

Stathakis, George

Article

Imperialism: Old and new theories

International Journal of Economic Sciences and Applied Research

Provided in Cooperation with:

International Hellenic University (IHU), Kavala

Suggested Citation: Stathakis, George (2008) : Imperialism: Old and new theories, International Journal of Economic Sciences and Applied Research, ISSN 1791-3373, Kavala Institute of Technology, Kavala, Vol. 1, Iss. 1, pp. 100-124

This Version is available at:

<https://hdl.handle.net/10419/66637>

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.

Imperialism: Old and New Theories

George Stathakis

University of Crete

E-mail: stathakis@econ.soc.uoc.gr

Abstract

The old theories of imperialism attempted to explain the phenomenon of the militarization of the industrial nations and their conflict over colonies that led to World War I. It was the rise of monopoly capitalism, the emergence of finance capital and the control over the state that led inter-capitalist rivalry and finally to War. In the 1960s a new version of imperialism was related to the ideas of the dependency school, while there is a gap during the 1980s and the 1990s. Recently, new theories of imperialism emerged, that discuss globalization and militarization from a different perspective. They undermine inter-capitalist rivalry and focus on American hegemony and capitalist accumulation on a world scale. The work of three representative writers (Harvey, Amin and Panitch) is critically discussed here indicating the limits and some merits of their approach.

Keywords: Imperialism, Inter-capitalist Rivalry, Accumulation Crisis, Globalization, American Hegemony

JEL classification: B14, B24, B51

1. Introduction. The different perceptions of imperialism

Imperialism is a theory that refers to a very specific historical conjuncture, the period between 1880 and 1910. It attempts to provide answers to major and crucial political questions. The specific conceptual framework concerns the *inter-imperialist rivalry*. It provides an explanation as to why the inter-imperialist rivalry gained such a momentum as to become the primary motive of foreign policy of many competing states. Under nationalist slogans many nation states, all at the same time, look for geographical expansion and control of other areas, and participate in the “imperialist project” (Smith T., 1981, Smith W. 1982).

This phenomenon was in direct conflict with the peaceful arrangements that international capitalist trade was supposed to promote. As long as trade is to benefit all of its participants, it would deter international conflict, not only among industrial nations, but also among industrialised and rural nations, as the Ricardian theory had underlined, and the Smithian tradition had before him indicated. Capitalism is inclined to produce peace, rather than war, as industry and free trade would produce wealth for each and every nation directed to its comparative advantage and being part of the free trade process (Psalidopoulos, 2003).

Thus, when the conflict between old and newly industrialized countries, both in Europe and elsewhere, emerges and leads to World War I (Joll, 1984), it came as a surprise. The 19th century is a prolonged period of peace in Europe, among the big powers (Polanyi, 2001). The industrialization process speeded up after 1880 in Germany, Sweden, Italy, Japan, and U.S.A., and also in France, which was already in the process. These countries were added to the only existing industrial nation, England. But even in countries in the periphery such as Russia, Czech, Spain, some Balkan states and others a first wave of industrialization is present.

In effect, the theory of imperialism is not primarily a theory of the relations between developed and underdeveloped countries, this is part of the explanation as to why developed economies need to take control of the pre-capitalist underdeveloped world, but the basic argument is about conflict among the industrialised countries. So, the theory of imperialism does not refer to the

political, military and economic dependency of the underdeveloped world by the developed one, but to the analysis of the capitalist world itself. The major subject of inter-imperialist rivalry is this peculiar process of the industrial nations searching for vital geographical and economic expansion, usually identified with raw materials and controlled markets. Yet, the analysis focuses on the accumulation process in the industrial nations and the changing circumstances that led to imperialism as a distinct phenomenon.

It is after the Second World War that imperialism becomes a theory that refers to the relations between developed and underdeveloped countries. Cold War and decolonization brought a new political agenda at the forefront focusing on the issue of development. The western response is a modernization paradigm underlying the integration of the underdeveloped world to the processes of open market export oriented strategies. On the other hand, a new set of theories under the heading of dependency, speak of underdevelopment as the historical outcome of these same processes that the modernization paradigm proclaims. In effect, polarization and a cumulative process of a growing gap between centre and periphery is the outcome of the modernization paradigm. Thus, a break with free trade and the world economy is a precondition for development. Imperialism is viewed as a permanent element of capitalism going back to the 16th century.

Nowadays imperialism tends to be identified with American imperialism. This idea builds on shift of power in the post-war era. In the aftermath of World War II, US imperialism is present in practically every part of the world. It exercises power through direct or indirect economic, military and political means. The common theme may be the prevention of a communist takeover and this involvement leads to extensive involvement in Latin and Central America, South-East Asia, Middle East and Africa. However, after the collapse of communism, American imperialism seems to continue uninterrupted its established practices. In effect, it may imply that in the post-war era, the American initiatives on the political and economic architecture of the world were capable to produce more sustainable structures.

The other imperialist countries of the past are in decline. France, after its defeat in South East Asia and Algeria, retreated from its colonial past. Britain, proved totally unable to control the decolonization process and thereafter turned

to a rather peace meal approach to the Commonwealth countries. The defeated countries, Germany, Japan and Italy had practically to abandon foreign policy altogether.

The shift from inter-capitalist rivalry of the theories of old imperialism, - found on the rise of national monopolies, leading to militarism and war-, to the theories of the new American imperialism, -based on dependency and the extraction of surplus, but also strongly on geopolitical premises-, are very different theoretical patterns. Thus, the theory of imperialism comes to refer to different things from its very foundation to the current time.

