

**Rosa Luxemburg's *Accumulation of Capital* as an
Epistemological and Political Challenge Today:
Critique of Social Theory and of Historical Reality as
an Orientation for Radical Political Practice**

**Frieder Otto Wolf
Freie Universität Berlin**

Contribution to the Workshop of the Rosa-Luxemburg-Foundation in Berlin,
„100th Anniversary of ‘The Accumulation of Capital’“,
March 7th – 9th, 2014

Re-considering a double tradition

- Second and Third Internationals:
Luxemburgism ,between‘ Kautskyanism and
(Marxism-)Leninism?
- A look from a distance: Not an issue of choosing
one’s tradition any more

The problem waiting to be addresses

- The Necessary Abstraction of Theoretical Analysis and the Unavoidable Complexity of Political Deliberation
- Modern Bourgeois Societies under the Domination of the Capitalist Mode of Production: Abstract Laws, Real Tendencies, and Historical Change
- The Complexity of the Economic Base within Historical Societies

Two Key Quotes, 1: Epistemology

“in theoretical work as in art, I value only the simple, the tranquil and the bold. This is why, for example, the famous first volume of Marx’s Capital, with its profuse rococo ornamentation in the Hegelian style, now seems an abomination to me (for which, from the Party standpoint, [Luxemburg joked] I must get 5 years’ hard labor and 10 years’ loss of civil rights....). [her own work, based on Marx’s economic theories, was in] “its form...extremely simple, without any accessories, without coquetry or optical illusions, straightforward and reduced to the barest essentials; I would even say ‘naked,’ like a block of marble.””

(Stephen Eric Bronner, ed., The Letters of Rosa Luxemburg, New Edition (Atlantic Highlands: Humanities Press, 1993), 185, 204)

Two Key Quotes, 2: Capitalist Globalization

“From the very beginning, the forms and laws of capitalist production aim to comprise the entire globe as a store of productive forces. Capital, impelled to appropriate productive forces for purposes of exploitation, ransacks the whole world, it procures its means of production from all corners of the earth, seizing them, if necessary by force, from all levels of civilisation and from all forms of society. The problem of the material elements of capitalist accumulation, far from being solved by the material form of the surplus value that has been produced, takes on quite a different aspect. It becomes necessary for capital progressively to dispose ever more fully of the whole globe, to acquire an unlimited choice of means of production.”

(Luxemburg 1975: 307)

The need to talk about historical „phases“

- Is there a difference between „our times“ and the „times of Rosa Luxemburg“ – and how can it be determined?
- Phases, periods, epochs as conceptual markers: after the end of the epochal break ushered in by the Russian October Revolution
- The domination of the c.m.p. within real history (and geography) and how, where, and when to break it

Making it explicit

Epistemological Considerations

The Issue of Language: Ordinary Language, theoretical language, ,formalization' and ,model-building'

„We shall see that my critics' preference for the formulae is not a matter of chance, but linked very closely to their points of view on the subject. Yet the problem of accumulation is itself purely economic and social; it does not have anything to do with mathematical formulae and one can demonstrate and comprehend it without them. Marx uses constructed mathematical models in the section on reproduction of the gross social capital in his **Capital**, so did Quesnay, the founder of the physiocratic school of economics as an exact science a hundred years before. But that was simply to help in explaining and clarifying their theories. It also assisted Marx as well as Quesnay to illustrate that the economic processes of bourgeois society are as much determined by strict laws as the processes of physical nature, in spite of superficial confusion and the apparent rule of individual caprice.” (Anti-Critique)

The point of view of reproduction, 1

“KARL MARX made a contribution of lasting service to the theory of economics when he drew attention to the problem of the reproduction of the entire social capital.”

