

A CENTURY OF MARXIST DEBATES CONCERNING CAPITALISM, IMPERIALISM AND IMPERIALIST COMPETITION

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Abstract: The mechanistic association of capitalism to western imperialism has paved the way for current “globalisation” and “empire” discourses while minimising the importance of the nation-state. Conversely only a small number of neo-Marxists think otherwise, and our paper, by returning to classical Marxist theorists of imperialism, tends to valorise their minority position.

Key words: Marxism; capitalism; state; imperialism; Radhika Desai

The richer the political thinker is, the more diverse are the critics in their appreciation of their writings. In order to put their discourse within the reach of the common reader, some use simplifications which often amount to a trans- or deformation. Others underline some minor aspects to the detriment of its major premises. Even if more than one analysis would be acceptable, this does not mean that critics are free to say whatever they want about an author's production. Out-of-context references to the world market applied to the *Communist Manifesto* led a number of neo-Marxists to agree that the global spread of capitalism reflects faithfully the core of Marx's political thought. Therefore, it was considered relevant to emphasise Marx's notion of free trade.

Rejecting such trends of thought, albeit widely shared in Marxist literature, Radhika Desai, in her article “Marx, List, and the Materiality of Nations” (2012), counterclaims that Marx and Engels envisaged the necessity of the state in capitalist development. It has been well established, Desai adds, that the Bolsheviks promoted

the principle of national self-determination and that Marxists were pioneers in the study of international relations through their analysis of imperialism. Furthermore, the national state has never ceased to play a major role contrary to the theories of “globalisation” and “empire.”

The mechanical associating of capitalism to western imperialism has paved the way to ascribe Eurocentrism to Marxism. Yet one of the early Marxist thinkers, namely Rosa Luxemburg, attempted to develop the outlines of a theory explaining relations between capitalist states as well as their relationship to the non-capitalist countries. In *The Accumulation of Capital* there are many statements which affirm that Marx subscribed to the idea that “[T]he separation between politics and the economy was merely formal; it was also ideologically and politically fundamental to capitalism and imperialism” (Desai 2009, 191). The constant drive towards expansion inherent to capitalist production was a force that pushed the latter out towards non-capitalist parts of the world in search of raw materials and cheap labour. This task was mainly accomplished by centralised states. Luxemburg (2003) wrote that the principal tools used to spread the capitalist mode of production “are political force (war, revolution), oppressive taxation by the state, and cheap goods; . . . In Europe force assumed revolutionary forms in the fight against feudalism” (349). She went on to write that in the non-capitalist parts of the world, this mode mainly assumed the form of colonial policy.

By misunderstanding the material forces involved in classical Marxist analysis, many adepts and scholars of globalisation underestimated the major role played by states. This was not necessarily the case in Marxist theorising at the beginning of the twentieth century. In order to back up her statements regarding the materiality of nations, Desai (2012) proposes to analyse in depth the few Marxists “who attempt to account for the material basis of nationalism as an ideology . . . and for the role of the state in capitalism” (48). She argues that an artificial conception of capitalism which is based on omitting to assign any significant role to the state could hinder the Marxist geopolitical analyses from reaching satisfactory conclusions. Against many researchers who claim that current transformations within capitalism diminish the role of the state, a minority rightly advocate the relevance of critically re-examining this assertion.

Rudolf Hilferding exposed, for example, the economic relationships between capital and the state in his major work *Finance Capital*. In his view, the application of tariffs and other forms of protectionism as well as the notion of national economic territory that expanded beyond the borders of the state were essential to understanding imperialism. Hilferding (1981) also wrote on the relation between the rise of finance capital and the increase in state power which in turn had economic consequences, “Economic power also means political power. . . . The greater the degree of concentration in the economic sphere, the more unbounded

is the control of the state” (370). He illustrated his view by pointing out that even in a country which outwardly professed liberal principles such as England, “The triumph of *laissez-faire* was far from complete. . . . The theory of the Manchester school had an even smaller influence on the actual course of foreign policy” (301–2). According to Hilferding, states and the ruling classes that govern them play a central role in the explanation of international relations and geopolitics.

