

GLOBALISATION AND IMPERIALISM – TOWARDS A MARXIST INTRODUCTION

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INTRODUCTION

The new phase of internationalisation of capital, popularly known as 'globalisation', seeks to promote financial integration, financial and trade liberalisation with further internationalisation of production. This is a statement, which perhaps would not be disputed by anyone for or against globalisation. One may, however, argue on the degrees of these processes as they unfold in real life. Trans-national corporations concentrated in the 'North' started organising production both in the North and South of the globe after the World War II. We find a consistent and dramatic increase in Foreign Direct Investment (FDI) and doubling of global trade during the post-war phase. But this does not mean only expansion of capital accumulation; it also essentially involved a concentration and centralisation of production and distribution. This becomes clear once we go through the details of the global trade, where we find that one-half to two-thirds of it, since 1945 has been trade between units of the same trans-national corporation.

But what makes this new phase of internationalisation of capital somewhat radically different from the earlier phase is the regulation or rather 'deregulation' to remove the 'obstacles' in the market expansion and integration. National legislations protecting the national capital have to be rationalised to create 'fair' competition for foreign investors and producers. Self-sufficiency of local markets, which was established through provision of subsidies and other benefits to small-scale production, came to be seen as clogs in the integration of demand structure in the economy and as creating price distortions. Historically, such provisions were made to allow the big capital to concentrate on priority industries to help building the newly independent national economies, while small units fulfilled the local and peripheral needs.

In this regard, we have to remember that the rise of financial institutions, which are beyond the control of nations and national laws, make them decisive agencies in facilitating or coercing such changes in the national economic structures. The fear of the 'flight of capital', which is now beyond the control of any country, humbles all the titanic war cry against globalisation. Earlier too, finance capital played a vital role, but in this new phase, its supremacy and independence derives from its speculative pursuit, as 'hot money flow'. Its herd behaviour allows it to set the parameters for financial decisions of the governments without apparently controlling them.

But more important aspect of this phase, at least from our point of view, is the intensification of capital's control over the workplace and reorganisation of the labour market and work process. It is in this aspect that we can perceive the genesis of 'social exclusion' and deprivation that we recognise today (although it is essentially a realisation of the whole process, as the enumeration and characterisation of different aspects of globalisation have analytical function rather than making any real, political sense).

As profit maximisation and its natural corollary, cost minimisation are the basic motivations that engender competition and thus establish the market, we need to see all these regulatory or de-regulatory policies as part of intensifying competition in the market. The present process of reorganisation of work, too, was essentially a product of this pursuit. This process has been termed by some as 'lean production' and others have called it 'post-Fordism'. The essential nature of the process and its components has been

identified more or less in similar fashion. Corporations are seeking to get rid of 'waste' that increases the cost – material, work and workers. Outsourcing or contracting out of work is the basic medium today that integrates the markets locally, nationally and globally, and that too with greater efficiency and less cost. The cutting edge of globalisation and liberalisation, which organises the social life, is lean production, which judges everything and everyone on the basis of speed and productivity. Speeding up, deskilling (breaking the jobs to discrete tasks), multi-tasking (fashionably known as multi-skilling), contracting out of work, utilising casual and contractual labour, flexible working hours – these are what constitute the situation in the labour market and at the workplace, even at the household level, which is now not only a site for the reproduction of labour power but is also for undertaking the production tasks outsourced, facilitating the integration of the cheap feminine workforce.

The so-called 'crisis of Fordism' occurred as "extreme internationalisation of markets and productive networks without a corresponding international harmonisation of wage compromises... brought competitive constraints to centre stage". (Lipietz, 2000:21) It was to rationalise the wage relation with the global needs of capital that flexibilisation and segmentation of the workforce were systematically undertaken.

Globally, as diverse stages of technological development and production techniques coexist, their integration and emerging competition between them evidently structure the global economy in a hierarchy, which may not comply with the geo-historical notions of core and periphery, but definitely such relations exist between all particular capitals through ancillarisation and multilateral capital flows. Concentration and centralisation of capital occurs defeating and accommodating the lower stages of capital formation by giving them places in an invisible hierarchy of capital in general. And this process accommodates the global population and labour force in a hyperbolic curve-like hierarchy where the lowest end always tends towards total exclusion but still not attaining it.

