Rosa Luxemburg and the Critique of Political Economy

Edited by Riccardo Bellofiore
Contents

Contributors xiii
Acknowledgements xvi

General introduction: Rosa Luxemburg on capitalist dynamics, distribution and effective demand crises 1
Riccardo Bellofiore

The Accumulation of Capital: a brief sketch 1
Why the argument fails 3
The critics, however, do not see her problems 4
The monetary labour theory of value in Introduction to Political Economy 6
The capitalist process as a monetary circuit in Anti-Critique 8
The law of the tendential fall in the ‘relative wage’ in Introduction to Political Economy 10
The class macro-monetary determination of the wage in Marx 14
Endogenous technical change and effective demand crises 15
This volume 17

1 Rosa Luxemburg’s critique of Marx’s schemes of reproduction: a re-evaluation and a possible generalization 24
Meghnad Desai and Roberto Veneziani

Introduction 24
The model 25
Dual instability 28
Conclusions 33
Contents

2 Where does the money and demand come from? Rosa Luxemburg and the Marxian reproduction schema 34
ANDREW B. TRIGG

Introduction 34
Luxemburg and Marx 35
The circulation of money 40
The Domar growth model 46

3 The monetary circuit of capital in the Θ 53
RICCARDO BELLOFIORE

Introduction 53
The Anti-Critique: a macro-monetary rewriting of The Accumulation of Capital 53
Luxemburg problematic in the Anti-Critique: a first assessment 59
Luxemburg as a forerunner of the circuit theory of money 61

4 Late Marx and Luxemburg: opening a development within political economy 64
PAUL ZAREMBKA

Contradictions within Marx's conception of accumulation of capital 64
Marx's late theoretical work: schemes of reproduction 67
Luxemburg on accumulation and her critics 69
Critics 70
Value and its realization, with accumulation of capital understood to focus on increased employment of wage labour 73
Value, when the context is wider than capitalism 75
Reconsidering Marxist political economy 77

5 Rosa Luxemburg and finance 81
JAN TOPOROWSKI

Introduction 81
Rosa Luxemburg's criticism of international banking 81
The Marxian reflective view of finance 83
Luxemburg, finance and Minsky 89
Conclusion 90

6 Economics, politics and crisis theory: Luxemburg, Bukharin and Grossmann on the limits of capital 92
PAUL MATTICK
<table>
<thead>
<tr>
<th>Chapter</th>
<th>Title</th>
<th>Author</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>Luxemburg’s and Kalecki’s theories and visions of capitalist dynamics</td>
<td>Tadeusz Kowalik</td>
<td>102</td>
</tr>
<tr>
<td></td>
<td>Introductory remarks</td>
<td></td>
<td>102</td>
</tr>
<tr>
<td></td>
<td>Marxian schemata of reproduction — a tool or a theory?</td>
<td></td>
<td>103</td>
</tr>
<tr>
<td></td>
<td>From ‘primitive capital accumulation’ to imperialism</td>
<td></td>
<td>106</td>
</tr>
<tr>
<td></td>
<td>Kalecki’s continuation</td>
<td></td>
<td>108</td>
</tr>
<tr>
<td></td>
<td>Different concepts of capitalism</td>
<td></td>
<td>110</td>
</tr>
<tr>
<td></td>
<td>Controversy on ‘crucial reform’ of capitalism</td>
<td></td>
<td>112</td>
</tr>
<tr>
<td>8</td>
<td>Imperialism today</td>
<td>Joseph Halevi</td>
<td>117</td>
</tr>
<tr>
<td></td>
<td>Introduction</td>
<td></td>
<td>117</td>
</tr>
<tr>
<td></td>
<td>From pre-Second World War imperialisms to post-Second World US</td>
<td></td>
<td>119</td>
</tr>
<tr>
<td></td>
<td>War imperialism: the USA</td>
<td></td>
<td>122</td>
</tr>
<tr>
<td></td>
<td>Conclusions</td>
<td></td>
<td>127</td>
</tr>
<tr>
<td>9</td>
<td>Rosa Luxemburg on imperialism: some issues of substance and method</td>
<td>Roberto Veneziani</td>
<td>130</td>
</tr>
<tr>
<td></td>
<td>Introduction</td>
<td></td>
<td>130</td>
</tr>
<tr>
<td></td>
<td>The model</td>
<td></td>
<td>132</td>
</tr>
<tr>
<td></td>
<td>Imperialistic international relations</td>
<td></td>
<td>135</td>
</tr>
<tr>
<td></td>
<td>Further substantive and methodological issues</td>
<td></td>
<td>140</td>
</tr>
<tr>
<td></td>
<td>Conclusions</td>
<td></td>
<td>141</td>
</tr>
<tr>
<td>10</td>
<td>Rosa Luxemburg’s <em>The Accumulation of Capital:</em> East and West</td>
<td>He Ping</td>
<td>144</td>
</tr>
<tr>
<td></td>
<td>Introduction</td>
<td></td>
<td>144</td>
</tr>
<tr>
<td></td>
<td>Rosa Luxemburg’s analysis of China</td>
<td></td>
<td>145</td>
</tr>
<tr>
<td></td>
<td>The establishment of national states and the mode of China’s modernization</td>
<td></td>
<td>150</td>
</tr>
<tr>
<td></td>
<td>Evaluation on Luxemburg’s viewpoint of the relationship between the East and the West</td>
<td></td>
<td>154</td>
</tr>
<tr>
<td>11</td>
<td>A very political political economist: Rosa Luxemburg’s theory of wages</td>
<td>Michael R. Krätke</td>
<td>159</td>
</tr>
<tr>
<td></td>
<td>Teaching Marxist political economy</td>
<td></td>
<td>159</td>
</tr>
</tbody>
</table>
Contents

Marx's critique of the classical theory of wages 160
Unsolved puzzles in Marx's theory of wages 162
Rosa Luxemburg's reformulation of the 'law' of wages 166
The first Marxist debate on the theory of wages - Rosa Luxemburg's impact 169

12 Rosa Luxemburg on trade unions and the party: the polemics with Kautsky and Lenin: an assessment 175
ANDREA PANACCIONE

Introduction 175
Between East and West 176
Russian Social Democracy and working-class politics 176
The Russian Empire in 1905 178
German labour movement and the Russian lesson 179
Mass action 180
The First World War and the European labour movement 181

13 Rosa Luxemburg: the woman, the revolutionary 186
EDOARDA MASI

Index 192