Passing in review the rise of capitalism during the eighteenth century, Desai, for her part, observes that Adam Smith supported free trade to the detriment of protectionist mercantilism while favouring national economy. According to him, colonialism is immoral and consequently will not prevail in the long run as a political solution to economic problems. As for Ricardo, he argues that “free-trade compelled each county to specialize in what it produces most efficiently and thus maximized welfare” (Desai 2012, 54). Last but not least, Smith’s invisible hand would supposedly take care of sharing equally wealth and prosperity among distinct nations.

Though well aware of the theory and practice of free trade, Marx and Engels identified nonetheless the capitalist state by its important role: “It furthered [capitalist] interests not only against the feudal and working classes domestically but also against capitalist classes of other states internationally” (Desai 2012, 55). They both gave enough arguments against a free trade like interpretation of their writings, “When Marxist proponents of globalisation ritualistically quote the *Communist Manifesto* to testify to capitalism’s inherent cosmopolitanism, they overlook that Marx and Engels said a few pages down: that the bourgeoisie also created ‘political centralisation’” (Desai 2012, 56). As Desai quoted, Marx and Engels emphasise the national character of class struggle. Though Marx may have favoured free trade at one point, in order to hasten the end of capitalism, he was fully aware that protectionism would have the same effect. Therefore, it is unrealistic to consider Marx as an unconditional proponent of free trade.

Often underscoring the economic role of the state in capitalist society and its contribution in favour of the bourgeoisie in their struggle against the workers, Marx and Engels believed that as the intervention of the state facilitated the passage from feudalism to capitalism, it will as well act to ensure the transition to socialism. Desai notes that Marx and Engels gave as much priority to political concerns as to economic ones and concludes that, according to Marx, the state takes care of productive forces, promotes domestic industry and trade. The economic expansion advocated by the bourgeoisie does not reflect a globalising vision, and one has to see the contradictions of capitalism at the root of geopolitical tensions. At the beginning of the twentieth century, Nicolai Bukharin and Vladimir Lenin further developed a Marxist theory of imperialism both as an advanced stage of capitalism as well as a creation of national blocs of capital set

in the context of a world economy. In *Imperialism and World Economy* (1972), Bukharin contends that the tensions among competing capitalist states would inevitably lead to armed conflict, “From the point of view of the ruling circles of society, frictions and conflicts between ‘national’ groups of the bourgeoisie [. . .] lead in their further development to war as the only solution” (104). The push towards internationalisation of production and exchange fosters at the same time competition and attempts to obstruct the economic expansion of other states.

Our paper has two main parts: in the first one, we give a review of the classical Marxist writings on imperialism in order to explain the unequal economic and political relations between developed capitalist countries and the rest of the world in a historical perspective that includes the centrality of the state. This will serve to counter the cosmopolitan and globalising deviations identified by Desai in current Marxist writings. Desai (2010) argues, with reason, against the vision in which “politics, nation-states and geopolitics were subordinate effects of a pure and cosmopolitan capitalist economy” (479). In the second part, we examine the new Marxist explanations of neo-imperialism and neo-colonialism as developed by Ellen Meiksins Wood in *Empire of Capital* and David Harvey in *The New Imperialism*. By applying some of Wood’s and Harvey’s ideas in combination with Desai’s critical thought, we believe that we can give a more pertinent description of current forms of imperialism and the role played by the state.

The Classical Marxist Theorists of Imperialism and the Role of the State

One of the first Marxist thinkers to address the imperialism problematic was Rudolf Hilferding (1877–1941). A medical doctor by profession, he was nonetheless one of the most brilliant economic successors of Karl Marx at the turn of the twentieth century. In 1910 he wrote a classic treatise on finance capital that would influence other Marxists such as Lenin and Bukharin. Hilferding (1981) told his readers that his goal was to study the new tendencies at work in the now worldwide capitalist economic system by identifying two major characteristic features in the latest phase of capitalist development, “Those processes of concentration which, on the one hand, ‘eliminate free competition’ through the formation of cartels and trusts, and on the other, bring bank and industrial capital into an ever more intimate relationship” (21). Finance capital is, therefore, the newest form of capital given that the various capitalist states in formation play, according to Hilferding, in its development and consolidation.