The old theories of imperialism have two different elements, a historical and a theoretical one, which have to be carefully distinguished. The historical one has to do with the specific phase of industrialization, a process involving old (England, France) and newly industrializing countries (Germany, Japan, Italy, Sweden, Czech, etc.) and a political process of geographical expansionism (Smith W., 1978, Cooke, 1973).

At the same time, there is an explosion worldwide of trade, of capital mobility and emigration, giving rise between 1880-1910 to what is now called the first major phase of *globalization* (Rodrik, 1997). World trade remained very much, under the influence of the British, free trade oriented ideas. Thus, this is a highly contradictory phase, which includes the protected industrialization of many countries, neo-colonialism and the partition of Africa and South East Asia, as well as the attempt to open the economy of China. Yet, at the same time the “North Atlantic economy” is formed as trade and capital between North America and European reaches huge proportions and emigration from Europe to North America (and to a lesser extend South America) reaches peak levels. These processes gained momentum and led to drastic increases in average incomes in both sides of the Atlantic. In effect, the 1880-1910 period, is a highly contradictory period where there is a parallel movement of contradictory elements.

The theoretical element is less obvious. The analysis of capitalism by Marx is based on a highly abstract venture where the capital labour relation is viewed as the central focus in the production, circulation and distribution process. The capitalist mode of production is perceived as a distinct historical

stage turned apart by its internal contradictions and leading to communism, identified as the “end of history”, as the end of “history as class struggle”. Prior to *Capital*, the Communist Manifesto (Marx and Engels, 1998, orig. 1848) and Marx’s writings on India (Avineri, 1969) indicated that globalization was the natural state of affairs of capitalism and no pre-capitalist formation could resist to the capitalist expansion. Capital was remaking the world to its own image.

Imperialism can hardly be viewed as a general theory of capitalism. Marx’s *Capital* tends to focus on the internal dynamics of capitalist accumulation and undermines the issues related to the geography of accumulation. There is no doubt that the global geography of capitalist accumulation, the role of primitive accumulation, the robbery of raw materials around the globe, the search for new markets by capital, the commercial exploitation of pre-capitalist modes of production, are all full of historical interest, but in theoretical terms it has little, if any, relevance to the analysis of the capitalist dynamics.

Historical and theoretical issues have to be examined as separate areas of research and the process of integrating the one with the other can only take place under strict and quite clear methodological steps, such as is the case for example with *Capital* itself. If abstract theoretical concepts and propositions are mixed with historical empirical data and specific historical processes, then quite often Marxist analysis turns into empiricism and the analysis turns against the comprehension of the capitalist phenomenon.

Imperialism is a theory that introduces this dual theorizing, moving at the same time in theory and history, and trying to adjust theoretical concepts to specific historical trends, giving rise to a new type of theoretical construction based on the periodization of capitalism and the attachment of specific theoretical adjustments to specific historical stages. This trend of “historizing theory” is highly debatable, as will be indicated later when discussing the new theories of imperialism.

On a first reading, this type of approach comes closer to the Communist Manifesto, probably the best political text ever written on capitalism. Yet, the Manifesto is unique. It is a highly theoretical text, which while it incorporates history at the same time it abstains from it. It is a comprehensive theoretical text that proposes a simple theoretical scheme as to the change and development of

human society, as to how classes and class struggle is the key factor in comprehending historical change and as to how successive modes of pre-capitalist societies appeared, developed and declined.

It is a unique text as to how capitalism emerged and dominated the world scene. Yet, although it is a text on the 19th century capitalism there is not a single word on the dominant power of the time (England), or to the specific forms of the world capitalist system. It refers to capitalism in general. It presents capital as a force, capable to create a “world on its own image”, moving aside any obstacle and constrain. It views capitalism as world capitalism from the outset, and at the same time it presents the emergence of the nation state as totally compatible with global capitalism. It ends up with a theory of revolution, very much influenced by ancient Greek thought (Arendt, 2002), which somehow has this vision, of an internationalist working class breaking away with all forms of domination and exploitation, which includes nationalist modes of thinking and acting and giving rise to a new culture of freedom and internationalism based on human solidarity.

Imperialism at the turn of the 20th century is identified with a revived nationalism. It demands from the working classes to join forces in a war under patriotic slogans. The worst of all is that working class parties lined up to such a nationalist project bringing a shock to those on the Left that had believed in the Communist Manifesto slogan of “workers of the world unite”. Even more they turned their power against those on the Left that felt that there should be a break with such politics and turn the worst possible political situation into a revolutionary one, as the Bolsheviks did in Russia, the Spartakists in Germany, and other smaller groups elsewhere (Eley, 2002).

The answer, given by the theory of imperialism, to this basic theoretical question as to why national capitalisms were ready to go to war, is well known. The stage of competitive capitalism was over. Monopoly capital is the new dominant form. Cartels dominate national economies and a merge between finance and industrial capital had been completed. The merge has a second element. The state became part of this new finance capital block losing all existing autonomy that the state might have.

This monopoly capitalism had outscripted the potential of national accumulation of capital. Faced with a more or less permanent crisis of

overaccumulation available capital required new markets and new areas of investment, i.e. new sources of raw materials and massive investment in infrastructure. In addition, population was increasing and it had to find a way out to move. In effect, capital and population required new geographical space.

Yet, the older colonial forces already occupied the existing world and the dominant one had the largest share that is Britain. Few areas were outside this old colonial world. Africa was one, South East Asia another. Africa became the primary ground of imperialist control. Within a 30-year period, it was taken over by Germany, Belgium, Italy, France, and England and was split into parts, more or less drawing the borderlines that form nowadays the various “nation states” of Africa. The same happened in South East Asia with France, England and Holland dominating the scene. Japan, the new force in the East, had already started its imperial vision aiming at Korea, Philippines, and China, the latter being already the centre of British colonial expansion. Even the isolated USA, entered the scene in the case of Philippines with the American-Spanish war of 1898 in order to contain the Japanese expansionism.

