

which is why I find it hard to suppose that anyone ever really disliked him.

That was especially plain after a meeting, at the bar or over coffee in a student's room. How he stood the smoke and heat with his bad chest I don't know, but he'd listen and he'd talk, faster and with more interjections as he warmed to the theme—'d'you understand me?'—and his laugh was infectious. No doubt he was a complex man, but to me it was his single-mindedness that came across.

This country has not experienced the straight political confrontation between Christian and Communist familiar in France or Italy. Dialogue has been no easier for that, since interest had first to be created. If a whole generation of students has grown up, not necessarily converted, but at least with a better understanding of why truth lies on the left, much of that is due to James Klugmann. My own debt to him is very real. We are all poorer for his death.

JACK COHEN

It has been my great good fortune to have worked with James in many of his most important spheres of work—originally in the student movement and latterly in Communist Party education, the Marxist-Christian dialogue and *Marxism Today*.

As Arnold Kettle has said, James was a teacher of genius. Hundreds, probably thousands of Communist Party and YCL members experienced the superb quality of his teaching at first hand. Many more, non-party people, heard him at the public lectures he gave, while Quakers, Methodists, Catholics and Anglicans made his acquaintance through the 'dialogues' in which he played such an outstanding part.

It is almost impossible to convey the flavour of a lecture by James. It was compounded of simplicity based on immense knowledge, humour, but above all on profound respect for his listeners and a deep sense of his responsibility as a Party educator. This was reflected in the meticulous care which went into the preparation of all his talks.

There is a theory that people can only concentrate on a talk for 45 minutes. James broke this resistance barrier with ease. The spell of his wit and wisdom, the vast knowledge which all felt he was sharing with them as equals, the alternation of serious exposition with jokes and stories illustrating complex ideas, riveted them all no matter how long he spoke.

He—a most brilliant lecturer—always emphasised that the task of Communist educators was not to show how clever they were, but "to help people to do things better than you could yourself . . . to release forces for the fight for socialism that are higher than your own". And he himself always practised what he preached.

He brought to *Marxism Today* the same dedication, sense of responsibility and meticulous attention to detail which marked his approach to all his many-sided and important activities. His outstanding contribution as editor and writer are well known. Space permits only brief comment on one or two other aspects.

Marxism Today had an editorial staff of only two, latterly only one and a half, and a part-time secretary. The editorial office was the smallest of rooms cluttered with books from floor to ceiling, overflowing on to the editor's desk where they joined Communist journals in many languages and mountains of precariously balanced files which threatened to collapse (and frequently did) at any moment.

Diversions at our 'editorial conferences' were processions of visiting colleagues wanting to consult him, countless telephone calls from would-be Ph.Ds wanting to discuss their theses, from undergraduates wanting advice on what to read for their subjects, from Party and other organisations wanting him to speak, enquiries from bodies like the BBC and others about the possible use of his priceless collection of prints and pictures, calls from old and new friends from all parts of Britain and the world eager to see him etc.

Yet throughout all these and many regular crises—failure of articles promised to materialise, difficulties because articles set up were either too long or too short, James, although tensed, always found a solution somehow.

As editor he was utterly opposed to any interference with what any contributor had written and would never attempt to change a word or a comma except in cases where he thought personal attacks or wounding statements were being made. Freedom for all points of view in articles or discussion was a hall-mark of our journal under his editorship.

The prestige which *Marxism Today* enjoys in Britain and throughout the world is due overwhelmingly to the way he directed it during his years as editor. It will remain a lasting and fitting memorial to one of the most outstanding and beloved British Marxists of our time.

Inflation and Crisis

Bob Rowthorn

(The author is a Lecturer in Economics at Cambridge University, and a member of the Communist Party Economic Committee. He is co-author of the pamphlet "Britain's Economic Crisis: Causes and Cures", which has been widely circulated in the labour and progressive movement.)

Inflation is a subject which has caused deep divisions of opinion within the Left, both in Britain and elsewhere. There is little agreement about either its causes or cures, and the debate between rival schools of thought has been intense and at times bitter, which is not really surprising as the issues at stake are important, and the theoretical and practical questions involved are difficult. The complexity of the subject and the extent of disagreement are clearly visible in the *Marxism Today* debate on inflation which was originally sparked off by Pat Devine's article of March 1974.¹ It is not, however, my intention to describe or criticise the various positions taken in this debate, for many of the views expressed are correct in their own way and the problem is not to decide in favour of one side or another, but rather to find a wider framework within which their positive insights can be encompassed.

A start has already been made in this direction by Laurence Harris in his recent article in *Marxism Today* and by John Grahl and others in their joint contribution to the *Party Economic Bulletin*.² They argue that, in the advanced capitalist world, inflation is closely connected with the process of capital accumulation and with attempts by the state to regulate this process, and in consequence any adequate analysis of inflation must base itself on the more general theory of accumulation and crisis. This approach is in my opinion correct and it will be the main theme of the present article. The plan of the article is as follows. Part One describes the basic analysis of accumulation and crisis which is contained in the writings of Karl Marx. Part Two examines how this analysis must be modified to take account of the modern state which plays a far more active role than Marx assumed and seeks to control both the pace and direction of capitalist expansion. In the course of this discussion it argues that the state may deliberately foster inflation as a con-

venient way of handling problems which it is unable or unwilling to tackle in a more fundamental way. Part Three considers the practical implications of this view, and argues that the wages struggle must not be seen and must not be fought in isolation from the wider political struggle for an alternative economic policy which would make possible the satisfaction of working class demands.

I. THE SELF-REGULATING ECONOMY

Marx states in a preface to *Capital* that his aim is to "lay bare the economic law of motion of modern society". To this end he identified two basic features of a capitalist economy which differentiates it from other kinds of economy. Firstly, there is a division of labour in which individual producers specialise in producing particular goods and services which they exchange in return for money. The activities of these various producers are not consciously co-ordinated by a central planning agency, as under socialism, but are blindly controlled by the market. Producers base their decisions on how they think the market will behave: how much they will pay for what they purchase, and how much they will receive for what they sell. What happens to the economy as a whole is not consciously decided by anyone, but is the result of independent decisions by countless individuals whose only links with each other are through the market. Secondly, a capitalist economy is divided into antagonistic classes: capitalists who organise production and workers who work under their control. Workers are not legally compelled to accept this subordinate position but in practice they have no choice. Capitalists own the factories, materials and other means of production without which it is impossible to produce, so workers cannot survive on their own and are forced to earn their living by working for others, or as Marx put it "by selling their labour-power".

Thus, Marx characterised capitalism as an un-planned economy divided into antagonistic classes, whose motion is determined by the interaction of countless individual producers and consumers, buyers and sellers, workers and capitalists, all of whom are legally free to pursue their own self-interest. At first sight it might appear that such an economy would be a complete mess without any coherent pattern, but Marx, like the classical

¹ For clear summary of this debate up until the end of 1976 see James Harvey "Theories of Inflation", *Marxism Today*, January 1977.

² Laurence Harris "Economic Policy and Marxist Theory", *Marxism Today*, April 1977; John Grahl, David Curry, Sam Aaronovitch, *Economic Bulletin*, Autumn 1977.