

sumer spending. Driver and Temple may be gratified that the Chancellor is talking of the very same theme: *The Unbalanced Economy*. But it seems improbable that this Chancellor will change the market-centred approach to policy. And without that change, the implication is that the unbalanced economy is here to stay.

Notes:

1. <http://www.theguardian.com/business/2013/oct/24/students-post-crash-economics>
2. Gordon Brown, *Where there is greed: Margaret Thatcher and the Betrayal of Britain's Future*, Mainstream, 1989
3. Many date the start of the financial crisis in the UK to 9th August 2007, when BNP Paribas blocked withdrawals from hedge funds. Brown was appointed Prime Minister on 27th June of that year.
4. For example, people in my part of the North Midlands listen with bewilderment to recent calls from the South-East to moderate the 'house price bubble'. Assuredly, there is no bubble here: indeed, it is arguable that house prices in some parts of the North Midlands are still falling!
5. <http://www.bbc.co.uk/news/uk-politics-25256147>

Janek Toporowski

*Michal Kalecki: An intellectual biography, Volume 1: Rendezvous in Cambridge 1899-1939*

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This book covers the first 40 years of Kalecki's life from his early years in Poland through to his employment in England prior to the outbreak of World War II. It is an intellectual biography which interweaves in depth elaboration of aspects of Kalecki's intellectual writings particularly on the finance side (much of which has been neglected).

The material in the book can be conveniently grouped under three headings. The first covers Kalecki's life and career in Poland, taking us through his family background and the experiences of unemployment, his education (including his earlier departure from a degree course in engineering), and his political activities against the threatening background of inter-war Polish politics. His political involvements focused on political debate and economic journalism, for as Toporowski writes 'Kalecki was too cautious or insufficiently extrovert to throw himself into political activism' (p.15). The mid to late 1920s saw Kalecki supporting himself through a combination of tutoring and credit investigation 'the better casual employment that Kalecki was

able to get. At one time he was reduced to addressing envelopes' (p.18) His self-education in economics and his developing economic journalism and writings (with his first published article coming out in 1927) are set out. The ways in which Kalecki's writings on the economic and industrial conditions set in train his ideas are of particular interest.

The second covers Kalecki's emerging economic analysis. His first serious employment as an economist comes at the newly established Institute for the Study of Business Cycles and Prices where he was employed as consultant on cartels, which later had a major impact in his development of the 'degree of monopoly' concept and its implications for price determination and income distribution. The particular novel aspect here is the discussion of Kalecki's writings on money, finance and interest rates, which offsets the usual impression that Kalecki paid little attention to finance. It also shows Kalecki's interactions with other Polish scholars in the mid-1930s, and the development of the 'principle of increasing risk'. The chapter on 'the enigma of the business cycle' sets out Kalecki's writings on cycles which 'epitomised the most obvious features of what was wrong with capitalism-instability, unemployment and poverty ...' (p.55). The issue of precedence of his work over of Keynes's *General Theory* is touched on.

The third part is his life in England in the late 1930s. He departed from Poland on a Rockefeller scholarship in 1935 with the purpose of making contact with Swedish economists and with Keynes. Toporowski rightly downplays the dramatic response reported by Joan Robinson ('I was ill. Three days I lay in bed') by Kalecki to reading Keynes's *General Theory* in February 1936 on his arrival in Stockholm with something more like a realisation that the book he was working on would need to be modified. Kalecki's remarkable review of the *General Theory* quickly followed, highlighting Keynes's contributions, some shortcomings with his analysis of investment and (implicitly) relationship with his own work.

During his stay in England, political troubles at his home institute lead to his resignation, and a precarious stay in London. Kalecki kept little record of correspondence, and Toporowski has made effective use of the Cambridge records of Kahn, Keynes and Robinson to track Kalecki's stay. This is a remarkable tale of an outsider, arriving with relatively poor English, yet able to impress with his penetrating ideas. Then the operation of an 'old boys' (plus Joan Robinson) network which sought (in the end successfully) employment for him (including nominating him for the chair in economics at Lausanne previously held by Walras, which would have involved the appointment of someone without formal academic qualifications). Yet the intellectual interchanges between Kalecki and a range of eminent British economists during this period show considerable mutual incomprehension.

Toporowski has produced a high readable account of Kalecki's intellectual journey and of the influences which produced his important understandings of the capitalist economy.