

# Contents

<i>List of Tables</i>	vii
<i>Acknowledgements</i>	viii
<b>Introduction</b>	<b>1</b>
<b>Part I Theories of Imperialism as a Periodization and Interpretation of Capitalism: Some Open Theoretical Questions</b>	<b>7</b>
1 Classical Theories of Imperialism: A New Interpretation of Capitalist Rule, Expansionism, Capital Export, the Periodization and the 'Decline' of Capitalism	9
2 Post-World War II 'Metropolis-Periphery' Theories of Imperialism	33
3 Theories of Imperialism as Alternatives to Classical and Centre-Periphery Approaches	54
<b>Part II Theories of Imperialism vis-à-vis Marx's Critique of Political Economy</b>	<b>89</b>
4 The State as a Vehicle of both Capitalist Expansionism and Decolonization: Historical Evidence and Theoretical Questions	91
5 Capitalist Mode of Production and Social Formation: Conclusions Concerning the Organization of Capitalist Power	103
6 Capitalist Mode of Production and Monopolies	112
7 Is Imperialism the <i>Latest</i> Stage of Capitalism? Reflections on the Question of Periodization of Capitalism and Stages of Capitalist Development	121
<b>Part III National Territory and International Space: Internationalization of Capital, Financialization and Imperialist Chain</b>	<b>145</b>
8 Internationalization of Capital	147
9 Financialization: <i>Market Discipline</i> or <i>Capital Discipline</i> ?	167
10 The 'Global' Level and the Concept of <i>Imperialist Chain</i>	184

<b>Epilogue: Rethinking Imperialism and Capitalist Rule</b>	211
<i>Notes</i>	217
<i>References</i>	235
<i>Index</i>	246

# Introduction

For more than a century ‘imperialism’ has been a key concept in Left theory and politics, connoting both the aggressiveness and the overripe characteristics of modern capitalism, or at any rate of certain capitalist formations. Recent debates in Political Economy have also placed emphasis on the notion of imperialism, the reason for this being that many of Political Economy’s central concerns have had to do with the regulation of the ‘global’ economy, capitalism’s recurrent tendencies towards crisis and the centrality of the logic of capital accumulation.

But the term ‘imperialism’ has never denoted a single theoretical approach. From the era of classical Marxist theories of imperialism (Hilferding, Luxemburg, Bukharin, Lenin ...) to the present day, different and often conflicting theories and political strategies have been prevalent among Left intellectuals and political organisations.

A point of clarification on methodology: ‘Imperialism’ is one of the most widely discussed terms in Marxist theory, having entered everyday political usage and having been disseminated very widely. This acceptance may be attributed to the political-critical use to which it was put for decades, and to a large extent still is, by Leftist organizations and in particular Communist Parties. This means that imperialism belongs to Marxism as an ideology of the masses (mass Marxism), and as a practical ideology of the workers’ movement (Milios 1995, Lapatsioras et al. 2008) and that to some extent it is to be included amongst common sense notions of politics and economics. The price that is paid for this is that the term becomes inexplicit, superficial and often contradictory, used mainly in denunciation of ‘bad’ imperialism, its ‘plans’ and the misery it inflicts on the world.

In the present study we clearly dissociate ourselves from this usage of the term. Our aim is to present and assess imperialism as a theoretical

2 *Rethinking Imperialism: A Study of Capitalist Rule*

concept, that is to say as part of Marxist theory (theoretical Marxism). At this level, however, a variety of different analyses are advanced and different definitions assigned to the concept of imperialism in the works of different Marxists. What we are seeking to do is to put to the test the rigour of these definitions, their positive and negative elements. We want in this way to arrive at a comprehensive evaluation, from which conclusions may be drawn that can be useful in political action, also re-equipping Marxism as mass ideology with a more successful and potent concept of imperialism.

Our critical evaluation of the different approaches to imperialism eschews every resort to arguments from 'authority'. No Marxist writer, however significant he/she might be from a theoretical viewpoint or on account of his/her political activity, can be regarded as being in possession of all the truth in relation to imperialism (or any other concept) or at any rate enjoying any relevant advantage over other writers.

We apply three basic criteria in our assessment of the various approaches. Firstly, the internal logical coherence of the arguments in each approach. Secondly, the relationship between their coherence and fundamental concepts of Marx's, and Marxist, theory. Thirdly, the potential of each approach to provide an explanation of historical and contemporary tendencies in capitalism and, conversely, refutation of theoretical predictions and evaluations of imperialism through empirical data.