CIRCUIT OF CAPITAL AND PERIODISATION OF CAPITALIST EXPANSION

On the whole, there is a logic operating through these apparent historical realisations of capitalism. The operation of circuit of capital ensuring the capitalist accumulation determines the continuity, break and restructuring in the history of capitalism. It is within this circuit that value (and hence surplus value) is produced and realised. And what is capitalist accumulation, if not "the grabbing of surplus-value and its capitalisation"? (Marx, 1978: 579) If we interpret the historical processes of capital expansion through the logic of capitalist accumulation, we can state that today the whole circuit of capital has been globalised.

The total circuit or movement of capital can be expressed as in (1). It is "a unified process of circulation and production, it includes both." (Marx, 1978: 139)¹

$$M - C \left\langle \begin{matrix} L \\ MP \dots P \dots C' \end{matrix} (C + c) - M' (M + m) \right. \quad (1)$$

¹Here M=money, C=commodity, L=Labour, MP=Means of Production, P=Production, C'=total commodity produced (which include c=surplus value in commodity form), M' is the total value in money form.

However, there are moments or levels of phases in this total circuit. The capital value in each phase takes a different form. Marx has demarcated three phases in this circuit, where two takes place in the circulation sphere, and one in production sphere. The forms that capital value takes in the circulation sphere are called *money capital* and *commodity capital* and the circuit according to these forms can be represented as in (2) and (3).

$M - C \dots P \dots C' - M'$ (2)

$C' - M' - C' \dots P \dots C'$ (3)

In the production sphere, capital value takes the form of *productive capital* and the circuit here can thus be represented (4),

$P \dots C' - M' - C' \dots P$ (4)

In (2) and (3) dots represent a disruption in the circulation sphere, while in (4) they signify that “the entire circulation process of industrial capital, its whole movement within the circulation phase, merely forms an interruption, and hence a mediation, between the productive capital that opens the circuit as the first extreme and closes it in the same form as the last extreme, i.e. in the form of its new beginning.” (Marx, 1978: 145)²

What we obtain here is the essential mechanism through which capital gets accumulated and expanded. Capital is invested in service of generating more value (its production and realisation). Now as history unfolds, the trade, which is essential to circulate the commodity and money-capital, was the first sphere of human activity that broke the territorial boundaries. Hence, it was its extraordinary ability to mediate between ‘spaces and times’ that it became the harbinger of world capitalism, of course, when the objective conditions demanded.³ “Initially, whether accumulation is based on the production of absolute or relative surplus value, accumulation of productive capital guarantees that national capitals expand beyond their boundaries in their search for expanded markets to ensure that realisation and completion of their circuit is possible. Thus commodity capital is the first form of capital to be internationalised, and this can be taken as the index of the first stage of the world economy.” (Fine & Harris, 1979) In other words, it was the stage when $C' - M'$ was internationalised, and colonialism signified only “to create a self-sufficient empire, where as much as possible of the raw materials and food needs of England [being the prime coloniser] would come from her own possessions, and in turn the colonies would provide exclusive markets for the mother country’s manufactures.” (Magdoff, 1974)

After the Industrial Revolution and the complete subjugation of ruling landed interests during the debate on Corn Laws in England, we find the growing need for taming the mercantile interests who in their role as mediators between colonising nations and colonised territories accumulated enormous politico-economic prowess based on pure swindle of buying cheap and selling dear. The birth of railways and other modes of mechanised transportation provided a potentiality to invest in productive mode of raw material extraction in colonies that would serve the industries in metropolitan countries. It was the juncture when we find the internationalisation of financial capital getting an

² See Marx’s use of the concept of ‘industrial capital’ in contrast to the usual narrow usage in terms of sectoral capital.