If this new movement is capable to take advantage of sea routes and develop new areas of control, the existing empires that had originated from a different set of arrangements, such as the Ottoman, the Austro-Hungarian and the Russian were becoming outdated. The Ottoman Empire, having lost already its European parts, has still a control in Middle East, but not for long. It has no industry and financially is practically dependent on the West. The Austria-Hungarian is ready to dissolve among the nation-states that comprised its main forces. Russia has still space to expand. But this is to the East, the Siberia, with little valuable economic space at the time. New Empires are related to sea and naval dominance, rather than land and army arrangements. This would change only when some nation states would attempt to control the heart of the system, the European imperial powers themselves.

2. The Old Theories of Imperialism

Hobson

Imperialism is a movement towards conquer and as such was based on fresh ideological constructions. Imperialism took the form of an ideology. It had theoreticians, journalists, pamphleteers, a huge propaganda machine, it was part of the public debate, it was discussed in the parliaments and the royal courts. The unique book on Imperialism by Hobson (2005, orig. 1902) presents in detail these ideological constructions and the political processes of mobilizing the people in favour of this new political project.

This book starts with a *quantitative* estimation of imperialism, an attempt to estimate with some indices as to “how much imperialism do we have”. It then proceeds with the estimation of the cost of imperialism, how much does the whole project cost and then compares it with the benefits of imperialisms. The balance sheet may be of positive but rather insignificant value and even more the benefits are directed to just a small fraction of financiers and traders. In terms of emigration, imperialism had little to offer. Emigrants from the British Isles continued to flee towards the U.S., rather than move to the colonies of the imperialist project.

The final point of Hobson is also crucial. While imperialism proves to be a project of limited financial benefit, at the same time it absorbed the resources that could support social reform and the rise of wages and salaries in Britain.

In political terms Hobson views imperialism as undermining democracy at home. He criticises extensively the biological, sociological and cultural theories that spoke of the superiority of white man that made imperative the rule over the subordinate races. In a highly critical fashion he proposes, that instead of trying to rule other races, it is better to start with a respect for self rule and the independence of other nations and races and then see how through trade or other economic exchanges it may produce some benefits for all involved. The acceptance of existing cultural systems may open the space for their development through cultural exchanges, and thus create a more balanced world. Elements of the civilised world may be incorporated in existing civilizations rather than try to administer and change them by force. There is little doubt that Hobson’s moderate and liberal approach saw the virtues of liberal values as

superior to the use of force and power either as in the colonial past or the imperialist current.

Hilferding, Luxemburg, Kautsky

The incorporation of imperialism in the Marxist framework produced 5 major works by Hilferding (1981, orig. 1910), Luxemburg (1913), Kautsky (1914), Bucharin (1917) and Lenin (1917). All of them are important in many respects as they focused on different aspects of the phenomenon of imperialism and provided more or less a first theoretical account of the phenomenon (Brewer, 1980, Barone, 1985). Hilferding's work brought imperialism and inter-imperialist rivalry within the Marxist framework. Yet, it was Bucharin that reorganized Hilferding's ideas into a more coherent framework. Lenin mostly popularized these ideas, rather than adding new ones. Luxemburg's work stands on its own right, as it is very distinct in trying to examine the relation of capitalist and non-capitalist modes of production. Kautsky's idea of ultra-imperialism lies against the trend of inter-imperialist rivalry.

Hilferding's work is based on the idea that capitalism had changed since Marx's time, and that new theories should accommodate these changes. Capitalism had moved from a competitive to a monopolistic stage. Hilferding starts with a treatment of money, which is both very interesting and highly problematic. It follows the analysis of the joint stock company as the dominant form of capitalist firm, which facilitated the centralization of capital. It led to the emergence of a very small group of individual capitalists with enormous wealth and a wide range of business interests spread in many sectors, including banking. In effect, the rapid rise of monopoly in one or more sectors was soon to be extended to other sectors as well. The banking system that controlled all forms of finance and soon became a highly centralized sector had an interest in keeping industries in the form of trusts and cartels. This led to the concept of finance capital used by Hilferding in order to underlie the fusion of the banking and industrial capital and their common support for monopoly capitalism.

The argument then shifts to protectionism, without which national monopolies cannot be sustained. If the profitability of monopoly is secure at home, it is the export of capital that gains momentum as finance capital is in need of new areas of investment, primarily in raw materials. This process leads

to economic and political dependence for the regions involved. At home, finance capital requires the full support of the state. Unlike British capitalism that was formed at an earlier date with emphasis on competition and political liberalism, in Central Europe capitalism was formed through the active support of the state, protectionism included, and when finance capital became dominant it needed both a strong and aggressive state. Imperialism is the outcome of the political control exercised by finance capital and socialism is the only response to imperialism.

Thus, Hilferding's analysis refers to a specific model of capitalist development that differed from the British one. There, the emphasis was on the market mechanism, competition and individuality. In Germany, Italy (and Japan could be added) the emphasis is on the state, the regulated internal monopolistic markets and the planned drive to exports of capital and goods.

Hilferding's work is a theoretical breakthrough that influenced successive generations of Marxists of various trends. This wide range of perspectives, include neo-Marxists, such as Baran and Sweezy (1968) with their version of monopoly capitalism, or even the state-monopoly capitalism approaches that dominated the orthodox communist parties. Despite the changes that the capitalist system underwent during the 20th century, the relation between monopolies in industry and banking and the state and the combination of national protectionism and geographical expansion, through trade and export of capital, remained the major theme in successive waves of theoretical constructions.