In the first few chapters, Hilferding (1981) notes that credit in the capitalist system appears as a “consequence of the changed function of money as a means of payment” (82). Due to its development, banking credit slowly replaces commercial

credit, a process designated by Hilferding as a transition from commercial to investment credit that plays a major role in international relations as capitalism develops. Hilferding also remarks that during the emergence of powerful national capitalist economies, countries such as England extended credit to states that used to buy its products but ceased to do so later on. “The situation is different today: credit is not provided exclusively or mainly in the form of commercial credit, but for capital investment, the object of which is to gain control of foreign production” (Hilferding 1981, 92). He concludes, therefore, that the dependence of productive capitalists on investment credit is a necessity arising out of competition.

Already we see that Hilferding is exploring the ways capitalist nation-states employ specific strategies to increase their capacity to control foreign production and augment their economic power vis-à-vis their rivals. These processes also coincide with the transition from the individual capitalist enterprise towards large corporations which Hilferding (1981) defines as an “association of capitalists. It is formed by each capitalist contributing his share of capital, and . . . the degree of his influence, is determined by the amount of capital he contributes” (118). Hilferding argues that in their capacity to increase their own capital, corporations function in many ways like banks. There is also a strong tendency to concentrate capital in the money form and to make it available to producers mainly through the banks.

With regard to a growing tendency towards concentration and centralisation of capital within competing nation-states, it is very plausible to acknowledge a similarity between capitalist and political forms of domination. As Hilferding (1981) argues, “The monopolistic association is an organization for economic domination, and there is therefore a close analogy with the organizations of state domination” (206). The highest forms of economic domination are those of national banks, trusts and cartels of which fusion and interaction become what Hilferding (1981) defines as finance capital, the “synthesis of usurer’s and bank capital, and it appropriates to itself the fruits of social production at an infinitely higher stage of economic development” (226). He also notes the growing tendency towards the export of capital and commodities from more developed nations to less developed ones. He remarks that this tends to create unequal terms of exchange and levels of development. “This is precisely the reason for the rapidity of capitalist expansion. It enables the most advanced capitalist countries to increase their industrial production and their exports far beyond their imports from the undeveloped countries” (Hilferding 1981, 279).

These ill-matched relations between states with varying degrees of capitalist development play a major role in the manner capitalism evolves in different geographical areas. Although Hilferding is well aware of the fact that the bourgeois state favours certain economic results, he also has a dialectical view of

this process. Though a given state may have an important economic role to play, it is often directly affected by tendencies occurring within other countries, "It is equally impossible to derive general laws about the changing character of crises from the history of crises in a single country such as England, precisely because the capitalist crisis is a phenomenon of the world market" (Hilferding 1981, 288). It is noteworthy to underscore here that certain elements of what Desai describes as the cosmopolitan view of capitalism are sometimes present in Hilferding's work. The first four sections of Hilferding's book lead us to what is, from the point of view of imperialism and the materiality of the state, the most interesting part of the work. It is in this fifth and final section that Hilferding's ideas about the state and its role in modern capitalism come to the fore.

For Hilferding, finance capital signifies the unification of various forms of capital: industrial, banking and commercial. But like all processes, this unification was a long historical one. Hilferding explains that, for the nascent bourgeoisie, the state could often be seen as an obstacle to commerce and free trade. Political economy and liberalism, viewed as a form of rebellion against state meddling in economic affairs, were the ideological vehicles of the rising bourgeois class, "Thus the policy of the bourgeoisie comes to be based upon political economy and its struggle against mercantilism becomes a battle for economic freedom, which in turn develops into a broader struggle for individual liberty against the tutelage of the state" (Hilferding 1981, 301). Yet a few sentences further on, Hilferding also remarks that these ideological convictions did not always influence actual practice, that even in England the principles of *laissez-faire* were never applied systematically and that the bourgeoisie found many uses for the state in the consolidation of their class power. For example, trade and the colonial policy towards India were never viewed as simply an economic affair, "India, was never regarded as a mere market; dominion over India assured a large and influential class of high incomes as a 'tribute for good government'" (Hilferding 1981, 303). He then explains that England's industrial preeminence led to protectionist logics in continental Europe and America. Hilferding believes that the theories of List and Carey are the logical ideological reactions of economic nations wishing to pave their own path towards economic development. According to Hilferding, List's theories are not systematic refutations of free trade ideas as defended by Ricardo but rather

an economic policy which would really make the free trade system feasible, by facilitating the development of a national industry for which that system would be appropriate. This was the only purpose which List's "educational" tariffs were intended to serve, and he therefore proposed low tariffs designed to

eliminate the disparity between England's superiority and Germany's backwardness. (1981, 304)