³ Wood (2002) summarises her significant contribution in successfully showing that capitalism was a product of the internal contradiction of feudal mode of production, rather than caused by external stimulus of mercantilism.

initial stimulus, of which Lenin talks about in his *Imperialism*. The evolution of credit system to facilitate the relative surplus value production brought into the stage monopolies as the product of the coordination of industries and banking capital. Since latter runs as the mediator between productive sphere and circulation sphere, and between various productive zones too, the stage implied a dominance of money-capital. This was the stage when the complete circuit in the circulation sphere M-C-M' was internationalised minus the interrupting agency of *productive capital*. As shown later, the colonial policy was significantly altered to suit the needs of capital accumulation at that juncture. It should be noted that the parasitism of finance capital at this stage derives from its insistence to bypass the dotted zones of the circuit of capital (1), i.e., the operation of the circuit of productive capital, with it obviously even that of commodity-capital. This would mean simply M-M'. In fact, this is symptomatic of an unmanageable clash between the general necessity to realise every phase in the total circuit of capital for the reproduction of the system itself and the particular need to monopolise the surplus value.⁴ This accentuates capitalist crises and the 'post-modern' call for local controls indeed evolve from the need to curb (better control) this clash (that is why such call becomes a part of the hegemonic discourse on economic policy at the time of crises, even if they have an apparent 'socialistic' connotation, of course only when they are marginal).

In the post-World War II period, more so after the profitability crises in 1960s and 1970s, it was only through the internationalisation of productive capital that profitability could be revived as the transfer of value through circulation was now ineffective and could have led to further deepening of crisis, as already an enormous political turmoil with a general rise in social unrest was visible internationally. With the increase in the organic composition of capital, there was a general decline in the rate of profit world over leading to the structural crisis of the 1970s. The original cause of the fall in the profit rate was "the disappearance in the late 1960s and early 1970s of certain favourable features of technical change (rapidity and forms) since the Second World War." (Duménil & Lévy, 1999) Since the 1960s, there has been a slowdown in the growth of productivity, the declining profit rate and "the increasing 'burden' of capital in comparison to labour and production". (Ibid) As for the parasitism of money-capital, "the effects of the structural crisis in the 1970s, as it can be accounted for by the evolution of technology and distribution, were prolonged to the present by the policy of high interest rates and the subsequent indebtedness of firms." (Ibid)

It is only through an increase in the intensity of production and through subjugating more and more living labour that variable capital can be decreased restoring the profitability. With the growth in multinationalisation of production and lean production this task is accomplished. "The intensified production of relative surplus value gives rise to a third stage in which productive capital itself is internationalised with multinational corporations controlling production processes which cross national boundaries." (Fine & Harris, 1979) This establishes the full internationalisation of the circuit of capital. The process of "financialisation" or more liberalisation of financial capital evident today, and which has been much talked about, is not negated but included in the overall intensification of capitalist accumulation. Moreover, it is the desperation to consolidate its hegemony over the process of global redistribution of surplus value that has unnerved its ever more liberal spirit to become more and more speculative. But, essentially, as Brunhoff (2003) sees that

⁴ "Competition merely *expresses* as real, posits as an external necessity, that which lies within the nature of capital; competition is nothing more than the way in which the many capital force the inherent determinants of capital upon one another and upon themselves." (Marx, 1973: 651)

“The visible domination of financial markets does not imply that industrial capital has lost its fundamental importance. Rather, we could say that a new capitalist coalition has emerged, in order to restore profitability after the crisis of the 1970s. When shareholders required very high returns on their financial assets, bosses responded by reorganising production processes: downsizing, subcontracting, relocation of plants and so on. Since the 1980s, company restructuring has maximised profits *while treating employment and wages as adjustment variables.*” (Italics original)

It is important to note that *financialisation* has an important role in securing dependency in the present phase of capitalist development, in opening up the markets in dependent countries and in transfer of surplus value. Further, even if glut may occur (and definitely occurs) during the transition from one phase to another of the total process, we will have to understand with Marx (1978: 133) that

“The Capital that assumes these forms (money, commodity and productive capital) in the course of its total circuit, discards them again and fulfils in each of them its appropriate function, is industrial capital – industrial here in the sense that it encompasses every branch of production that is pursued on a capitalist basis... [These forms] thus do not denote independent varieties of capital, whose functions constitute the content of branches of business that are independent and separate from one another. They are simply particular functional forms of industrial capital, which takes on all three forms in turn.”

The complete internationalisation of the circuit of capital does not do away with the representation of uneven capitalist development in diverse political and territorial locations, in fact it is accentuated and in turn provides a scope for further expansion of capitalist accumulation necessary for reproducing the system. The international relations still provide the efficacy to the concepts of dependency and domination and hence to Lenin’s conceptualisation of imperialism. The role of State in Capitalism too is reasserted as the agency to facilitate the reproduction of the system by mediating the intra-capitalist conflict and coercing the ‘living labour’ to the reign of capital, which is a necessary precondition for the reproduction of the capitalist mode of production.

