Rosa Luxemburg’s Accumulation of Capital

Paul Zarembka

Bringing Capitalism Back for Critique by Social Theory
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Abstract
No Marxist has written more about “accumulation of capital” theoretically than Rosa Luxemburg and the problems she analyzed have been almost always swept under the bed. With two major issues at stake, criticism of Marx’s Capital within Marxism and the character of the dynamics of capitalism, the paper first reviews her 450-page The Accumulation of Capital. It then analyzes her post-humous critics, including Bukharin and Grossmann, council communists represented by Pannekoek and Mattick, ‘independent’ Marxists including Sweezy and Rosdolsky among others, and the Hegelian Marxist Dunayevskaya. The paper finds Luxemburg’s work very important and is appreciative of Joan Robinson’s reading of it.

Citation

Indeed, Luxemburg’s analysis focuses on what she refers to as ‘new frontiers of capitalist advance’ and the spatial conditions of integrating peripheral economies into the global expansion of capitalism. As David Harvey posits in The New Imperialism ‘capitalism must perpetually have something “outside of itself” in order to stabilise itself’, thus emphasising the notion of a spatial-temporal fix in overcoming crisis conditions. While we assert that conceptually as well as empirically the legacy of Rosa Luxemburg’s The Accumulation of Capital retains contemporary relevance, we nevertheless also raise some critical reflections in order to assess better the possibilities but also the limits to drawing on it for the understanding of current processes of capitalist expansion.

Rosa Luxemburg is renowned for being the first post-Marx Marxist to argue that the accumulation of capital hinges not only on the internal temporal dynamics of particular capitalist societies but most of all on capitalism’s spatial penetration and destruction of the non-capitalist world. As is well known, Luxemburg’s theory of accumulation brought her into direct conflict with Marx—especially over this formula of expanded reproduction at the end of Volume Two of Capital. Marx’s exclusion of foreign trade in his abstract model of how surplus value is realized in an ideal temporally isolated capitalist society was seen by Luxemburg as failing to account for the reality of capitalist accumulation, which depends from its inception on absorbing and destroying non-capitalist strata. The Accumulation of Capital: Rosa Luxemburg, Political Economy and Imperialism. We have entered an age where the “world is flat,” to quote an international best seller. A world of global competition, markets and consumers, and the ever-growing integrations of world economies through the free movement of goods, capital, technology, and labor. Is the process indispensable to the very survival of our capitalistic economies? What is the link between capitalism, economic growth and the modern face of imperialism? What is the role played by the process of capital accumulation in the recent global financial crisis? In this course we will consider these questions by reading Rosa Luxemburg’s The Accumulation of Capital.