An interesting twist is that countries such as Germany and the US were, not long before, developing their industrial capacities even though protective tariffs changed their nature. From being a means towards development, tariffs became a weapon to promote national economic supremacy; and from being a temporary measure to ensure survival of national industry, they were now being promoted by highly competitive industries within the most developed states,

The higher the tariff, the more the domestic price can be raised above the price on the world market; and so the "educational" tariff has evolved into a high protective tariff. The protagonist of friendly agreements and advocate of the gradual reduction of tariffs has become a fanatical high tariff protectionist. (Hilferding 1981, 308)

From being a defense against foreign industries, tariffs became a tool of conquest. The export of capital becomes the means of expansion of what Hilferding calls the "national economic territory" of powerful capitalist states beyond their borders. The opening of new markets and the exploitation of raw materials in colonial territories increased progressively. Similarly, Marx remarks that these practices also plant the seeds of modernisation of economic life in pre-capitalist economies. Although this economic development of non-capitalist territories was done mainly for the direct advantage of the colonial powers, it eventually provided the basis for autonomous economic development. Furthermore, Hilferding notes that the violence of colonial policy of advanced capitalist states is not in contradiction with the general historical method of capitalist expansion. To exert economic pressures, the colonialist often resorts to political and military means of coercion to obtain the desired result: "These violent methods are of the essence of colonial policy, without which it would lose its capitalist rationale" (Hilferding 1981, 319). In this perspective, the state is the main tool which the bourgeois classes of imperialist nations use to subdue peoples in foreign territories.

Hilferding concludes his book by warning that the increased concentration of economic power leads to an unbounded and limitless desire for power by the state, a theme that David Harvey and Ellen Meiksins Wood will develop later on. But for now, we shall turn to Luxemburg, Bukharin and Lenin, who proposed some improvement to Hilferding's notions of imperialism and the state. Hilferding nonetheless deserves particular attention, both for his original ideas in general and for his comments on List and Carey which corroborate Desai's vision of the materiality of nations.

Rosa Luxemburg (1871–1919) was one of the most influential Marxist thinkers of her generation. She was also one of the first women in Europe to receive her doctorate in economics and to become a major political actor within the workers movement. Although her untimely death at the hands of reactionary German soldiers deprived us of what could have been further profound intellectual contribution, she nonetheless left behind an impressive body of work. We will focus on her most elaborate economic treatise, *The Accumulation of Capital* (1913). The main topic of this book is the problem of enlarged reproduction of the capitalist economy. How does capitalism not only reproduce itself and its material basis but also expand from one cycle to the next despite setbacks and crisis?

Luxemburg sees a tendency in this expanded reproduction for more and more value to be stored in the production of an ever-increasing quantity of means of production. This in turn increases the productivity of labour through constant technological innovations, “Society has increasingly more labour time and labour power to spare, and it makes use of these for the manufacture of means of production on an ever increasing scale” (Luxemburg 2003, 64). This increasing scale and constantly augmenting productivity will create problems for the realisation of surplus value and expanded reproduction of the system as a whole. Although looking at some mathematical formulations contained in Marx’s schema of expanded reproduction in volume two of *Capital* seems to point to the possibility of continuous expansion, Luxemburg claims that the impossibility of such a scenario is obvious when one looks at the concrete social conditions of accumulation.

For such an expanded reproduction to occur, not only must the material conditions be made available to the capitalist class, such as raw materials, abundant workforce, etc., but there also needs to be sufficient consumer demand for the increased production. If the commodities produced do not find buyers, surplus value cannot be realised and capitalist enterprises fail to make profits. In such a situation, there is, from a capitalist point of view, overproduction and this eventually leads to crisis. The question that Luxemburg asks is where do the consumers come from? In quest of an answer, she proceeds to an investigation of all proposed solutions from Ricardo and Sismondi to Marx and finds them all lacking in various respects. She then remarks that the various solutions proposed to the problems arising out of expanded reproduction are, for the most part, a reformulation of past errors.