Regarding the concept of dependency and its significance in understanding the stage of internationalisation of productive capital, I would simply assert that there is a need to conceive it on the fundamentals of Marxist political economy and derive it from the essential logic of capital. In contrast to the general tendency among *dependentistas* to externalise dependency and present it in terms of the impact of imperial conspiracy, there is a need to visualise it in the internal processes of capital in general of which the total national capitals are parts. Dussel (2001) attempts such a re-conceptualisation of the ‘dependency’ phenomenon: “Dependency is a moment in the competition of capital.” He elaborates on the basis of Marx’s understanding of distribution of value via the equalisation of prices:

“The ‘development of the concept of dependency’ demands order in the constitution and exposition of categories. The first aspect is the possibility of the existence of products or commodities of different value. The second aspect is to place these products in competition. Thus placed face to face (in reality, so as not to fetishise to unequal exchange of international values, it is not the products but the corresponding national bourgeois classes which are face to face) an equalisation takes place, although not of values (which can never be equalised), but of prices. The law of value regulates or controls this equalisation.” (Dussel, 2001: 225)

This equalisation of prices leads to the transfer of value from the economies that produce a particular commodity with a backward technique and hence having greater value to the competing economy that produces that commodity with an advanced technique and thus having less value.

Even the conception of imperialism needs to be reasserted in the dialectical framework of explaining the *concrete* in terms of its *essence*; that “generally exists only *in and through* the phenomena, and the latter are not merely the form of manifestation of the essence but, more strongly, *its mode of existence*.” (Saad-Filho, 2002: 10) Most of the discussions on imperialism have been based on an empiricist grounding, constructed through an amalgamation of disparate concepts taken from ‘vulgar political economy’ informing the national and international statistics and accounts; and then mechanically imposed on Marxism. In fact, I think Lenin’s classic treatise on imperialism provides a definite base on which a proper Marxist understanding can be developed. The fact about its Aesopian style and language has been too many times stressed and has been taken as a license to use it to support diverse and contradictory arguments. I feel that one will have to understand Aesop in his own terms and in terms of his stories. To paraphrase Althusser (who said it in the context of *Capital*), we all have read *Imperialism* and “read it every day, transparently, in the dramas and dreams of our history, in its disputes and conflicts, in the defeats and victories of the workers’ movement which is our only hope and our destiny. Since we ‘came into the world’, we have read [it] constantly in the writings and speeches of those who have read it for us... But some day it is essential to read [*Imperialism*] to the letter. To read the text itself...” (Althusser, 1970: 13) We will not submit our reading, at least not here, as to be the only correct one, but as another one, trying to be true to its black letters.

REREADING LENIN’S *IMPERIALISM*

Lenin’s Tasks and Method

Lenin wrote his “popular outline” on imperialism in June 1916, but it was published only in 1917 as *Imperialism, the Latest Stage of Capitalism*, which was later renamed after his death as *Imperialism, the Highest Stage of Capitalism*. (Hobsbawm, 1987: 12; Lenin, 1976: 801) Like other texts written by Lenin, this too was a product of the political need of the time. It was written to expose the imperialist nature of the ongoing World War. Its tone was set by the need, on the one hand, to thwart the chauvinistic and class collaborationist influences of the bureaucratized and petty bourgeois leadership of social democracy throughout the European continent thwarting the revolutionary spirit of the working class. Thus, the pamphlet tried to expose the material reasons for such degeneration. On the other hand, through this polemic and his analysis of the “latest stage of capitalism”, Lenin sought to reframe the working class strategy by putting *socialist* revolution once again on its agenda. He explicitly poses the Marxist method of *class analysis* as the most effective methodological standpoint on which capitalism, all its stages and its effects can be understood:

“Proof of what was the true social, or rather, the true class character of the war is naturally to be found, not in the diplomatic history of the war, but in an analysis of the *objective* position of the ruling *classes* in *all* the belligerent countries.” (Lenin 2000: 37, italics original)

