

TADEUSZ KOWALIK: RADICAL POLITICAL ECONOMIST, SOLIDARITY ADVISOR, AND CRITIC OF GLOBALISED CAPITALISM

Tadeusz Kowalik, the doyen of Polish political economists, died at his home in Warsaw on the 30 July. He had been suffering from cancer in recent years. In the English-speaking world Tadeusz Kowalik is best known as the last surviving co-author of the great Polish economist, Michał Kalecki (1899-1970), an advisor to the Polish trades union movement *Solidarity* during the 1980s, when it played a key part in bringing down the Communist Government in Poland, and subsequently as a fierce critic of the capitalism established in his country. In his work he challenged both the commonly accepted view of the 'Keynesian Revolution' and inability of Polish communists to come to terms with their revolutionary past and find a place for themselves in the modern world.

After the death of John Maynard Keynes in 1946, three generations of economists were taught by the great Cambridge (UK) academic Joan Robinson not only that Kalecki, in his 1933 business cycle analysis and studies of wages and employment, had anticipated Keynes, but also that that Kalecki was the 'more consistent' Keynesian. This motivated Marxists (with certain notable exceptions, such as Maurice Dobb in Cambridge and Paul Sweezy in the U.S.) and the Post-Keynesian school of economic thought that emerged from the 1970s, to regard Kalecki as a 'Left Keynesian', using essentially Keynesian ideas, about the importance of fiscal policy in maintaining a level of aggregate demand appropriate to full employment, to argue for socialism. Tadeusz Kowalik was a key figure in challenging the framing of Kalecki within a Keynesian conceptual and policy agenda.

In the early 1960s, Kowalik was asked to contribute a biographical chapter to the *festschrift* that was to celebrate Kalecki's 65th birthday in 1964. As part of his preparation for this, Kowalik undertook a series of interviews with Kalecki about his work and his ideas. It is now apparent that these interviews are more than just a record of Kalecki's key publications and his discussions with Keynes, following the publication of his *General Theory* in 1936, and with Keynes's Cambridge followers like Joan Robinson. Kowalik took Kalecki back to the debates among radical socialists in Poland during the 1920s and early 1930s, centred around the instability of capitalism, mass unemployment and economic depression. The central ideas in these debates were those of the Austrian Marxist Rudolf Hilferding, Rosa Luxemburg, and the Russian Marxist Mikhail Tugan-Baranovsky. Kalecki had participated in these debates largely as an observer, drawing from them what he needed for his own theoretical development, rather than engaging in more systematic comprehension and criticism of the Marxists. Nevertheless, following his interviews with Kowalik, Kalecki returned to these authors and went on to publish a paper recording his understanding that Luxemburg and Tugan Baranovsky had both addressed the key issue of aggregate demand in capitalism. But both were wrong in regarding this difficulty as being overcome either by external markets, in the case of Luxemburg, or shifts towards more capital-intensive production, in the case of Tugan-Baranovsky.

Kowalik and Kalecki returned to these ideas after 1968, both of them now disgraced following the ant-semitic, anti-revisionist, purges of that year. The outcome was their joint paper on *The 'Crucial Reform' in capitalism*, an attempt to make sense of the Keynesian Revolution in economic policy within the framework of those early Marxist discussions about whether free market capitalism could maintain full employment, without resorting to fascism or war. The paper was published in Italy as the Polish Communist authorities succumbed to

workers' strikes forcing a change of government, but without rehabilitating those who had been purged in 1968. By the time the paper came out Kalecki was dead and Kowalik forbidden to publish under his own name. He nevertheless retained his position in the Polish Academy of Sciences as editor of the Lange *Collected Works*. The Academy had an autonomous position in the Polish institutional set-up dominated by the Communist authorities, and the Lange project was considered of national and international importance.

The eighth and final volume of the Lange *Collected Works* was published in 1986. After 1990, a further two volumes were published containing papers that had been severely edited in the original volumes for political reasons. The Lange *Works*, along with his collaboration with Kalecki, remain Kowalik's most monumental achievement. One of the regrets of his final years was the failure to find a publisher to take an interest in publishing an English language edition of Lange's collected works. Unlike Kalecki, whose *Collected Works* were published by Oxford University Press in the 1990s, Lange, especially after his embrace of Stalinism, did not retain a loyal following among the English-speaking economists to whom he had addressed his most important papers. At the time of his death, Kowalik was working on an edition of Lange's voluminous correspondence and an intellectual biography of Lange.

Kowalik's second political-economic engagement came when wage austerity was re-imposed in Poland in the later 1970s, leading to a resumption of strikes. These culminated in the emergence of the *Solidarity* trades union. Kowalik, by then active in unofficial, dissident, university discussions, travelled in 1980 to Gdańsk to assist the workers in their negotiations with the Polish Government. The result was the set of principles that now adorn a wall in the European Trades Union Confederation in Brussels, enshrining full employment, freedom of organisation, the right to strike, equal pay, social welfare, and participation in management, as rights for all workers.