Much as with Hilferding, the main points of Luxemburg’s treatment of imperialism and the nation-state are found in the final section of her magnum opus. It is in these concluding chapters that she will attempt to define the material and historical limits of expanded capitalist reproduction. She believes the answer to these limits can be found by examining the social setting within which capitalism historically developed. Luxemburg (2003) concludes that “The decisive fact is that the surplus value cannot be realised by sale either to workers or to capitalists, but only if it is

sold to such social organisations or strata whose own mode of production is not capitalistic” (332). The production of surplus value in mainly capitalist economies is in constant interaction with less developed or even non-capitalist social formations. It is in this exchange with underdeveloped areas, from a capitalist perspective, that the system is able to continually expand despite recurring crises. Luxemburg argues,

From the aspect both of realising the surplus value and of procuring the material elements of constant capital, international trade is a prime necessity for the historical existence of capitalism—an international trade which under actual conditions is essentially an exchange between capitalistic and non-capitalistic modes of production. (2003, 340)

This leads her also to criticise Marx, somewhat unjustly, for thinking that once primitive accumulation has been accomplished in Western Europe, the capitalist system can expand according to its own inner laws. As Luxemburg illustrates, the use of state power and the domination of western nations across the globe during the rise of capitalism is part and parcel of its very functioning. Luxemburg therefore distinguishes between internal and external markets describing them respectively as two interacting spheres,

In this light, the internal market is the capitalist market, production itself buying its own products and supplying its own elements of production. The external market is the non-capitalist social environment which absorbs the products of capitalism and supplies producer goods and labour power for capitalist production. (2003, 347)

This leads to a contradiction that while the more developed nations become more dependent on their mutual commerce, they also view themselves as hostile entities each attempting to grab as much as possible of the rest of the non-capitalist world.

Luxemburg goes on to say that once the natural economies of pre-capitalist segments of the globe enter into contact with capitalist nations, a disintegration of non-capitalist forms of economic production and exchange occurs. This process is long and arduous and often accompanied by military interventions of the colonial powers against their new, and mainly unwilling, subjects. One of the main obstacles is the introduction of private property in land as well as its use with an eye to maximising its productivity from the perspective of producing profit. The destruction of peasant economies and non-commoditised forms of production and exchange is imposed by force. The granting of public land to private interests occurs even in countries where a capitalist class was well established such as in Canada but where it has not yet managed to control the vastness of the territory through economic

means. As Luxemburg (2003) noted, “In Canada, public lands were lavished upon private capitalist companies on an even more monstrous scale than in the United States” (390). The state in that case accelerated the process of creating a more powerful private sector and preventing non-capitalist forms of settling to occur on any kind of vast scale. This is how states could play a major role in the developing of national economies in certain directions rather than in others.

Luxemburg finally identifies the current period as an imperialist phase of capitalism. She defines it as “the political expression of the accumulation of capital in its competitive struggle for what remains still open of the non-capitalist environment” (Luxemburg 2003, 426). She immediately qualifies this statement by adding that though immense parts of the globe are still up for grabs they will not suffice to contain increases in productivity from the centres of the capitalist economy. They are but temporary solutions for the problems of capitalist accumulation.

As a matter of fact, imperialism grows into an ever more aggressive competition among major colonial powers. Luxemburg emphasises the two aspects of capital accumulation: the first mainly within the core countries where capitalist social relations are highly developed and the second between these core states and the non-capitalist world. Increased militarism and taxation also accompany this competitive race between nations under bourgeois domination.

Nikolai Bukharin (1888–1938) is often viewed as the most theoretically inclined Bolshevik leader. His works on historical materialism as well as on economic questions were always of the highest quality. In particular, his treatise on imperialism highly influenced Lenin’s own understanding of the world economy during the period of the First World War. In *Imperialism and World Economy*, Bukharin explains that though nations may have an influence on their economies they are also influenced by the global reach of the capitalist system. It is because nations are competing for economic supremacy within this system that we can understand the growing tendency towards conflict,

This is why the struggle between modern national economic bodies must be regarded first of all as the struggle of various competing parts of world economy just as we consider the struggle of individual enterprises to be one of the phenomena of socio-economic life. (Bukharin 1972, 17)

Bukharin goes on to explain that the growth of the world economy can be viewed in two different ways. The first is extensive, mainly regarding the manner in which capitalism expands towards new territories not yet under its control. The other is intensive and functions by increasing the productive forces and capacities within countries already on a capitalist path of development. The state, in both instances, can and often does play a crucial role.