Further, this required an analysis of “the *basis* of economic life in *all* the belligerent countries and the *whole* world.” (*Ibid*, italics original) Despite his trust, shown at the time of its publication in April 1917, “that this pamphlet will *help* the reader to

understand the fundamental economic question, that of the economic essence of imperialism for unless this is studied, it will be impossible to understand and appraise modern war and modern politics” (Lenin, 2000: 35), in 1920 in his preface to French and German editions he explicitly delimits the purpose of the pamphlet and in so doing he cautions the people who have the tendency to read between the lines:

“As was indicated in the preface to the Russian edition, this pamphlet was written in 1916, with an eye to the tsarist censorship. I am unable to revise the whole text at the present time, nor, perhaps, would this be advisable, since the main purpose of the book was, and remains, to present, *on the basis of the summarised returns of irrefutable bourgeois statistics, and the admissions of bourgeois scholars of all countries, a composite picture* of the world capitalist system in its international relationships at the beginning of the twentieth century — on the eve of the first world imperialist war. (Lenin, 2000: 36; emphasis is added)

This humble and honest admission can come only from a hardcore Marxist revolutionary who is guided by the requirements of praxis. In fact, he presented it as a lesson for the revolutionaries in the bourgeois democratic countries, that if he could achieve so much under the tsarist censorship, they might better him by “making use of even the slight remnants of legality”. What did he expect from this collective effort world over? It is presumed from his own admissions that, first, it would be to expose the politics of imperialism and against it, on which only “few necessary observations” were formulated in the pamphlet “with extreme caution, by hints, in an allegorical language – in that accursed Aesopian language”. And for a Marxist what else would politics mean, if not thinking and formulating his practical tasks in terms of class struggle? He must have expected, secondly, that comrades would transcend the limitation imposed by hegemonic bourgeois concepts evident in bourgeois statistics and scholarship (even if they are irrefutable, honest and insightful) on his own analysis. Conclusively, he must have expected a return to Marx!

Colonialism, Imperialism and Capital

Lenin explicitly concludes, “We have seen that in its economic essence imperialism is monopoly capitalism.” (146) Further, he accounts for different types of monopoly having origins in diverse phases of capitalist production and reproduction:

- 1) “monopoly arose out of the concentration of production at a very high stage.”
- 2) “monopolies have stimulated the seizure of the most important sources of raw materials.” (146-47)
- 3) “monopoly has sprung from the banks” – achieving “the personal link-up between industrial and bank capital.” (147)
- 4) “monopoly has grown out of colonial policy.” (147)

Lenin differentiates between imperialism (and colonialism) before the ‘latest’ stage of capitalism and as the latest stage. (107) The colonialism in ‘new’ imperialism exists as a part of the struggle of the monopoly finance capital “for the sources of raw materials, for the export of capital, for spheres of influence, i.e., for spheres for profitable deals, concessions, monopoly profits and so on, economic territory in general.” (147) While talking about the “colonial policy of finance capital”, Lenin notes,

“The principal feature of the latest stage of capitalism is the domination of monopolist associations of big employers. These monopolies are most firmly established when *all* the sources of raw materials are captured by one group, and we have seen with what zeal the international capitalist associations exert every effort to deprive their rivals of all opportunity of competing, to buy up, for

example, ironfields, oilfields, etc. Colonial possession alone gives the monopolies complete guarantee against all contingencies in the struggle against competitors, including the case of the adversary wanting to be protected by a law establishing a state monopoly.” (108)

If we read this analysis with the understanding developed in *State and Revolution* with regard to State, which too was published at the same time, the ‘nation-state’ too can be comprehended essentially as capitalist ‘monopolist’ associations, and imperialist aggression as their special mode to enhance accumulation of capital. Fine & Harris (1979: 146) have a cogent explanation on this count:

“The primary function of the state-in-general is to guarantee the reproduction of capitalist social relations – relations which pertain to the existence of capital-in-general. The national state, on the other hand, presupposes the division of social reproduction and also the division of capital into competing blocs (many-capitals)... [T]his division is not a simple one: one cannot assume that capital is divided into national capitals in one-to-one correspondence with national states (a ‘British capital’ to which corresponds the British state apparatus) and the division of social reproduction is not one which makes the reproduction of nations its main element. Nevertheless the existence of the national state under capitalism is predicated upon the existence of competition between blocs of capitals and the related division of social reproduction. This is to be contrasted with those views which take the national state as the product of ‘natural’ nations which are defined in terms of unexplained linguistic and cultural characteristics. It is also to be contrasted with those views which see the existence of the national state and its state apparatus only in terms of economic reproduction; for to say that the national state is predicated upon competition between capital means that the political and ideological roles of its national state apparatus as well as its economic are determined in this way.”

