

## Call for papers on RUDOLF HILFERDING'S CRITICAL POLITICAL ECONOMY

This is the third call in the framework of the *Luxemburg International Studies in Political Economy*, edited by Jan Toporowski and Frieder Otto Wolf. The planned volume will follow the two volumes „*Rosa Luxemburg: A Permanent Challenge for Political Economy. On the History and the Present of Luxemburg's 'Accumulation of Capital'*” (2016) and „*The Unfinished System of Karl Marx. Critically Reading Capital as a Challenge for our Times*“ (2018). The decision to make Rudolf Hilferding's work, especially his „*Finance Capital*“ (completed in 1909 and first published in 1910), the subject-matter of our current project has been motivated by the work on our recently published second book in the series: There, four authors have articulated the need and their interest in a deeper discussion on Hilferding's heritage. Accordingly, the new project has nothing to do with any kind of „anniversary hopping“. It rather is motivated by the overarching and central aim of our series:

- 1) to promote the tradition of Marx's critique of political economy, while being open for any new facts, questions, ideas, and democratic discussions, and looking for inspiration from the broader history of political economy;
- 2) to renew the understanding of modern societies and their economies among progressive and socialist forces of society, and come to a better grasp the role finance has to play in it; to break out of deeply and merely defensive policy positions against a barbaric future; to mitigate and find ways to solve the present social and global problems in a democratic, just and solidarity-based way, so that every human being can live in freedom, equality and solidarity, while protecting the natural environment.

We start from the conviction that a critique of Hilferding's theoretical achievements will be of crucial importance for a deeper understanding of the present societal, economic and political situation – especially of the global financial crisis, its root causes, and its connections to other problems and crises. Based on his understanding of Marx, Hilferding has analysed the on-going and emerging changes in capital relations, capitalist agencies, class structures and class relations connected to the on-going processes of concentration and centralisation of production and of capital in their deeply contradictory developments. He has shown how the further development of banks and joint stock companies, especially in their extension to controlling industry, has modified the very relations between individual and total capital, and thereby the national economies and societies at large, and how this development has triggered and reinforced the internationalization of capital accumulation – with its important consequences for international relations, in the forms of mounting aggressiveness, new modes of colonialism, international conflicts and wars.

While apparently doing the same – or at the very least something similar – in her published writings, Rosa Luxemburg has referred to Hilferding's work only twice: First, in her „Anticritique“ responding to the more or less harsh reactions provoked by her „*Accumulation of capital*“ (1913) aiming to explain the basis for imperialism. In her „Anticritique“ she replied to Otto Bauer who highly appreciated Hilferding for his competent interpretation of Marx's reproduction schemes in „*Capital*“ volume II and for explaining capitalist crises on this basis. Second, in 1918 Luxemburg strongly criticised Kautsky, Hilferding and others for their overestimation of the potential of parliamentary work for changing society. Her seemingly small attention to Hilferding's analysis may surprise: Both wanted to show the background and economic basis of modern imperialism. It may also surprise because of her great amount of work dealing with Eduard Bernstein. But Bernstein had aggressively attacked the findings and proceedings of Hilferding. Further, Hilferding with his „*Finance capital*“ has critically dealt

with revisionism and with any approach describing the more or less new juridical forms of enterprises without exploring the social relations and class contradictions behind them. He had therefore focused on a real theoretical update of Marx's theory of capital, money and finance, not just an empirical actualization, as Bernstein has found it sufficient.

Accordingly, *one question* to be looked at more deeply will be how specifically *Luxemburg and Hilferding dealt with Marx's theoretical heritage*. It should be borne in mind that any sound critique of the theoretical conceptions of Luxemburg and Hilferding will have to take into account that they could not make use all of the Marx manuscripts later published by the MEGA, especially by the second MEGA. This leads to the further questions about the specific *methodology* and the *general approach* of both – eventually explaining their *different political development* at least after 1913. This question is becoming even more relevant when looking at Hilferding's theoretical and political activities after the murder of Luxemburg and especially at his role as a deputy of the Reichstag and a finance minister. Hilferding's analysis of bank capital and its relation to other forms of capital, especially his inquiries into credit and the forms of enterprises related to the accumulation of „finance capital“ as a special kind of capital collectively accumulated by money capitalists as well as by industrial capitalists, as well his reconstruction of the societal and political consequences this development has had, have opened up a field of important Marxist research and debate. This analysis has significantly influenced the Marxist debate on imperialism, on the perspectives of further capitalist development and on the strategic conclusions socialists/communists should draw from this (Bucharin, Lenin, Grossmann, Renner, Sternberg, as well as their supporters and opponents have taken part in these debates, and more recently e.g. François Chesnais in his „Finance Capital Today. Corporations and Banks in the Lasting Global Slump“). Accordingly, a *second question* will have to be looked at: that about the *consequences to be drawn from Hilferding's theory for the understanding of modern, still contemporary processes of the accumulation of capital, for conceiving of its perspectives and for working on socialist strategies*.