Luxemburg focuses on the incorporation of pre-capitalist formations within the capitalist production as a permanent process of overcoming successive waves of underconsumption crisis. In each and every circle of an underconsumption crisis, capitalism was supposed to try to find non-capitalist formations where surplus products could be absorbed and non-capitalist production would generate new surpluses. This endless process would come to an end when the incorporation of pre-capitalist formations would be final, implying a state of stagnation or collapse of capitalism.

As expected, this line of argument gives emphasis to the expanded reproduction schemes of Marx's Capital in volume two, though most of the book

is an extensive review of all theories of reproduction from Quesnay to Tugan-Baranowsky. Luxemburg thought that Marx underestimates the problem of realization of the surplus value. Wages and the consumption of capitalists leave a significant part of value produced non-realized and investment has to absorb this surplus. Each year an ever-increasing mass of commodities has to be produced through this investment process, i.e. a production for the sake of production, which if money relations are included, makes the whole process almost impossible. Thus, in order this process to continue, “outside” buyers from the non-capitalist world have to be found to absorb these surpluses.

Luxemburg views the world through this dichotomy of the capitalist and non-capitalist sectors, the “inside” and the “outside”, and examines in length how, historically, this dichotomy has worked out. Although this movement from the “inside” to the “outside” had included the relation between the industrial and the rural sector in capitalist countries in the past, it was the shift towards the rest of the world that had become predominant as states and companies competed for such new space.

There is little doubt that the analysis of Luxemburg uses a rather simplistic version of the extended reproduction schemes (although Kenysian and post-kenysian thinking is in line with this argument). In addition, it gives an absolute priority to economics in terms of the crisis theory and it more or less implies that the collapse of capitalism may be inevitable, if the world turns into a purely capitalist economy. Besides the many theoretical problems of Luxemburg’s approach, it is the first systematic attempt to examine the movement of capitalism in search of new geographical space, the incorporation of the pre-capitalist formations as a vital parallel aspect in the accumulation process and the identification of “primitive accumulation” as a permanent characteristic of capitalist accumulation.

Kautsky is in a different line of argument. His idea was that national bourgeoisie was very much in a process of mutual diffusion with other national bourgeoisies, in a process that was to end up in a kind of common interest, an interest identified with the defence of capital itself, as an abstract and general concept. In effect, he argues that the major powers would have an interest to exploit the world jointly, rather than struggle over the division of this world. The

German Social Democracy was by far the most important force of the Left and had a tradition in favour of free trade, instead of protectionism, and worked a lot on inter-capitalist rivalry. It viewed the state as an agency where the conflicts between the various fractions of capital were regulated. So the idea of Hilferding of finance capital and the unification of capital and state into a coherent force undermined this tradition.

Kautsky's ultra-imperialism identifies imperialism and militarism as the work of a fraction of capital, finance in the traditional sense, and feels that other fractions, industrial included, would find an interest in the peaceful exploitation of the world together with other national capitals. The rise of monopoly did not prevent, as Marx had indicated, competition as competition generates monopoly and monopoly generates at a different level competition. In effect, Kautsky indicated that even the coming war would not prevent the common interest of capital to exploit the rest of the world and this process would produce peace among the industrial nations in the long run. The Left should of course have to fight this arrangement, but still it was different if inter-imperialist rivalry turned capitalism into a system of more or less permanent war among its members or into a system where the common exploitation of the rest of the world prevailed.

Bucharin and Lenin

Bucharin is probably the most interesting work. It follows very much the line of arguments found in the Communist Manifesto, where the movement to global capitalism is compatible with the strengthening of the nation state, and it is on this double movement of *globalization* and *nationalization* that in analytical terms imperialism may be conceived. These two parallel processes may be conflicting or their balance may be interrupted by war and breakdown. Yet, Bucharin is quite certain that both processes will be at work. His perception of globalization indicates that although inter-capitalist rivalry may lead to war and the national domination of one or more powers over the others, globalization and international competition will come back in the future ready to challenge existing systems of national domination. The movement towards global capitalism is the absolute imperative of capitalism, including not only world trade, but also money capital. As national capital and the state merge as Hilferding had indicated, national blocks are formed which compete at the international level, and as there

is no international state, the formation of giant national blocks may lead to the common exploitation of the “periphery of underdeveloped countries”, but also to the increased competition among dominant national blocks. The anarchy of capitalist production may be contained at the national level only to be reproduced at the international level. For Bucharin imperialism, as both policy and ideology, expresses this large-scale concentration and centralization of capital that absorbs not weak capitals but whole countries.

As in most theories of imperialism the idea of monopolies and the state that more or less is identified with their interests may sound a bit dubious. These agents turn to be rather static. In other words, there is no elaborate theory of the state in the theories of imperialism. Yet, Bucharin seems to try to minimize the problems arising from this theoretical gap, by his emphasis on the contradictory movement of capitalist accumulation at the national and international level.

Lenin’s approach is probably the most weak in theoretical terms but probably the most sound in political terms. For Lenin every political conjuncture, no matter how negative it may be for the revolutionary movement, it may turn into a political opening if properly fought. The First World War was a disaster for the Left as it attached itself to the nationalist fever that led to the War. Yet, for Lenin it was a matter of break and conflict, of moving against the trend and turns every obstacle into a revolutionary event. Much of the book fights the ideas of Kautsky’s, the idea that capitalism may be compatible with peace, rather than be in a state of crisis and war. His idea of imperialism as a stage of capitalism sprung from this polemic, as did the idea of “labour aristocracy” that attempted to explain the incorporation of the Left in the nationalist fever.