Lenin was too clear about the role of anti-colonial bourgeois democratic struggles for generating a world revolutionary situation, first, by weakening the colonising bourgeoisie, and, secondly, by unleashing the capitalist transformation and thus sharpening the class struggle within the colonised territories. He drew lessons from Marx’s understanding on the Irish question whose solution was according to Marx necessary for the emancipation of both English and Irish working class. “If capitalism had been overthrown in England as quickly as Marx had at first expected, there would have been no room for a bourgeois-democratic and general national movement in Ireland. But since it had arisen, Marx advised the English workers to support it, give it a revolutionary impetus and see it through in the interests of *their own* liberty.” (Lenin, 1976: 605) Whenever dealing with the colonial question, Lenin explicitly denied any broad nationalistic framework for evolving the tactics on the question. He was concerned exclusively with developing the *proletarian attitude* towards it. He explicitly concludes in his *The Right of Nations to Self-Determination*:

“In this situation, the proletariat of Russia is faced with a twofold or, rather, a two-sided task: to combat nationalism of every kind, above all, Great-Russian nationalism; to recognise, not only fully equal rights for all nations in general, but also equality of rights as regards polity, i.e., the right of nations to self-determination, to secession. And at the same time, it is their task, in the interests of a successful struggle against all and every kind of nationalism among all nations, to preserve the unity of the proletarian struggle and the proletarian organisations, amalgamating these organisations into a close-knit international

association, despite bourgeois strivings for national exclusiveness.” (Lenin, 1976: 616)

Another important point that he makes clear, throughout the pamphlet and especially against Kautsky and his ilk that imperialism is a ‘stage’ not a ‘policy’. Gerstein (1979) rightly elaborates that

“What is at the stake is the very definition of the phenomenon to be explained, and thus the shape that the explanation should take... *The Stage vs. policy dispute is actually a disagreement over the object of study.* For Lenin, operating within the terms of historical materialism, this object is capitalism at a certain stage. For the vast majority of writers (both anti-Marxist and supposedly Marxist) it is the process of expansion of Western Europe into “the less-developed world.”⁵ (Emphasis is original)

Anti-Imperialism

It is erroneous to identify anti-colonial nationalist struggle with anti-imperialism. The former is just a moment in the latter, and even precedes it if we look at the history of colonialism. Colonialism is just a political form, which due to its ‘primordial’ historical existence got articulated in every stage of capitalism, even in its new imperialist stage. Hence, anti-colonial struggle cannot be equated with anti-imperialism. Anti-imperialist struggle has to be anti-capitalist. Lenin takes monopolies as necessary outcomes of capitalist competition, hence monopoly capitalism alias imperialism is a new stage in capitalism. “Competition becomes transformed into monopoly.” (Lenin, 2000: 52) Further,

“Translated into ordinary human language this means that the development of capitalism has arrived at a stage when, although commodity production still ‘reigns’ and continues to be regarded as the basis of economic life, it has in reality been undermined and the bulk of the profits go to the geniuses’ of financial manipulation. At the basis of these manipulation and swindles lies socialised production; but the immense progress of mankind, which achieved this socialisation, goes to benefit... the speculators.” (Lenin, 2000: 54)

But this farcical tragedy of capitalist progress cannot be reversed to “‘free’, ‘peaceful’, and ‘honest’ competition, which is nothing but the pipe-dream of “reactionary, petty-bourgeois critics of capitalist imperialism”. (Lenin 2000: 54) Lenin scolded “the last of the Mohicans of bourgeois democracy” who simply declared imperialist wars to be ‘criminal’, illegal, ‘treachery’ but “shrank from recognising the inseverable bond between imperialism and the trusts, and, therefore, imperialism and the foundations of capitalism”. Their anti-imperialism remains “a pious wish”. (Lenin, 2000: 135)