Following the suppression of *Solidarity*, Kowalik came to London, where he coordinated support for *Solidarity* with activists around the journal *Labour Focus on Eastern Europe*, most notable among them Peter Gowan, but also Ralph and Marion Miliband. On his return to Poland he wrote and edited prolifically in the underground press in support of *Solidarity* and its principles of democratic syndicalism. Here Kowalik drew on the political programmes and critiques of Soviet industrial organisation put forward in Poland in the 1920s and 1930s, by non-Communist Marxists, among them his mentor Oskar Lange. But Kowalik was also taking up the themes of reformed socialism that he had been advocating since the 1950s.

During his first visit to the UK, in the early 1960s, Kowalik had defended a version of J.K. Galbraith's Convergence Thesis, that the Communist and the Capitalist worlds were both gradually becoming technocracies tempered by democracy. Kowalik argued then that, despite the suppression of the Hungarian Uprising in 1956, the political reforms put in place in the Communist bloc, after Khrushchev's speech to the Twentieth Party Congress of the Communist Party of the Soviet Union in that same year, were evidence of slow and inevitable democratisation of the Communist bloc. In London Kowalik met Isaac Deutscher, the distinguished Marxist historian and member of the pre-War Communist Party of Poland (KPP). The KPP had been disbanded in 1938 and its leadership executed by Stalin on grounds that the KPP was infiltrated by Luxemburgists and Trotskyists. In 1968 the meeting with Deutscher was put forward as evidence of the ideological laxity that needed to be purged, despite the formal rehabilitation of the KPP in 1956.

In 1989 the Polish Communist authorities agreed to more democratic elections and transferred their financial dependence from Moscow to Washington. The Polish side of the bargain was delivered by the Finance Minister in the first non-Communist government, Leszek Balcerowicz, who introduced a 'shock therapy' of liberalising markets and prices, that led to the closing down of loss-making state enterprises and offering cheap business opportunities to local and foreign enterprises. The results were a catastrophic rise in unemployment and inflation. As the political wing of Solidarity degenerated into a nationalist reaction to foreign control over the Polish economy, Tadeusz Kowalik undertook his third and last campaign, this time against 'neo-liberal' capitalism.

Drawing on the work of two other Polish political economists who had also been purged in 1968, Włodzimierz Brus and Kazimierz Łaski, as well as Joseph Stiglitz, David Hall and Robert Soskice, and David Held, together with the older tradition of utopianism, Kowalik argued that capitalism did not have to come in the brutal form of markets regulated by mass unemployment. There was a possibility of a more solidaristic, but also democratic form of economic organisation in which markets would be tempered by controls and policies to ensure full employment and greater equality of incomes and wealth. After engaging with a series of short-lived left-wing parties he settled down to the role of the conscience of leftist economists, debating and writing in support of socialist alternatives. This brought out the best in him: his scholarship and his command of political rhetoric. In a memorable debate in Kraków with the Finance Minister of the Post-Communist Union of Left Democracy (SLD), Grzegorz Kołodko in 2003, Kowalik flailed the hapless Finance Minister for the SLD government's failure to do anything about the rising unemployment and poverty in the country, like an old testament prophet denouncing the kings of Israel who had departed from the paths of righteousness. In his last book, *From Solidarity to Sellout. The Restoration of Capitalism in Poland*, published by New York's Monthly Review Press only days before he died, Tadeusz Kowalik detailed the way in which a social system which few wanted in 1989 was foisted on Poland by the World Bank, the International Monetary Fund, consultants working for foreign investment banks and multinational companies, and a small group Polish economists, many of whom had effortlessly transformed themselves from socialists to neo-liberals to please their new paymasters. In recent years, Tadeusz Kowalik participated in the work of the Euromemorandum network of economists that meets annually to criticise the policies of the European Commission.

Tadeusz Kowalik was born on the 19 November 1926 in the village of Kajetanówka outside the city of Lublin in Eastern Poland, traditionally the poorer, more backward part of the country. His father was a storeman. The young Kowalik was radicalised by the experience of pre-War economic backwardness under Poland's semi-fascist Government of the time, and then by resistance to the Nazis. In 1946 he joined the Union of Fighting Youth (ZWM), the youth wing of the Polish Workers' Party (PPR) that had been reconstituted from among surviving Polish Communists, taking care not to include the word 'Communist' in its title to avoid any possible association with the pre-War Communist Party. In 1948 he became a member of the PPR, shortly before it amalgamated with the Polish Socialist Party (PPS) to form the Polish United Workers' Party (PZPR), whose title reflected that same desire to avoid association with the pre-War Communists.