In Part I of the book (*Theories of Imperialism as a Periodization and Interpretation of Capitalism: Chapters 1–3*) we propose to conduct a critical review of the various major approaches to imperialism as a point of departure for the formulation of our own theoretical analysis.

Chapter 1 (*Classical Theories of Imperialism: A New Interpretation of Capitalist Rule, Expansionism, Capital Export, the Periodization and the 'Decline' of Capitalism*) deals with the Marxist theories of imperialism, formulated in the years 1909–25, that is after the publication of J. A. Hobson's book *Imperialism* (1902) – above all the approaches of Hilferding, Luxemburg, Bukharin and Lenin. We argue that the theoretical analyses that were put forward in this period, and the controversies over the 'latest stage' of capitalism, the 'rule of the monopolies', 'global capitalism', underconsumption and crisis, capital exports, 'stagnation and decay' of capitalism, etc. retain their relevance to this day. This is so on the one hand because they comprise to a very large extent the background to present-day discussions; on the other hand, and primarily, because their critical assessment can make a significant contribution to the further progress of Marxist theory and the Marxist critique of contemporary capitalism.

Chapter 2 (*Post-World War II 'Metropolis-Periphery' Theories of Imperialism*) includes a critical presentation of the 'metropolis-periphery' or 'centre-periphery' approaches, placing special emphasis on the notions of dependency, global capitalism, unequal exchange, development vs. underdevelopment, international division of labour, etc. on which these approaches are grounded. Following certain trends of the classical theories of imperialism, all 'metropolis-periphery' theories share the fundamental assumption that capitalism exists only as a global system, and that the locus of operations of regularities immanent in the capitalist mode of production is the international community and not the national social formation. They thus conceive the international capitalist system as a uniform global capitalist-class structure, of which national economies and national states are merely separate individual components. The theory acquires a fully elaborated expression in recent works that provide grounds for postulating a 'new international division of labour' which can help make sense of the phenomena of international restructuring of production that has become observable in recent years. In our critical presentation of these theories we stress their internal contradictions and even more so their inability to arrive at a comprehensive theory of the capitalist state and political power.

Chapter 3 (*Theories of Imperialism as Alternatives to Classical and Centre-Periphery Approaches*) investigates a theoretical tradition which, following the approaches of Schumpeter and Weber, and to some extent certain analyses of Kautsky, proposes a 'political' interpretation of imperialism, giving emphasis to the policies of the state and the interests vested in them. This tradition is partly incorporated in the modern theories of 'new imperialism' and in their endeavour to distance themselves from the reductionist perceptions of the classic and centre-periphery approaches, which perceive the state as a mirror of economic causality and economic processes. However, what is present here is less a critique of economism and reductionism and more the maintenance of a similar essentialist schema in accordance with which every social instance (the economy, the state, ideology) coexists with every other in the framework of a deeper unity which it can also fully express at any moment.

In Part II of the book (*Theories of Imperialism vis-à-vis Marx's Critique of Political Economy: Chapters 4–7*) we embark on a critical interrogation of all innovations introduced into theoretical Marxism by theories of imperialism (for example those concerning the capitalist state, the stages of historical evolution of capitalism, internationalization of capital, crises, etc.) thus revising or re-interpreting the theoretical

system formulated by Marx, especially in *Capital* and his other mature economic writings.

Chapter 4 deals with *The State as a Vehicle of both Capitalist Expansionism and Decolonization*, touching upon both historical evidence and questions of theory. The chapter provides some preliminary illustrations of the crucial role of the state in consolidating capitalism, and in both the colonization of external territories *and* the decolonization of these territories through the creation of new nation-states.

The analysis is further developed in Chapter 5 (*Capitalist Mode of Production and Social Formation*). Some conclusions are drawn concerning the organization of capitalist power. The notions of capitalist mode of production, capitalist social formation, and capitalist state as nation-state, are all explored.

Chapter 6 (*Capitalist Mode of Production and Monopolies*) challenges a key thesis of nearly all the theories under investigation, namely that imperialism is linked to monopoly capitalism as a new stage in economic and social development. It is argued that the theory of 'monopoly capitalism' constitutes more a revision of Marx's theory of capitalism than a further development or actualization of his theoretical analysis.

Chapter 7 (*Is Imperialism the Latest Stage of Capitalism? Reflections on the Question of Periodization of Capitalism and Stages of Capitalist Development*) provides an alternative approach to the problem of periodization of capitalist *social formations*, of the historical forms of the capitalist state and the issue of capitalist development, also focussing on a critique of the historicist problematic.