His theory of imperialism lies with the famous five tendencies (the rise of monopolies, the formation of finance capital, the export of capital as distinct from the export of commodities, the formation of international monopolistic combines sharing the world and the completion of the territorial division of the world). All tendencies are not discussed in any detail, and after all they draw conclusions from much of the previous literature on imperialism that is Hobson, Hilferding and Bucharin. The key elements that draw together these tendencies is the rise of monopoly and the uneven development of world capitalism which turned national capitalisms into permanent agents of the redistribution of existing

colonies, of constantly redrawing of the boundaries and the spheres of influence. Capitalism was a dynamic system based on world hierarchies and the changes of such hierarchies that the process of uneven development generated. For the revolutionary movement the priority should be to locate the “weak link” in these hierarchical structures and gain power wherever such a prospect was possible.

This kind of analysis had to a certain extent to be descriptive. This perception was less demanding in theoretical terms. Capitalism is presented as a system of national flags, competing one with other in order to incorporate as many as possible less developed nations. Fragmentation and the split of the world into spheres of influence of national capitalisms seem to undermine the globalization process of capitalism. It is true that to some extent this process is reversed by the formation of world monopolies in certain sectors (oil, raw materials, etc.), that comes in line with Bucharin’s and even Kautsky’s work. Yet Lenin’s work for a variety of reasons became the most influential. This had a major negative consequence. The previous works with more sound theoretical undertakings somehow were forgotten. Imperialism was reduced to an “obvious” phenomenon, which common political action could properly fight. Imperialism lost in this respect the theoretical momentum it gained from the classic works.

3. New Theories of Imperialism

The theory of imperialism with its emphasis on inter-imperialist rivalry leading to war, seemed to be adequate for the Left, as World War I was to be followed by World War II, and in between capitalism faced the most severe economic crisis, which dissolved the world economy. With the end of the Wars and the rise of American hegemony inter-capitalist rivalry came practically to an end. Under the circumstances the old theory of imperialism should have been abandoned.

Until the early 1970s the term of imperialism was extensively in use, but in a new context. But this time it was the outcome of the strong influence that the theories of dependency exercised (Rhodes, 1970). There is no need to go into any detail here in discussing these theories. The basic idea is that development and underdevelopment are historically the result of a common process, of the formation of world capitalism from the 16th century onwards. Accumulation was always taking place on the world scale. Surplus from the periphery was

transferred to the centre through unequal exchange, the relocation of profits and incomes in the centre and financial dependency, producing polarization and increasing the gap between the industrial centre and the rural periphery. Peripheral capitalism, even if industrial activity takes place, is unable to generate the typical accumulation process of the centre, as two crucial links, capital and technology, are not part of this internal process. Capitalism in the periphery is unable to attain the typical process of expanded reproduction and thus form capital and labour as social agents. Thus, social formations remain extremely heterogeneous. Imperialism is the continuation of colonialism. Societies have structures that were formed under hundreds of years of European colonialism and more recently by American domination. It is the links between the periphery and the centre that are of the most crucial importance.

Then during the 1980s and the 1990s the term imperialism was forgotten. During the last ten years, however, it started being used again, either through the term new imperialism, or through the use of the traditional term but in a different context. Among the many works that attempt to use this concept are the works of Harvey (2003), Panitch (2004), Arrighi (1994), Brenner (2002), Petras (2001) and Amin 2001, 2004a, 2004b). A very important theory, standing opposite to the theories of imperialism, is the theory of empire as presented by Negri and Hardt (2000).

Here we will restrict to the presentation of the arguments of Harvey, Amin and Panitch as representative of three different perceptions of imperialism. They all try to relate a modern version of the theory of imperialism with various pre-existing theoretical frameworks, which lie more or less with the Marxist or neo-Marxist that emerged in the '60s and the '70s.

Amin

Amin's work is well known, as he is a prominent writer of the dependency school. His recent work tries to update much of the previous arguments in the historical context of the post-1989 world, the American hegemony and globalization. In a major article and three recent books he develops his idea of "collective imperialism". By this term he refers to the "Triad" of USA, Western Europe and Japan. The common interest arises from a different perception of the new oligopolistic structures. Nowadays multinational companies irrespective of

their national background have to be able to have a strong international position in markets of quite large size, and this is the way to be competitive in their national markets as well. These oligopolistic structures have common interest not only in globalized markets, but also in the active support of American hegemony, which is the only force that can keep the world under control.

However, the American hegemony lies on a huge asymmetry. In economic terms the U.S. economy has lost much of its competitive advantage and practically has turned into a parasitic one, leaving at the expense of the rest of the world, an arrangement, which, the rest of the world is ready to accept, as long as there is no alternative. Now the U.S. seems to try to use its military power and political supremacy, to turn to its own advantage much of the common arrangements of “collective imperialism”, that is supposed to be shared by all. The militarism of the U.S. and the shift to extreme policies by the Bush administration raises a whole number of questions as to the viability of the “collective imperialism” arrangements.

As globalization persists so is polarization at a world scale. Much of the South is in a desperate position facing a “new agrarian question”. Three billion of peasants are faced with “pauperization” as the free trade arrangements pursued by the North will lead to extreme phenomena of dislocation. With the same token “pauperization” is present in the urban population of both the North and the South. In effect, “pauperization” is a phenomenon inseparable from—an inherent product of the expansion of “real-existing capitalism”, which for this reason Amin calls it “imperialist by nature”.