The approach we propose is made even more important for the present debate by our *third question* about *how to deal specifically with Hilferding's heritage* as a challenge to the economists of today, and what could be gained, scientifically as well as politically, by addressing it. The conservative political economist Joseph Schumpeter originally put forward the interpretation of Hilferding as showing capitalism evolving to a stable 'general cartel'. This was challenged by Austro-Marxists, who influenced Kalecki and Kowalik to make more critical use of Hilferding's achievements, even when they were ignored, falsified, or negated by the Stalinist interpretations which had taken control of large parts of the Marxist debates. In the very footsteps of Kalecki and Kowalik, we shall look at what can be gained today by specifically analysing the accumulation of finance capital – understood as globalised collective capital using credit for mobilising a maximum of sources for its accumulation by primary exploitation (unpaid wage labour) and by secondary exploitation (redistribution, dispossession) – in its relation to the dynamics of societal hierarchies (class, gender, ethnic and cultural origin, individual constitutions etc.) and, at the same time, its effects on the natural environment.

Accordingly, we are interested in dealing with Hilferding's work in the light of the following theses:

1. The current crisis is a crisis of over-accumulation of liquid money resp. financial means, of capital, of production in a specific, socially and ecologically destructive pattern. It is closely connected to the main agencies of globalisation and, specifically, with the specific development of the US in its continuing fight for global hegemony and, more and more, rather for direct dominance in international relations.

2. The crisis management of the ruling forces has in no way touched upon the very causes of the crisis: surplus of liquid money resp. finance as a consequence of the specific mode of accumulation of finance capital, of societal structures and of their connections with the relations of distribution, of the pressure on labour costs and on the resources of the weaker social categories, via deregulation and privatisation, of imbalances in international trade and payment relations, of speculation and corruption.

3. The crisis management of the ruling forces and the societal reactions to the crisis coming from other political forces are primarily oriented towards delegating, mitigating and resolving the own problems of each on the shoulders of the socially weaker, towards strengthening and reconstructing all existing societal and global hierarchies. Nationalism, chauvinism, anti-modernism, as different kinds of phobias and fundamentalist approaches are involved here, in deeply contradictory ways.

4. This development is connected to a rise in global problems, to mounting violence against people and nature, and it is accompanied by an exacerbated militarisation. The main agencies behind these developments are the very capitalist oligarchies whose ways of functioning have been examined by Hilferding, which are based upon (and which tend to reinforce in turn) the processes of accumulation of globalized finance capital.

These dominant oligarchies have been and still are capable of developing and further reproducing, also because of the weakness of the left, which continually stays in a situation of structural defensive. Any sustainable process of mitigation (let alone resolution) of the present crises, especially any overcoming of the persistent crisis of overaccumulation will require a policy of the devalorisation of capital and of the mobilization of additional investments, clearly aimed at changing the dominant production patterns – and the very structures of social reproduction which correspond to the global, social and ecological problems of the present. This would mean putting an end to the neoliberal model of development, or, at the very least, to begin to build up successfully a continued struggle against the capitalist oligarchies, which still are very much at the peak of globalised power structures.

For starting and winning this struggle, it will be necessary to make use of contemporary critical work, and not at least actualize Hilferding's work – in order to become able to clarify, how the fetishizing forms of finance capital have emerged and how they are nowadays consciously initiated and renewed as such – so that we face a growing number and proportion of the population of those who are commanded and exploited themselves, but at the same time also participate in the exploitation of others.

This call has been formulated between the 200th anniversary of Marx's birth and the 100th anniversary of the brutal murder of Rosa Luxemburg on January 15th in 1919. Undoubtedly, Luxemburg has been one of the most attractive and fascinating personalities of the emancipatory and solidarity-oriented workers movement, resp. of the socialist movement. Her murderers have belonged to the most reactionary political forces at this time. This historical tragedy has been aggravated by some support from German social-democrats for the ending of an attempted emancipatory revolution in blood. The forces behind those murderers had been responsible for the terrible World War I and went on to promote the later fascist surge in Germany which led to the barbaric World War II. Also the Austrian-German theorist and social-democratic politician Rudolf Hilferding (member of the national parliament of Germany from 1924-33, finance minister in 1923 and in 1928-29) has become a tragic victim of this development: He died in GESTAPO custody in 1941.

**We invite to send abstracts of contributions proposed for our book project. Until January 15<sup>th</sup> 2019, proposals with about 3500 characters should be sent to: [judith.dellheim@rosalux.org](mailto:judith.dellheim@rosalux.org)**