Bukharin notes, much as did Hilferding, a growing tendency towards monopoly and concentration of capital within developed nations. Thus, starting from powerful national bases of capital accumulation, the power of imperialist nations spreads across the world and integrates less developed countries within an intricate web of financial connections. Bukharin (1972), in this sense, does prefigure a certain notion of what will be called globalisation, “International economic relations are extended through countless threads. . . . World finance capitalism and the internationally organised domination of the banks are one of the undeniable facts of economic reality” (60).

After acknowledging that the growing tendency points towards economic integration of the globe, Bukharin notes that this is far from meaning that national economic centres underestimate their differences. Each national bourgeoisie seeks its own, politically defined best interest. As Bukharin notes, “The process of the internationalisation of economic life can and does sharpen, to a high degree, the conflict of interests among the various ‘national’ groups of the bourgeoisie” (1972, 61). These different national groups often enter into conflict over spheres of influence, domination of less developed regions, spheres of investment and access to natural resources, which sometimes lead to war.

On the question of the form of the modern state, Bukharin tends to take a somewhat mechanical view. States became more and more necessary as the economic foundations of a capitalist economy grew. What is more interesting is the fact that he perceives national economies as living phenomena that change over time,

Like all living forms, “national economy” was, and is, engaged in a continuous process of internal regeneration; molecular movements going on parallel with the growth of productive forces, were continually changing the position of individual “national” economic bodies in their relation to each other, *i.e.*, they influenced the interrelations of the individual parts of the growing world economy. (Bukharin 1972, 63–64)

A notable fact is that, much as did Hilferding, Bukharin remarks that List and other protectionist thinkers were to a certain degree promoting logical policies from the perspective of newly developed capitalist national economies. But the fact that, in the imperialist phase of capitalism, many powerful nations have built up high tariff walls and other protectionist measures is a sign of something quite different.

This process of “nationalisation” of capital, *i.e.*, the creation of homogeneous economic organisms included within state boundaries and sharply opposing each other, is also stimulated by changes taking place in the three large spheres

of world economy: the sphere of markets for the sale of commodities, the sphere of markets for raw materials, and the sphere of capital investment. (Bukharin 1972, 80)

At this point we will shift to Lenin who synthesises many of Bukharin's and Hilferding's points of view in his famous 1917 pamphlet, *Imperialism, the Highest Stage of Capitalism*.

Vladimir Ilyich Lenin (1870–1924) was one of the leaders of the Bolshevik party since its formation in 1903. Lenin led the Soviets to power in October 1917 and was elected head of the Soviet government until 1922, when he retired due to ill-health. Beyond his important political role, he was also a prolific writer and had a particular talent for summarising the contributions of other Marxist thinkers while expressing his own incisive critical reservations. His short treatise on imperialism is no exception and deserves to be included in our overview of classical Marxist theories on imperialism and the importance of nation-states. As we have noted, much ground was already covered by Lenin's predecessors; therefore, we will focus on Lenin's main conclusions.

Lenin notes that it is the inherent tendencies of capitalist imperialism that explain the First World War. This war was, according to Lenin, a war for the division of the world among the great powers. For him this is the logical outcome of a process that culminated at the beginning of the twentieth century, the passage through which the domination "of capital in general made way for the domination of finance capital" (Lenin 1977, 666). Although Lenin accorded much importance to the economic changes in capitalism, both within nations and at the level of the world economy, he refused to view the political domain as either entirely separate or entirely determined from the economic sphere. As Lenin correctly noted,

The epoch of the latest stage of capitalism shows us that certain relations between capitalist associations grow up, *based* on the economic division of the world; while parallel to and in connection with it, certain relations grow up between political alliances, between states, on the basis of the territorial division of the world, of the struggle for colonies, of the "struggle for spheres of influence. (1977, 689–90)

Here we have a confirmation of Desai's main contention that states and their policies have a direct role to play in the historical development of capitalism.