In 1951, Kowalik completed undergraduate studies in economics at Warsaw University with outstanding results. He went on to study for a doctorate in economics, which he was awarded in 1958. By then, Tadeusz Kowalik had thrown himself into the struggle to reform Polish

socialism. His resolve can only have been reinforced by a strange incident at the end of June 1956, when a delegation of the British economists with a sympathetic interest in socialism was invited to Poland by Lange. The delegation consisted R.F. Kahn, Maurice Dobb, Joan Robinson, W.B. Reddaway, Kenneth Berrill, R.L. Cohen, and R. Davies, from Cambridge; Peter Wiles, J.R. Sargent, and E.F. Jackson from Oxford; R.G.D. Allen and Brian Hopkin from London; R.L. Meek from Glasgow; W. Martin from Manchester; and Brinley Thomas from Cardiff. A group of them were taken to Poznań to be shown socialist factories, only to find the city gripped by a general strike, with the army 'restoring order' by firing on the workers. The delegation was hurriedly bussed to Kraków, where Lange met with them. Kowalik was present when Joan Robinson gave a blistering response to Lange's attempt to find in the Poznań events elements of a socialist reform process.

In that year Kowalik took over the editorship of the weekly newspaper *Życie Gospodarcze* (Economic Life) where he promoted reform of the over-centralised state economic system. He lasted only two years in this position, before being removed as the ruling party started to close down the discussion on reform. However, under the patronage of his supervisor, he kept his position as Lecturer in Political Economy at the social science university run for activists in the ruling Party and prepared for his second doctorate (*habilitacja*) that Polish academics for advancement at university. When Lange asked him what topic he wanted to research, Kowalik answered 'Rosa Luxemburg'. Lange, who had been in the PPS and had made too many compromises with the Stalinists, paused, reflected, and then said to the young Kowalik: 'The topic is interesting. But it will do you no good at all.' Nevertheless, he completed in 1963, and in that same year he obtained a permanent position in the Economics Institute of the Polish Academy of Sciences, editing the Lange *Collected Works*.

In October 1965, Lange died. By then Kowalik was working with Kalecki in criticising the policy failures of the government, but also with the philosopher Leszek Kołakowski and the economist Włodzimierz Brus, who were using their party positions to protect dissidents within and outside the ruling party. With the failure of the government's economic strategy, shortages of consumer goods culminated in another 'meat crisis' at the end of 1967. The party authorities responded with a crack-down on Jews and 'revisionists'. Kowalik was called before the Disciplinary Committee of the Party, headed by the wife of the Party leader Zofia Gomułka, like her husband a trades union activist before the War who had been held in solitary confinement during the Stalinist period. She leafed through Kowalik's file and remarked, 'what a pity; what a pity: Such a good background wasted amid the corrupt intelligentsia'.

Kowalik was expelled from the Party. But he retained his position at the Polish Academy of Sciences. With the exception of his book on Rosa Luxemburg, which finally came out in 1971, he was not allowed to publish, except for those *Collected Works* of Lange. Much of his output for the next two decades appeared under the name of friendly associates who were not subject to the ban on publication, most notably Edward Lipiński, the oldest and most distinguished Polish economist, who had given Kalecki his first job in 1929. After Kalecki's death, in 1970, Kowalik took on the additional responsibility of supervising the editing by Jerzy Osiatyński of the Kalecki *Collected Works*.

In 1972 he came to Cambridge for two years as a Visiting Fellow at Clare Hall. This was an opportunity to resume his increasingly close association with Kalecki's oldest friends at Cambridge, Maurice Dobb and Joan Robinson, as well as a new generation of Keynesians,

Geoff Harcourt, Bob Rowthorn, and John Eatwell. In 1981-1983 he was a Fellow of the Woodrow Wilson International Center for Scholars in Washington DC. In 1983, he taught for six weeks at Balliol College Oxford. In 1987-1988 he was a Visiting Professor at York University in Canada. In 1989, he taught at the New School for Social Research in New York. At the end of that year, he was finally awarded the Professorship that had eluded him for two decades, recognition that the government censorship office had not prevented him from becoming the most widely published economist in Poland of his generation.

The fall of Communism brought with it disillusionment not just on account of the political shift towards free market capitalism, but also because of the associated neglect of his heroes Rosa Luxemburg, Michał Kalecki and Oskar Lange. Despite his pre-eminence among Polish economists, and the state honours he now received, he remained a person of a rare personal modesty, for whom the condition of humble people and the ideas of scholars who recognised the value of those ordinary people, were far more important than his own individual achievements. When approached a couple of years ago about a *festschrift* in his honour he turned it down with the remark that 'this is not my style'. He asked instead for a volume honouring Luxemburg, Lange and Kalecki. This integrity gave him a moral authority that few economists have ever had, and makes his death a loss to humanity as well as to the profession.

Tadeusz Kowalik leaves behind his widow Irena, a son Mateusz, and a daughter by his first marriage.

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