Summarizing Part II of the book, the following conclusion might be put forward: *The nation-state's condensation of class struggle and class domination results in an internationally fragmented capitalist world.* As the setting for social relations, the territory of the state is unequivocally stamped by its national dimension, within the boundaries of each nation-state's territory. Within the framework of the social formation, it bears the mark of accumulated political power of class domination in every detail of state operations, which are the decisive factor in generating the overall conditions that are a prerequisite for reproduction of the capital relation. It is conditioned (i) by the trend towards political, administrative, judicial, institutional and cultural homogenization that is inextricably interwoven with state power and its boundaries; (ii) by the specific (national) policies for management of the workforce, incentives policies and every kind of intervention for enhancing the profitability of the (national) social capital and its expansion internationally,

at the expense of other national social capitals and (iii) by the single currency and the specific institutional and legislative framework that ensures the unity and freedom of the national market and direct competition between the different capitals operating within the borders. Under these 'national' conditions there is reproduction, in forms adequate to them, of the capitalist mode of production (CMP) and the capitalist division of labour, with transformation of individual capitals into *social capital*. Global space is divided into separate (national) spaces of class domination, separate regions of expanded reproduction of *the various (national) social capitals*.

Part III of the book (*National Territory and International Space: Internationalization of Capital, Financialization and Imperialist Chain*: Chapters 8–10) deals with the interaction between the historically formed multiplicity of social capitals and capitalist states at the global level, resulting in formation of an international economic and political space (the *imperialist chain*) linking together the different social capitals and capitalist social formations. But these international integrative processes cannot go beyond certain limits. For as long as they are confronted on the global market by national capitals at unequal levels of development, the less developed nations will yield to the protectionist and equalizing reflex whose roots are in the nation-state-based structuring of every social capital.

Chapter 8 (*Internationalization of Capital*) commences with a critique of the notion of dependence as the point of departure for a theory of modification of competition on the world market, with currency parities transforming relative cost differences between competing enterprises from different countries into absolute differences in costs. On this theoretical basis an interpretation of capital internationalization and capital exports is put forward, with a corresponding refutation of the theory of unequal exchange.

Chapter 9 (*Financialization: Market Discipline or Capital Discipline?*) shows that neoliberalism (the contemporary mode of operation of markets and the economic, political and military policies of the state) neither can be interpreted as the by-product of domination by the financial sector over 'productive enterprise' (managers and workers) nor can it be seen as a symptom of the rule of the 'rentier class' over the rest of society. Neoliberalism is the strategy of the capitalist class as a whole. Its predominance is the by-product of a shift in the class relation of forces following the economic crisis of the early seventies. The present economic crisis is systemic, in the sense that it has been brought about by the elements and the relations that are at the core of the neoliberal model.

Chapter 10 (*The 'Global' Level and the Concept of Imperialist Chain*) approaches today's imperialist order through the notion of *imperialist chain*, which is formulated in accordance with Marx's concept of social capital and his theory of the capitalist mode of production. Most theories of imperialism, including historicist approaches and doctrines of 'empire', distance themselves from the Marxian problematic of social capital (defined as the expression of the causal order of capitalist rule at every level of society).

The analysis in Part III of the book defends the thesis that international relationships and processes always have priority over international relations. It is precisely the fundamental discovery of Marxism that the class struggle (which is at the same time economic, political and ideological and is thus consummated within each national-state entity) is the driving force of history. The class struggle, that is to say in the final analysis the class correlation of forces within each social formation (or, otherwise expressed, the correlations inside a system of class domination), is/are the prime determinant of the developmental tendencies of the specific social formation. It is through these class correlations and relations of domination that international relations, with all the concomitant interdependence on other social formations, take effect. International relations are merely a complex of more or less significant historical determinations that act upon class correlations via the 'laws of motion' of the economy and society. In other words national processes determine the way in which the national is integrated with the international.

Finally, the *Epilogue: Rethinking Imperialism and Capitalist Rule* concludes the analysis, focussing especially on the tension between Marx's theoretical system of the Critique of Political Economy and the theory (or rather theories) of capitalist expansion and domination that emerge out of the various discourses on imperialism.