Contemporary Marxist Thinkers on Imperialism

The US interventions in Iraq and Afghanistan at the beginning of the twenty-first century and their consequences have sparked an ongoing debate about the nature of

capitalism and its relation to imperialism. The Cold War with the Soviet Union and the containment of communism could no longer account for massive military interventions and long-term occupations of foreign lands by US forces and their allies. David Harvey, a world-renowned geographer and Marxist theoretician, wrote a short treatise attempting to explain the changes that led to this particular outcome.

In his book *The New Imperialism*, David Harvey states that his goal is to examine what role imperialism plays in global capitalism. He calls the new imperialism as practiced currently by the US capitalist imperialism. By this Harvey means a “contradictory fusion of the ‘the politics of state and empire’ (imperialism as a distinctively political project . . .) and ‘the molecular process of capital accumulation in space and time’ (imperialism as a diffuse political-economic process . . .)” (2003, 26).

Harvey goes on to affirm that this is very close to what Giovanni Arrighi defines as the “territorial” and the “capitalist” logics of power that change as capitalism develops over time. By analysing both of these logics separately, Harvey (2003) claims that Arrighi focuses on the role of one factor or another in specific situations while envisaging them in their dialectical interaction: “Imperialist practices, from the perspective of capitalist logic, are typically about exploiting the uneven geographical conditions under which capital accumulation occurs” (31). Harvey pays attention to the importance of what he calls the “asymmetries” that come about through the mechanisms of unequal exchange and monopoly powers. For these mechanisms to continue functioning over long periods of time, the use of the power of the state is essential. He also goes on to claim, much as Hilferding, Luxemburg, Bukharin and Lenin did, that imperialism is related to a certain stage of development of capitalism; what differentiates the current form is that “there are times in which the territorial logic comes to the fore” (Harvey 2003, 33). Nevertheless, Harvey admits that this can be particularly difficult to grasp and that the open dynamics of capital accumulation across space often encounter various political and military barriers. Without entering into details about what he wanted to convey precisely, it is obvious that nation-states and political power have an important impact on some particular phases of capitalism.

Furthermore, Harvey analyses the notion of hegemony and the role of hegemonic power in the global system. He tends to agree with Arrighi when he claims that in order to be hegemonic a powerful capitalist state must create an environment where both allies and potential rivals see some benefit in playing along. As Harvey writes, “Arrighi emphasizes the accumulation of collective power as the only solid basis for hegemony within the global system” (2003, 37). Arrighi himself was largely inspired by the work of Antonio Gramsci (1891–1937), the Italian communist thinker who wrote the manuscript of the now widely known *Prison Notebooks*. The main idea that Harvey takes from Arrighi is how the latter applies Gramsci’s notion of hegemony, a balance between coercion and consensus, in the analysis of international relations.

The historical period that most interests Harvey is the one he calls neoliberal hegemony that begins sometime in the 1970s. Here Harvey (2003) is clearly inspired by Rudolf Hilferding, the classical Marxist thinker and his analysis of finance capital as applied to the US, in particular, where, “Finance capital, in short, moved centre-stage in this phase of US hegemony, and it was able to exercise a certain disciplinary power over both working-class movements and state actions, particularly whenever and wherever the state ran up significant debts” (64). Like Luxemburg, Harvey mainly considers that primitive accumulation does not end once capitalism is established in Western Europe but continues to this very day. In particular, he views his concept of accumulation by dispossession as his main contribution in consolidating Luxemburg’s brilliant intuition. Despite Harvey’s keen observations and original analyses, he seems to lean heavily on Arrighi’s world-system perspective. For an alternative outlook, we now turn to Ellen Meiksins Wood.