Amin sees that within the framework of “collective imperialism” the conflict among the Triad may become intense. The U.S. as are weakening in economic terms, may become even more aggressive. Europe, according to Amin, unlike the U.S., shares a different political tradition, giving more emphasis to social and political equality. In effect, Amin considers that Europe, Russia, China and the South have the option of moving their own way and forming a multi-centre world, leaving aside the American hegemony altogether (Amin, 2006).

Harvey

Harvey's work is of a completely different nature. He goes back to Luxemburg in order to indicate that capitalism is in need to use non-capitalist formations. But, unlike Luxemburg and her underconsumption thesis, he turns into an overaccumulation thesis. In effect, capitalism is presented as being in a permanent state of overaccumulation, in great need of finding space to expand, space dominated by pre-capitalist formations, which may be turned into capitalist. In other words, Harvey brings back the idea of "primitive accumulation", as a permanent characteristic of capitalism, reproduced over and over again. His perception is even stronger than expected. He considers "primitive accumulation" as becoming the predominant theme of modern capitalism and the whole globalization project is viewed through this angle.

Harvey uses the term "accumulation by dispossession" as a solution to the overaccumulation problem. These concepts are presented as following: "What accumulation by dispossession does, is to release a set of assets (including labour power) at very low (and in some instances zero) cost. Overaccumulated capital can seize hold of such assets and immediately turn them to profitable use. ...Privatization (...) has, in recent years, opened up vast fields of overaccumulated capital to seize up. The collapse of the Soviet Union and then the opening up of China entailed a massive release of hitherto unavailable assets into the mainstream of capital accumulation. ... Put another way, if capitalism has been experiencing a chronic difficulty of overaccumulation since 1973, then the neo-liberal project of privatization makes a lot of sense as one way to solve the problem. ... Another way would be to release cheap raw materials (such as oil) into the system. ... The same goal can be achieved by the devaluation of existing capital assets and labour power." This means crisis but regulated crisis is part of the game. "This is often what state-administered austerity programmes, (...) are often all about." (Harvey, 2003, p. 149). The same process is the regional financial crisis, produced more or less on purpose by the IMF, such as the one of South – East Asia.

In other words, for Harvey everything has to do with the devaluation of various assets (public and private, national or international) to be reused as profitable takeovers by overaccumulated capital. This looks like a capitalism of

theft rather than a capitalism of expanded reproduction, investment, increased productivity of labour and the rest.

Yet, the argument of Harvey becomes even stronger. “But how and why does accumulation by dispossession emerge from this background state to become the dominant form of accumulation relative to expanded reproduction?” (Harvey, 2003, p. 153). The answer lies with the typical crises of expanded reproduction, but also with those states and business classes that “are ready to ‘join the system’ and seek the benefits of capital accumulation directly”. This all-inclusive process includes China as a primary example, of state-orchestrated capitalism, done by consent, or it may be pursued by external pressure or a combination of the two.

In effect, Harvey identifies privatization and the inclusion of any new economic or geographical space into the market process as the real process of ‘primitive accumulation’ and considers that these two processes have become more important than the classical expanded reproduction process. This strong argument leads to a perception of imperialism as a result of the “rise on importance of accumulation by dispossession”. It symbolizes “the rise of international politics of neoliberalism and privatization, correlates with the visitation of periodic bouts of predatory devaluation of assets in one part of the world or another. And this seems the heart of what contemporary imperialist practice is about” (Harvey, 2003, p. 182).

By following Arendt (1968) on this point imperialism is identified with “robbery”. “American bourgeoisie rediscovered what the British bourgeoisie discovered in the last three decades of the nineteenth century, that, as Arendt has it, “the original sin of simple robbery” which made possible the original accumulation of capital. (...) ‘New imperialism’ appears as nothing more than the revisiting of the old, though in a different place and time” (Harvey, 2003, p. 182).

Harvey tries to draw elements from the old theories and primarily from Luxemburg, as to the need of capitalism of the outside non-capitalist world, its inability to pursue internal reforms to contain some sort of crisis (underconsumption or overaccumulation is irrelevant) and the permanent inability of the capitalist system to increase the profitability of capital other than

through its deviation from the proper generation of surplus value under competitive conditions. In other words, this means either the formation of monopolies, as the old theories thought, or the use of theft.

This kind of approach undermines all the basic elements that lie at the heart of capitalist restructuring and the ability of the capitalist system, through periodic crisis to rearrange the relation between capital and labour and incorporate technological changes, which is at the centre of any such rearrangement. The theory of “dispossession” has not a single word on technology and technological changes in the post-1973 period, remains silent on the changing balance of the capital-labour relation (in favour of the former) and disregards the transition of capitalism into a post-industrial society. It undermines very important works, such as the one of Castells (1996, 1997, 1998), which has focused extensively on these issues. It reproduces a static picture of capitalism that everything is done through a permanent process of devaluation and revaluations of assets, either of public assets (privatised) or assets of geographical areas, brought into the system.

There is little doubt that this phenomenon may be real, but the main engine of growth remains the typical system of expanded reproduction based on technological changes and a changing capital-labour relation. The fact that this is done on a broader geographical space, with the incorporation of pre-existing capitalist and pre-capitalist formations alike (neither China, nor the ex-Soviet Union were pre-capitalist, nor the state companies of the Western world) and that in this very process new centres of enormous capital accumulation arise (China, India, Brazil, South East Asia, etc), is an issue that can hardly be explained by a retreat to the theory of “primitive accumulation”. It looks more like Marx’s vision of capitalist expansion around the globe, as indicated in the Manifesto, and as Warren (1981), had indicated 30 years ago.