Lenin mocks at the Hobsonian-Kautskyite protestors “against the ‘inevitability of imperialism’ argument, and those “urging the necessity of ‘increasing the consuming capacity’ of the people (under capitalism!)”. He deals in one stroke with “the petty-bourgeois point of view in the critique of imperialism, the omnipotence of the banks, the financial oligarchy”, who “contrast imperialism with free competition and democracy, condemn the Baghdad railway scheme, which is leading to conflicts and war, utter ‘pious wishes’ for peace, etc”. (Lenin 2000: 135-6) Lenin questions the Marxism of the ‘Marxists’ who instead of an analysis of imperialism and an exposure of the depths of its

⁵ “For them imperialism is a process that happens between countries; a process involving expansion and domination both political and economic. Colony and colonisation are at the core of this conception. Not so for Lenin... ‘Monopoly stage of capitalism’ is thus the core notion of Lenin’s definition.” (Gerstein, 1979)

contradictions” utter “a reformist ‘pious wish’ to wave them aside, to evade them”. (Lenin, 2000: 136) He says,

“Kautsky broke with Marxism by advocating in the epoch of finance capital a ‘reactionary ideal’, ‘peaceful democracy’, ‘the mere operation of economic factors’, for *objectively* this ideal drags us back from monopoly to non-monopoly capitalism, and is a reformist swindle.” (Lenin, 2000: 137)

Lenin clearly states quoting Hilferding that the proletarian reply, which was his only concern, to the economic policy of finance capital, to imperialism is nothing but socialism. (Lenin, 2000:137)

A proper and complete rereading of Lenin’s text decoding its Aesopian language would demand a complete rewriting of the text, which we believe in turn would require more sophistication and a command over Marxist method and political economy. We have enumerated here only the basic controversial arguments that are not frequently raised when talking about this text. In fact, their contemporary tone is quite revealing that can enlighten us even on the politics of a major section if not the majority of vocal sections in the so-called anti-globalisation movement.

PRO/ANTI-GLOBALISATION AND ANTI-CAPITALISM

The paranoiac ideologies of globalisation have their beginning in neo-liberalism. Neo-liberalism was the product of the crisis of Keynesianism, which was fast losing its role as the hegemonic economic philosophy feeding the policy designs until the 1960s. Keynesianism in its turn reflected the need to bring the national economies and, through them, the world economy back on track after the devastations of the 1929 crises and world wars. It sought to revamp the economic machinery and infrastructure needed for restoring the process of capitalisation. The increase in effective demand through welfarism and state expenditure was the major policy-level effect of the “Keynesian revolution”. Eventually, the economies did revive and a major danger was effectively averted by sidelining any successful working class upsurge in European countries by accommodating its formal leadership into the efforts for national reconstruction – nationalisation, statism and welfarism (to which the concept of socialism was effectively reduced).

But with the crisis of the 1960s-70s, which was essentially reflected in the productivity and profitability decline, the introversion of Keynesian period became a hurdle. We witness a growing urge to expand the market that was not so much for dismantling the protection of domestic economies, but essentially to increase this protection for monopolies by destroying the barriers imposed by their competitors in their respective economies and in the ‘late’ capitalist countries. Neo-liberalism was the philosophy of this age inducing monopolistic expansion through Structural Adjustment Policies (SAPs) and forcing every economy to open up. The anti-interventionist policies in effect ironically demanded a heightened intervention of the State for their implementation. Neo-liberalism redefined the role of the State and its relationship with economic processes. The so-called divorcing of politics and economics even at its face value signified that voters or citizens could not affect the economic processes. It tended to belie the illusion of ‘relative autonomy’ of the state. But this simultaneously reduced the state to an instrument of securing the ‘competitive edge’ for the financing monopolies through its coercive and consensual function, which includes a regulation (i.e., de-regulation) of labour market in their interest. Effectively, the real function of the state is denuded – now it can be stubborn and unconcerned towards ‘citizens’, faces may change, yet the policies continue. State politics is reduced to lobby politics as another

direct 'political' reflection of monopolistic competition. For general masses, what is left here is herd politics to control them and keep their anti-systemic urge at bay through jingoism and all kinds of physical and spiritual drugging.