## Index

- accumulation by dispossession 72–4, 169
- Althusser, L. 66, 105, 108–9, 131, 134, 136–7, 191, 226n, 228n, 233n
- Amin, S. 35–6, 40–4, 47–8, 51–2, 219–20n, 225n, 229n
- Balibar, E. 66, 105, 108, 177, 181, 226–7n, 231n, 233n
- Bettelheim, C. 39–41, 52, 165
- Braudel, F. 94, 224n
- Brenner, R. 71, 75, 83–4, 169, 174, 222–3n
- Bretton Woods 162
- Bukharin, N. 1, 2, 9, 11, 13–19, 21, 23, 25, 27–30, 48, 63, 75, 159, 186, 211, 218n, 221n, 232n
- Callinicos, A. 55, 74–8, 83–4, 188, 222–3n, 228n
- Capitalism
- absolute surplus value, of 123, 125–9, 142, 228n
  - relative surplus value, of 125–30, 200
- crisis, 1, 2, 5, 10–1, 27, 42, 45–6, 52, 70–4, 78, 156, 164, 169, 172–5, 190–1, 206, 208, 218n, 229–30n
- and wages 127
  - cyclical 24, 26, 140
  - financial 167, 169, 172–3
  - monetary 172
  - overaccumulation, of 26, 71, 73, 163, 172–4
  - revolutionary 19
  - underconsumption-overproduction, of 136, 217–8n
- Cold War 77, 121, 207–9
- colonialism 12, 20, 31, 33, 55, 60, 82, 91–2, 96, 99, 100, 101, 121, 202, 222n
- competition
- capitals, of 5, 12, 27, 68–9, 75, 112–120, 157–8, 179–80, 193, 215, 218n
  - free 21–3, 115–20, 226n
  - geopolitical 12, 54–5, 60, 68–9, 75–7, 83–5, 213, 234n
  - international market, in 20, 32, 54, 71, 81–2, 128, 152–4, 155–9, 170, 200, 205, 215, 218n
  - modification of 5, 153, 156–9, 163–5, 195, 200, 205
- Cox, R. W. 135–8, 184–6, 193, 219n, 224n, 227n, 232n
- decolonization 4, 20, 99–101, 203
- dependency 3, 5, 12, 22, 33–7, 42, 44, 47–8, 50–2, 79, 80, 93, 97, 100–1, 104, 107, 110–1, 139, 147–154, 200, 205, 213, 219–223n
- derivatives 182, 232n
- determination
- in the last instance 132–3, 199, 226n
  - over-determination 31, 120, 132, 140, 193, 197, 216–7, 219n, 223n, 228n
  - self-determination 17–8, 218n
- development
- autocentric 40–1, 48
  - distorted 47, 148
  - economic 3, 4, 14, 16, 19, 22–7, 31–8, 43–6, 51, 59, 61, 65–6, 82–3, 105–6, 112, 119, 124–7, 130, 136, 139, 140–2, 148–50, 160, 168, 187, 200–5, 212, 215, 220n, 225n
  - productive forces, of 16, 39, 54, 130
  - uneven-unequal 5, 14, 19, 233n
- economism 3, 19, 67, 77, 131, 134, 136–7, 212, 213, 218n, 223n