If Warren had attacked the dependency thesis that there is no capitalist development in the South because of imperialism, and indicated that a lot of capitalist growth was already in progress, Harvey, comes back not to deny that such capitalist growth is in progress, but that it is not capitalist in the proper sense. It has the features of “primitive accumulation” and therefore, it is both fragile and non-sustainable, as capital moves around various locations producing

devaluations to some and revaluations to others, which takes him back to the dependency school thesis, but from a different perspective.

The dependency school has a strong position on the need of development, growth and modernity of the South in the proper sense, through processes that oppose the polarization and pauperization produced by capitalist globalization, Harvey attacks Amin's theory of imperialism on this point. Harvey defends the struggles of any pre-capitalist group (indigenous population, farmers, etc.) against this "primitive accumulation" which leads to their dislocation. His critic includes also the modernization ideas of the traditional Left (Soviet experience of "forced collectivization", the problems that Sandinistas had in Nicaragua and other examples). In effect, he sees that modern struggles arise around the world from this "accumulation by dispossession", which includes the most famous ones, the Zapatistas, but also struggles against any modernization scheme (dumps, extraction of oil, free industrial zones, privatizations of all sorts, etc.). Now these movements often retreat to very traditional ideological constructions, something that Amin in his work remains very critical of including Islamic political movements). Harvey with his "dual domain of anti-capitalist and anti-imperialist struggle" thesis attempts to reconcile in a dialectical manner the traditional working class movements with the anti-imperialist struggles produced by "dispossession". The new reconciliation "has to acknowledge the significance of the multiple identifications (based on class, gender, locality, culture, etc.)" (Harvey, 2003, 179).

Harvey's social and political analysis attacks three different schools of thought. Firstly he attacks "post-modernism" that has proclaimed that the multiple identities and the heterogeneous capitalist development has produced no unifying social class, but a "multitude" engaged in specific struggles. He attacks the dependency school, which looks for modernization through broad inter-class and international social and political alliances. And attacks the traditional working class politics as partly outdated, as "dispossession" has become the primary form of accumulation. His dialectic reconstruction of unity is however dubious, as much so, as the economic analysis that lie behind the "accumulation by dispossession" thesis.

Panitch

Panitch and Gindin propose a very different approach which is very interesting because they bring back the idea of state and class, two concepts that both Amin's and Harvey's approach have undermined. The basic idea is that there is no historical trajectory produced by theory. On the contrary, it is necessary to "historize theory". Thus, any form of crisis does not produce predictable outcomes. The crisis back in the 1870s accelerated inter-capitalist rivalry (and war), the great depression reversed the internationalizing trajectory (but again produced war) and the 1970s produced the deepening, acceleration and extension of capitalist globalization (without inter-imperial rivalry or war). The globalization tendencies of capitalism cannot be understood apart from the role played by state.

Thus, the expansionism of old imperialism is perceived not as the outcome of economic crisis and monopoly formation, but as the combination of competition, opportunities and capacities of a developing capitalism. Even more consumption, both private and public, was increasing in industrial nations as not only external, but internal accumulation was deepening. In effect, "capitalist imperialism needs to be understood through an extension of the theory of the capitalist state, rather than derived directly from the theory of economic stages or crisis" (Panitch and Gindin, 2004, p.40).

Panitch and Gindin criticise all theories of imperialism that attempt to interpret the phenomenon in terms of economics. He rather shifts the emphasis to politics, identifying imperialism as a political project combining elements of the "formal and informal empire". In effect, it is a complex political and economic process and imperialism should be kept apart from capitalism. It is thus about the state, it is about the state making "free markets" possible and then to make them work. The British imperialism of "free trade" in the 19th century requires this complex analysis of the "state" and the "market", rather than the simplistic perception of a national state-monopoly alliance in search of new protected markets.

The analysis then shifts to the American empire, the historical pattern of "extensive empire and self-government" that produced unique historical elements of the economic and cultural formation of American capitalism, and

most importantly of all, the unique agent: the American imperial state. This state managed in the Cold War era to reconstruct the world order in ways that were not restricted to the “containment of communism” but were also aiming through “informal imperial rule” to open the world in cultural, political and economic terms. Through this active process the American state was internationalized, preparing itself through the transitional “golden age” of the 1950s and the 1960s, for the constitution of American empire in the neo-liberal era.

The globalization outcome is not inevitable. But there is a very coherent formation of the three economic centres (U.S., Europe, Japan) and the unchallenged hegemony of the U.S. in the military and political front. This grand scale world reorganization is a feasible project under the specific historical circumstances and the U.S. was ready to follow it. By following Poulantzas, Panitch and Gindin, underlie the transformation of the capitalist states in order to establish the necessary internal conditions for sustained international accumulation, a process that did not weaken the position of the state but added to its functions.

Neoliberalism is viewed as a political project, changing the capital – labour relation in favour of the former. It was done in the U.S. and was followed by the others. The same happened with the hyper-mobility of financial capital and the emergence of the complex processes of international capitalism with enormous links between the American, European and Japanese economies, which makes inter-imperial rivalry of very limited importance. Following again Poulantzas, the crisis of imperialism is being located in “world class struggles”, as it is not American imperialism that is in crisis, but the whole of imperialism under this hegemony.

These “world class struggles” may sound too loose as an analytical tool and to some respect “too restrictive in light of the diverse social forces now at play”, as Panitch and Gindin underlie. But still in their own vision it is the most appropriate approach to the complex set of tensions and contradictions arising within the framework of an American empire.

4. Conclusion

The old theories of imperialism opened up very interesting research areas, which however, were discontinued. The theoretical ventures of Hilferding raised the question of money in Marxist theory, Luxemburg opened up the space of underconsumption, an issue that was later taken up by Kenysian theory, and globalization in Bucharin and Kautsky gained new theoretical insights in the tradition of the Communist Manifesto. Lenin turned much of these theories into a political project of great practical use but that somehow undermined the continuation of the theoretical project itself.