Globalisation as neoliberal imperialism in action has induced a plethora of reaction from hyper-globalism to religious bigotry (while the states normally have characteristically combined these two extremes, chiefly the US under Bush and India under Vajpayee). In between, we find numerous sensible and rational critiques of the politico-economic processes. These critiques of globalism do well in exposing the hypocritical nature of globalisation and neo-liberalism in which imperialist ambitions are rooted. Generally speaking, they view globalisation and global integration as more-or-less illusory because they find them build on the existence of nation-states rather than their transcendence. Trade and investment flows too remain limited between a few developed countries, having a very little macroeconomic effect. Further global neoliberalism has induced "social exclusion" and deprivation. As solutions, some of them propose localisation/decentralisation of the world economy basing on local production and exchange. Some call for democratisation of policy-making with sector-specific trade and industrial policies, and national controls on capital flows. Still others call for a democratic international decision-making through a revitalisation of international institutions like the UN etc. (Saad-Filho, 2003: 10-13)

The main lines of discussion around globalisation today replicate those of Lenin's time, and can be critiqued on same accounts. They propose similar 'petty bourgeois socialist' solutions that were rebuked by Marx in *Communist Manifesto*, *Poverty of Philosophy* and other writings on Proudhon. At one place he says, "They all want competition without the lethal effects of competition. They all want the impossible, namely, the conditions of bourgeois existence without the necessary consequences of those conditions." (Marx, 1846) As noted above, Lenin too confronted similar 'anti-imperialists'. They strategise on the basis of bigness and smallness of firms, proposing localised economy of small firms against 'globalised' economy of monopolies and corporates. They evade the simple truth that the new corporate structure based on flexibility and outsourcing includes small firms too. In fact, Lenin was dealing with a similar structuring although still far from becoming a general reality, when he says:

"The enormous dimensions of finance capital concentrated in a few hands and creating an extraordinarily dense and widespread network of relationships and connections which subordinates not only the small and medium, but also the very small capitalists and small masters, on the one hand, and the increasingly intense struggle waged against other national state groups of financiers for the division of the world and domination over other countries, on the other hand, cause the propertied classes to go over entirely to the side of imperialism." (Lenin, 2000: 133)

These critiques uncritically accept the reified notion of capital and capital accumulation inherited from academic 'vulgar political economy'. They do not analyse the essence of capitalist economy in terms of value relations, but in terms of relations of exchange, hence global political economic processes are not understood in terms of the basic capital-labour relations, but in terms of scales of production and exchange, in terms of apparent oppressions at national and communal levels. Berberoglu (2003) has rightly pointed out:

"The distinction...between transnational capitalist industrialisation and national capitalist industrialisation...is grossly exaggerated, as both forms of industrialisation are subject to the laws of the capitalist mode of production, which facilitate capital accumulation for the transnational and/or the national

bourgeoisie and prolong capitalist class rule... Under either form of industrialisation, the appropriation of surplus value by the capitalist class continues and expands as an increasing number of peasants and marginal segments of the population are drawn into wage-labor employment. Thus, the de facto emphasis on the “progressive” nature of nation (as opposed to transnational) capital, and the claim that therefore the critique of “blockage” by imperialism of the national industrialisation process should, in effect, be the focus of analysis, as has been the case in most studies adopting such a view, is, I believe, misconceived and misdirected; in practice, they may also lead to wrong (nationalist and class-collaborationist) politics.”

For Marx, “capital is a *class relation of exploitation* which allows capitalists to live off the surplus value extracted from the working class”. (Saad-Filho, 2002: 41) This definition read with Marx’s notion of competition gives the full picture of the essential logic operating through all the apparent realities of national oppressions etc. Marx talks about capital existing only through many capitals in competition. It is in the very “inner nature” of capital that it flourishes through competition, and as long as capital in this sense exist, the *tendency* towards centralisation and concentration, towards monopolies (national, transnational or multinational) will always be there. A refusal to understand this fundamental truth of capitalist society leads the honest critiques of globalisation to committing blunder of preaching “national controls over capital”, “democratisation”, etc., without changing the fundamental relation between labour and capital that gives shape to every political economic process. Regarding the reliance on the revitalisation of international institutions, it must be noted that to talk about the radical utility of such institutions at the time when they do not figure as the prime means of consent creation even for the hegemonic forces (Gowan, 2003) and with all the major dissenting nations in Cancun and before struggling for better bargains in the global imperialist structure, they are nothing but another “pious wish” of “the last of the Mohicans of bourgeois democracy.”

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