditions within Russian society rather than from external financial or political intervention. Figes therefore cautioned against explanations that place excessive weight on the activities of individual financiers or international networks.

Sheila Fitzpatrick, particularly in *The Russian Revolution*³² (1982), emphasized the social foundations of the revolution and the role of workers, peasants, party activists, and state institutions in shaping political outcomes. Similarly, Alexander Rabinowitch, in *The Bolsheviks Come to Power*³³ (1976), stressed the importance of grassroots support, political mobilization, and the organizational adaptability of the Bolsheviks during 1917. These interpretations generally view the revolution as the outcome of complex internal dynamics rather than the product of external financial influence.

These criticisms raise important methodological questions. Correlations, personal connections, financial transactions, or shared political objectives do not necessarily demonstrate direct control or intentional sponsorship of revolutionary movements. But at the same time, the existence of these counterarguments does not entirely resolve the questions raised by unconventional writers. Rather, it highlights the complexity of the historical record and the need to examine revolutionary movements through multiple analytical lenses. While mainstream historians emphasize internal conditions and unconventional authors focus on external networks and financial influence, both perspectives contribute to a more comprehensive understanding of the forces that shaped revolutionary change. The continuing debate itself demonstrates that the relationship between ideology, finance, and political power remains an important area of historical inquiry.

Rethinking the Relationship Between Communism, Capitalism, and Power

The question that runs through this article is a simple one: if communism and capitalism were truly irreconcilable enemies, why do debates concerning finance, banking, and elite influence continue to appear in discussions of revolutionary socialism? While there is no single answer to this question, the material

³¹ Figes, O. (1996). *A People's Tragedy: The Russian Revolution, 1891–1924*. Jonathan Cape.

³² Fitzpatrick, S. (1982). *The Russian Revolution*. Oxford University Press.

³³ Rabinowitch, A. (1976). *The Bolsheviks Come to Power: The Revolution of 1917 in Petrograd*. W.W. Norton.

examined in this study suggests that the relationship between communism and capitalism was often more complex than it is usually portrayed.

This complexity can already be seen in the debates that emerged within the socialist movement itself. Marx viewed history largely through the lens of class struggle and believed that capitalism would eventually give way to a new social order. Bakunin, however, was concerned with something else. His fear was that any system built upon excessive centralization, whether political or economic, could create new forms of domination. Long before the Russian Revolution, he was already warning that centralized political authority and centralized financial power could become closely connected. In many ways, the questions he raised continue to echo through the debates examined in this article.

The divide between mainstream and unconventional interpretations is particularly revealing. Historians such as Richard Pipes, Orlando Figes, Sheila Fitzpatrick, and Alexander Rabinowitch have generally explained the Russian Revolution through internal developments within Russian society. They point to war, economic crisis, political instability, social unrest, and the effectiveness of Bolshevik organization as the principal factors behind revolutionary change. Their work serves as an important reminder that revolutions are ultimately rooted in the societies in which they occur.

At the same time, unconventional writers such as Antony C. Sutton and Gary Allen draw attention to a different dimension of the story. Their work asks whether influential financial, political, and institutional actors may at times have interacted with, supported, facilitated, or benefited from revolutionary movements despite apparent ideological differences. Many of their conclusions remain controversial, and not all historians accept their interpretations. Nevertheless, the questions they raise cannot simply be ignored. They encourage a closer examination of the ways in which power operates across political and ideological boundaries.

Perhaps the most important insight to emerge from this study is that ideology alone may not fully explain the behaviour of powerful actors. Political movements undoubtedly matter. Ideas matter. Economic grievances matter. Yet history also shows that strategic interests, financial considerations, geopolitical calculations, and institutional influence frequently shape events in ways that do not fit neatly within ideological categories. The historical record is often more complicated than the simple image of two opposing camps locked in permanent conflict.

This observation helps answer the questions posed at the outset of the article. The evidence reviewed here suggests that communism and capitalism cannot always be understood solely as opposing systems. It also indicates that claims concerning the involvement of influential financial interests in revolutionary movements deserve serious examination rather than outright dismissal. More broadly, the cases examined in this study suggest that powerful actors have often operated across ideological boundaries when doing so served larger political, strategic, or economic objectives. Seen from this perspective, the central issue explored in this article is not simply the conflict between communism and capitalism. It is the broader question of how power is organized, exercised, and concentrated. Whether expressed through states, financial institutions, revolutionary movements, or transnational networks, the concentration of power remains a recurring theme connecting many of the historical debates discussed throughout this study.

Ultimately, this article argues that the relationship between communism and capitalism was often more interconnected than conventional narratives suggest. The history of the modern world is not only a story of ideological conflict. It is also a story of institutions, interests, networks, and power. Recognizing this complexity does not diminish the importance of ideology. Rather, it allows for a fuller understanding of the forces that have shaped political change and continue to influence the world today.

CONCLUSION

In conclusion, the evidence provided in this article shows that the connection between communism and capitalism was often more complicated than it is commonly portrayed. The controversies over Bakunin, Jacob Schiff, and the Warburg family, and the explanations offered by Sutton and Allen, suggest that ideology by itself may not be a sufficient explanation for the course of major historical events. It seems to have been more important in determining revolutionary movements and the modern world, the interaction of political ideas, financial interests and forms of power. To acknowledge this complexity is not to diminish the importance of ideology but to foster a deeper appreciation of how power operates across political and economic borders.

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