The new theories of imperialism, although they seem to make interesting points as to neoliberal era of world capitalism, they tend to reproduce some of the main deficiencies of the older theories. They are inclined to economism (Harvey), with emphasis on a sense of crisis and with a very simplistic perception of capitalist dynamics. Amin's approach remains very much within the dependency discourse, with again a rather poor comprehension of the economic and political processes involved, particularly with the rise of new economic powers from the periphery. Panitch stands for a break with economism and the shift towards a better understanding of the relation between the states, the international proliferation of the markets, and the rise of the American empire. Bringing the state and class back into the picture may open a more interesting perspective, yet to be developed. The theories of imperialism remain however in a rather poor state, as they did in the last fifty years. Renewing this very interesting theoretical tradition requires much more coherent theoretical trajectories, most probably coming from other areas of research in economic and political theory.

Bibliography

- Amin, S., *Beyond US Hegemony: Assessing the Prospects of a Multipolar World* (London: Zed Books, 2006).
- Amin, S., *The Liberal Virus: Permanent War and the Americanization of the World* (New York: Monthly Review Press, 2004a).
- Amin, S., *Obsolescent Capitalism: Contemporary Politics and Global Disorder* (London: Zed Books, 2004b).
- Amin, S., "Imperialism and Globalization", *Monthly Review*, June 2001.
- Arendt, H., "Karl Marx and the tradition of Western political thought", *Social Research*, Summer 2002.
- Arendt, H., *Imperialism* (New York: Harcourt Brace Janovich, 1968 edn).
- Arrighi, G., *The Long Twentieth Century: Money, Power and The Origins of our Time* (London: Verso, 1994).
- Avineri, S. (ed.), *Karl Marx on Colonialism and Modernization* (New York: Anchor Books, 1969).
- Baran, P. and P. Sweezy, *Monopoly Capital* (Harmondsworth: Penguin, 1968).
- Barone, C., *Marxist Thought on Imperialism*, (Armonk: M.E. Sharpe, 1985).
- Brenner, R., *The Boom and the Bubble: The U.S. in the World Economy* (London: Verso, 2002).
- Brewer, A., *Marxist Theories of Imperialism* (London: Routledge, 1980).
- Bucharin, N., *Imperialism and the World Economy*, Marxist Archives, marxists.org, (orig. publ. 1917).
- Castells M., *The Information Age: Economy, Society and Culture* (Malden and Oxford: Blackwell, three volumes, 1996, 1997, 1998).
- Cooke, J. J. *New French Imperialism, 1880-1910: The Third Republic and Colonial Expansion* (Newton Abbot, Hamden, Conn.: David & Charles; Archon Books, 1973).
- Eley, G., *Forging Democracy. The history of the Left in Europe, 1850-2000* (Oxford: Oxford University Press, 2002).
- Joll, J., *The Origins of the First World War, Origins of Modern Wars* (London; New York: Longman, 1984).
- Hardt, M., and A. Negri, *Empire* (Cambridge, Mass.: Harvard University Press, 2000).
- Harvey, D., *The New Imperialism* (Oxford: Oxford University Press, 2003).

- Hilferding, R., *Finance Capital*, (London: Routledge & Kegan Paul, 1981), (orig. publ. 1910).
- Hobson, J.A., *Imperialism: A study* (New York: Cosimo Classics, 2005), (orig. publ. 1902).
- Kautsky, K., *Ultra-imperialism*, Marxist Archives, marxists.org, (orig. publ. 1914).
- Lenin, V.I., *Imperialism, the Highest Stage of Capitalism*, Marxist Archives, marxists.org, (orig. publ. 1917).
- Luxemburg, R., *The Accumulation of Capital*, Marxist Archives, marxists.org, (orig. publ. 1913).
- Marx, K. and F. Engels, *The Communist Manifesto, A modern edition*, (introduction by E. Hobsbawm), (London: Verso, 1998), (orig. publ. 1848).
- Panitch L. and S. Gindin, “Global Capitalism and American Empire”, in Panitch L. and C. Leys, *The New Imperial Challenge*, (*Socialist Register*, London: the Merlin Press, 2004).
- Panitch L. and S. Ginolin, *Global Capitalism and American Empire* (London: Merlin Press, 2004).
- Petras, J., *Globalization Unmasked: Imperialism in the 21st Century* (London: Zed Books, 2001).
- Polanyi, K., *The Great Transformation* (foreword by J. Stiglitz), (Boston: Beacon Press, 2001), (orig. publ.,1944).
- Psalidopoulos M., *International Conflict and Economic Thought. International trade and national interest 17th-20th century* (Athens: Metamesonikties Ekdoseis, 2003), (in Greek).
- Rhodes R. (ed.), *Imperialism and Underdevelopment. A reader* (New York and London: Monthly Review Press, 1970).
- Rodrik, D., *Has Globalization gone too far?* (Washington: Institute for International Economics, 1997).
- Smith, T., *The Pattern of Imperialism: The United States, Great Britain, and the Late-Industrializing World since 1815* (Cambridge, Eng.; New York: Cambridge University Press, 1981).
- Smith, W. D., *European Imperialism in the Nineteenth and Twentieth Centuries* (Chicago: Nelson-Hall, 1982).
- Smith, W. D. *The German Colonial Empire* (Chapel Hill: University of North Carolina Press, 1978).
- Warren, B., *Imperialism: Pioneer of Capitalism* (London: Verso, 1981).