- empire 6, 20, 33, 70–1, 79–80, 56–7, 94, 96, 98, 100, 110, 186–92, 197, 199, 216, 219–20n, 226n, 234n
- extra-profit 150, 155–9, 164
- financial markets 168, 170, 179–82, 194, 231n
- financialization 5, 52, 145, 156, 168–9, 230n
- foreign direct investment (FDI) 149, 150, 151–2, 157, 159, 160, 161–2, 229n
- Foucault, M. 76, 234n
- Frank, A. G. 42–4, 47, 49, 50, 52, 220n, 227n
- globalization 9, 30, 52, 79, 80–1, 184–6, 189, 197, 205, 210
- Hardt, M. 186–7, 190–5, 208
- Harvey, D. 70–8, 169, 188, 223n
- Hilferding, R. 1, 2, 9, 12–3, 20–2, 25, 61–3, 66, 68, 112–9, 143, 211, 218n, 225–6n, 231n
- historicism 4, 6, 67, 76–7, 83, 107, 122, 131, 134–7, 184–6, 193, 212, 227n, 228n
- Hobson, J. 2, 9–12, 21–7, 60, 64, 72, 75, 112, 136, 192, 212, 217n, 219n
- human rights 207–9
- Imperialist Chain 5, 6, 17–20, 32, 81, 103, 121, 138, 184, 195–9, 201–5, 208, 215–6, 221n, 232n, 234n
- industrial revolution 65, 125–9, 204
- internationalization of capital 3, 5, 19, 29, 30, 32, 154, 159, 161, 165–6, 173, 188, 192, 200, 232n
- Kautsky, K. 3, 13, 80–2, 192, 214, 221–2n
- Keynes, J. M. 9, 10, 167–9, 176, 178, 180, 183, 212, 217n
- Lenin, V. I. 1, 2, 9, 11, 13–4, 17–28, 31–2, 61, 63, 66, 68, 75, 81, 121, 124–6, 135, 140, 153, 196–7, 211, 214–5, 218n, 221–2n, 228–9n, 233
- Luxemburg, R. 1, 2, 9, 13–18, 25–8, 47, 72–3, 134–5, 186–7, 221n
- Marx, K. 2–6, 15, 24, 29, 41, 49, 55, 59, 66, 69, 73, 78, 92–5, 99–103, 108–9, 112–9, 122, 124–7, 132, 134, 136, 139–40, 142–3, 172, 176–8, 181, 189, 194–6, 199, 211–2, 217–8, 221–31n
- Milios, J. 1, 12, 13, 23, 26–7, 38, 101, 113, 150, 163, 174, 218n, 222n, 227–8n, 231n, 234n
- mode of production 13, 41, 43, 46, 49, 93, 104–5, 116, 124, 130, 137, 141, 186, 194, 224–7n, capitalist (CMP), 3–6, 13–4, 24, 26, 43, 45, 48, 91–5, 103–8, 115–6, 119, 122–3, 129, 131, 133, 139–143, 147–8, 152, 195, 197, 203, 215, 219–22n, 225–6n
- pre-capitalist 43, 104, 106, 123–6, 141–2, 199, 200, 204,
- non-capitalist 36, 41, 46, 106, 140, 186, 202, 217n
- Mommsen, W. J. 56–8, 65, 67, 85–8, 99, 221–2n
- monopolies 2, 4, 9, 12–4, 20–5, 31–2, 53–4, 63, 112, 115, 117, 122, 128, 130, 212
- artificial 117–8, 128
- natural 117–8
- monopoly capitalism 4, 10, 13–4, 22–3, 30–1, 41–2, 66–7, 91, 112, 117, 119, 122, 129, 130, 199, 221n, 226n
- Negri, A. 186–7, 190–3, 208, 232n
- neoliberalism 5, 74, 173, 176, 182–3, 205, 208, 215, 226n, 231n
- New World Order 206, 209

- Panitch, L. 82–3, 193, 223n, 231n  
 Political Economy 1, 191  
   Classical 113–4, 120, 228n  
   critique of 3, 6, 23, 30, 40, 92, 211  
   development, of 33, 142  
   international 107
- Poulantzas, N. 76, 104, 111, 122,  
 130, 133, 214, 222–3n
- production relations 16, 18, 24, 37,  
 39–41, 49, 92, 103–9, 124,  
 129–33, 137–8, 141–3, 148,  
 172, 177–8, 186, 214, 225n,  
 229n
- profit rate 28–9, 38, 150, 154, 157–9,  
 164–9, 196, 218n  
   average *or* general 24, 29, 38,  
   116–9, 155, 158, 165–6, 218n  
   falling tendency of 42  
   tendency towards equalization  
   of 115–7, 164–6, 179–80  
   uniform 116, 120, 150, 157,  
   164–5, 179
- Schumpeter, J. A. 3, 54, 59, 62–70,  
 76, 83–5, 87, 117, 143, 168,  
 213, 221n, 222n, 226n
- simple commodity production 141,  
 226n
- Smith, A. 63–4, 167, 191, 198, 225n,  
 234n
- social capital 4–6, 15, 82–3, 92, 101,  
 106, 114–120, 128, 142–3, 147,  
 153–4, 156–7, 163, 165, 192–6,  
 198–200, 214–6, 223n
- ultra-imperialism 60–1, 80–1,  
 214, 222n
- underconsumption 2, 9–11, 13,  
 24–8, 59, 72, 136, 199, 187,  
 212, 217–8n, 221n, 228n
- underdevelopment 3, 34–7,  
 40–3, 46–7, 50–1, 138–9,  
 141, 143, 147–9, 153, 164–5,  
 220n
- unequal exchange 3, 5, 34, 37–41,  
 47–8, 52, 74, 85, 149, 150,  
 164–5, 213, 219n, 220n
- Wallerstein, I. 42–5, 47, 49, 52,  
 219–20n
- Weber, M. 3, 54–9, 62, 65–9, 70–1,  
 75, 77, 84–7, 117, 198, 213,  
 221n
- Willoughby, J. 52, 86–8, 221n
- Wood, E. M. 69, 78–9, 80, 83, 188,  
 223n