Ellen Meiksins Wood is known for her work in several scientific fields of analysis. She has written extensively on the history of political thought, the origins of capitalism, as well as on contemporary imperialism. It is her contribution to this latter topic that we shall now examine. Wood (2003) begins her analysis by stating that what differentiates twenty-first-century imperialism from its previous forms is that it relies more on economic than more direct mechanisms of constraint, “What makes class domination or imperialism specifically *capitalist* is the predominance of economic, as distinct from direct ‘extra-economic’—political, military, judicial—coercion” (4). By this she means to say that today imperialist intervention mainly resorts to military coercion in order to subdue recalcitrant states to abide by the dictates of global financial capital. The overwhelming power of the US military is, according to Wood, a kind of global police force that protects both its own national interests as well as bourgeois political domination in general. The US plays a more global role, whereas each individual state plays an internal role in the functioning of their own economy and in maintaining law and order within its borders. This is done mainly, according to Uncle Sam, in order to keep the world economy functioning as smoothly as possible despite recurring crises which are inherent to the system itself.

Like Lenin, Wood argues that capitalist imperialism is a specific form of historical domination, which is different from previous ones. Wood (2003) emphasises particularly the fact that “Capitalism is distinctive among all social forms precisely in its capacity to extend its dominion by purely economic means” (12). The whole argument in her treatise can be summed up by saying that even the forms of imperialism that other authors viewed as capitalist are far from being accurate.

The city-states of Italy, the Dutch commercial empire and even the British Empire were at best odd mixes of pre-capitalist and capitalist forms of

imperialism. This is due, according to Wood, to the fact that most of the world was not yet integrated into the capitalist system and that much of the wealth accumulated by these established powers was through robbery, collection of tribute and exploitation of non-free forms of labour such as slavery. Wood never denies the fact that these historical practices were necessary steps which led the way to the first truly capitalist empire, namely that of the US. She just claims that what is new is that global capitalism has fully expanded and that now all nations are, in various ways, subject to the inherent laws of capitalist accumulation,

In fact, capital's drive for relentless self-expansion depends on this unique capacity [to extend its dominion by purely economic means], which applies not only to class relations between capital and labour but also to relations between imperial and subordinate states. (Wood 2003, 12)

Her analysis of the historical development of empires which preceded that of the US is quite impressive given the many sharp distinctions she made. For her part, Radhika Desai argues that Marx had in general a much more dialectical and historical perspective when analysing the role of nations and the power of states in the development of capitalism than most contemporary Marxists.

Concluding Remarks

In our present paper, we established the relevance of various statements concerning imperialism. We showed that, even in the age of globalisation, the nation-state is still playing a major role, albeit underestimated by many political theorists. Conversely the arguments presented by Desai in favour of the minority of interpreters who emphasised the role of the state turned out to be far more convincing. In addition, her views were backed by well-known economists and political thinkers such as Rudolf Hilferding who underlined that the rise of finance capital—contrary to what is largely accepted—strengthens the control of the state. For him, neither international relations nor geopolitics in a capitalist world can be defined without understanding the importance of the state.

Furthermore, Desai offers an original interpretation of Adam Smith's doctrine which shows that his condoning of free trade is compatible with his favouring of a vibrant national economy. She also considers that Ricardo's premise concerning the specialisation of a country in its efficient products is compatible with his nationalist-oriented predilection. As for Marx and Engels' understanding of free trade and protectionism, Desai points out their nuanced views. For Marx, the state fulfils many socioeconomic tasks and above all, because it was essential in the

transition from feudalism to capitalism, it may, in many capacities, help to organise proletarian rule.

In addition, it is important to recall that Lenin and Bukharin had emphasised the tension among competing capitalist states. As Desai (2012) correctly remarks, “These Marxist theories did not merely explain imperial competition but also the underlying intensification of international industrial competition” (52). For all these reasons, we tend to share Desai’s criticism of cosmopolitan understandings of the capitalist economy. By associating some of Wood’s and Harvey’s ideas to Desai’s reflections, we concluded that globalisation did not diminish the important role of the state.

In the logic of “globalisation” and “empire,” states are becoming relics of the past. Conversely, some Marxists nevertheless attribute an importance to the state. Classical Marxists, in particular, tend to emphasise the role of the state contrary to globalisation adepts who adopt less useful tools in their analysis. It is wrong to simply ignore traditions which underscore the importance of nations in the development of capitalism. We prefer the dialectical approach adopted by Desai, regarding the relation between the state and capital, which is in conformity with Marx’s own historical and materialist method.

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