(Accumulation)

“What is it precisely that constitutes this problem of the reproduction of total capital? The literal meaning of the word ‘reproduction’ is repetition, renewal of the process of production. At first sight it may be difficult to see in what respect the idea of reproduction differs from that of repetition which we can all understand – why such a new and unfamiliar term should be required. But in the sort of repetition which we shall consider, in the continual recurrence of the process of production, there are certain distinctive features. First, the regular repetition of reproduction is the general *sine qua non* of regular consumption which in its turn has been the precondition of human civilisation in every one of its historical forms. The concept of reproduction, viewed in this way, reflects an aspect of the history of civilisation. Production can never be resumed, there can be no reproduction, unless certain prerequisites such as tools, raw materials and labour have been established during the preceding period of production. However, at the most primitive level of man’s civilisation, at the initial stage of man’s power over nature, this possibility to re-engage in production depended more or less on chance. So long as hunting and fishing were the main foundations of social existence, frequent periods of general starvation interrupted the regular repetition of production. Some primitive peoples recognised at a very early stage that for reproduction as a regularly recurring process certain measures were essential; these they incorporated into ceremonies of a religious nature; and in this way they accepted such measures as traditional social commitments.” (Accumulation)

The point of view of reproduction, 2

“Thus quite a new incentive is given to constantly renewed production, to the process of reproduction as a regular phenomenon in capitalist society, an incentive unknown to any other system of production. In every other economic system known to history, reproduction is determined by the unceasing need of society for consumer goods, whether they are the needs of all the workers determined in a democratic manner as in an agrarian and communist market community, or the despotically determined needs of an antagonistic class society, as in an economy of slave labour, or *corvée* and the like. But in a capitalist system of production, it is not consideration of social needs which actuates the individual private producer who alone matters in this connection. His production is determined entirely by the effective demand, and even this is to him a mere means for the realisation of surplus value which for him is indispensable. Appropriation of surplus value is his real incentive, and production of consumer goods for the satisfaction of the effective demand is only a detour when we look to the real motive, that of appropriation of surplus value, although for the individual capitalist it is also a rule of necessity. This motive, to appropriate surplus value, also urges him to re-engage in reproduction over and over again. It is the production of surplus value which turns reproduction of social necessities into a *perpetuum mobile*. Reproduction, for its part, can obviously be only resumed when the products of the previous period, the commodities, have been realised; that is, converted into money; for capital in the form of money, in the form of pure value, must always be the starting point of reproduction in a capitalist system. The first condition of reproduction for the capitalist producer is thus seen to be a successful realisation of the commodities produced during the preceding period of production.”
(Accumulation)

The point of view of reproduction, 3

“With regard to reproduction, especially expanding reproduction, the capitalist method of production not only reveals its general fundamental character but, what is more, it shows, in the various periods of production, a definite rhythm within a continuous progression – the characteristic interplay of individual wills. From this point of view, we must inquire in a general way how it is possible for every individual capitalist to find on the market the means of production and the labour he requires for the purpose of realising the commodities he has produced, although there exists no social control whatever, no plan to harmonize production and demand. This question may be answered by saying that the capitalist’s greed for surplus value, enhanced by competition, and the automatic effects of capitalist exploitation, lead to the production of every kind of commodity, including means of production, and also that a growing class of proletarianised workers becomes generally available for the purposes of capital. On the other hand, the lack of a plan in this respect shows itself in the fact that the balance between demand and supply in all spheres can be achieved only by continuous deviations, by hourly fluctuations of prices, and by periodical crises and changes of the market situation.” (Accumulation)

The point of view of reproduction, 4

“From the point of view of reproduction the question is a different one. How is it possible that the unplanned supply in the market for labour and means of production, and the unplanned and incalculable changes in demand nevertheless provide adequate quantities and qualities of means of production, labour and opportunities for selling which the individual capitalist needs in order to make a sale? How can it be assured that every one of these factors increases in the right proportion?”
(Accumulation)

The point of view of reproduction, 5

„The self-sufficient existence of the individual capital is indeed only an external form, the surface of economic life, which only the vulgar economists use as their sole source of knowledge. Beneath that surface and through all contradiction of competition there remains the fact that all individual capitals in society form a whole. Then existence and movement are governed by common social laws which, with the unplanned nature and anarchy of the present system, only work behind the back of the individual capitalist. When one looks at capitalist production as a whole, then social requirements become a measurable quantity which can be divided into sections. / Always, in any form of society, production has to provide two things. First it has to feed society, clothe it and satisfy cultural needs through material goods, i.e. it must produce the means of subsistence in the widest sense of the word for all classes and ages. Secondly, each form of production must replace used up raw materials, tools, factories and so on to allow the continued existence of society and the provision of work. Without the satisfaction of these two major requirements of any human society, cultural development and progress would be impossible.” (Anti-Critique)

The domination of the capitalist mode of production within real history

Problems of the „ideal average“:

„The wealth of societies in which *the* capitalist mode of production *dominates* appears as an ,immense collection of commodities‘.“

The „articulation of modes of production“ in Luxembourg

“But Marx’s assumption is only a theoretical premise in order to simplify investigation. In reality, capitalist production is not the sole and completely dominant form of production, as everyone knows, and as Marx himself stresses in **Capital**. In reality, there are in all capitalist countries, even in those with the most developed large-scale industry, numerous artisan and peasant enterprises which are engaged in simple commodity production. In reality, alongside the old capitalist countries there are still those even in Europe where peasant and artisan production is still strongly predominant, like Russia, the Balkans, Scandinavia and Spain. And finally, there are huge continents besides capitalist Europe and North America, where capitalist production has only scattered roots, and apart from that the people of these continents have all sorts of economic systems, from the primitive Communist to the feudal, peasantry and artisan. Not only do all these social and productive forms co-exist, and co-exist locally with capitalism, but there is a lively intercourse of a specific kind. Capitalist production as proper mass production depends on consumers from peasant and artisan strata in the old countries, and consumers from all countries; but for technical reasons, it cannot exist without the products of these strata and countries.” (Anti-Critique)

The need to go beyond Marx's *Capital*

“It was at this point that I believed I had to start my critique. The theoretical assumption of a society of capitalists and workers only – which is legitimate for certain aims of investigation (as in the first volume of **Capital**, the analysis of individual capital and its practice of exploitations in the factory) no longer seems adequate when we deal with the accumulation of gross social capital. As this represents the real historical process of capitalist development, it seems impossible to me to understand it if one abstracts it from all conditions of historical reality. Capital accumulation as the historical process develops in an environment of various pre-capitalist formations, in a constant political struggle and in reciprocal economic relations. How can one capture this process in a bloodless theoretical fiction, which declares this whole context, the struggle and the relations, to be non-existent?”

Here especially it seems necessary, in the spirit of Marxist theory, to abandon the premise of the first volume, and to carry out the inquiry into accumulation as a total process, involving the metabolism of capital and its historical environment. If one does this, then the explanation of the process follows freely from Marx's, basic theories, and is consistent with the other portions of his major works on economics.”

(Anti-Critique)

„The Accumulation of Capital“ as a basis for politics

Praxeological Considerations

Translation into politics

- Totum, totality, and totalization
- „The Accumulation of Capital“ and Luxemburg’s „political writings“

Economic reductionism

- Centrality of the Accumulation of Capital
- ‚Laws of development‘ as the ground for assuming tendencies and real trends within historical processes

Capitalism and Imperialism

- The Capitalist Mode of Production and its Domination
- The Modern State and the Form of International Politics
- Imperialism as a Form of Domination

Revolution

- Reform and Revolution
- Revolution as an Event
- Revolutionary Strategy
- Revolution and Transformation
- Revolution as a Historical Process

Denial and repression

- Historical automatism
- Spontaneism
- Anti-Leninism

The Impossible Role Model

- Unity of Theory and Practice
- Indistinction of Philosophy, Science, and Rhetoric
- The Mirage of the Historical Personality

A New Perspective

- The Challenges of a Structural Transformation in a Poly-Centric Constellation of Domination

Rosa Luxemburg Today, 1: A research perspective

- The Accumulation of Capital in a Global Perspective

Rosa Luxemburg Today, 2: A political practice of liberation

- Primary politics as a practice of liberation

Luxemburg Today, 3:

The Organization of Struggles and the Party Form

- Paradoxies of organising struggles of liberation