

A Critique of Imperialism and Neo-Imperialism

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INTRODUCTION

The politics of 'power and security' and that of 'interdependence and transnational relations' are two key strands that have arguably dominated the developed world's conception of global politics in the last century. The politics of dominance and dependency have in contrast however, arisen out of the experience of the exploited classes in the developed world and that of the dominated peoples of the third world. This world view was largely captured by classical Marxist-Leninist writings on the character and implications of 'monopoly capitalism' and imperialism. It also reflects the specific experiences of the contemporary developing world within an international system crafted by western political and economic activity. This perspective highlights 'the overall structure of relations within which political action occurs and the mechanisms by which the structural dominance of some groups is consolidated to the disadvantage of others'[1].

This paper is a critique of the contending theories of imperialism and neo-imperialism. It examines the broad issues raised by the phenomenon of dominance and dependence and generally interrogates the central problem of action and change within the context of all pervading structural constraints. While effort is made to critically examine all the key conceptions of imperialism, the paper locates imperial dominance chiefly in the nature of economic relations. It contends that all other manifestations of imperialism are mere rationalizations intended to disguise the economic motivations that drive societies to empire.

In the next section, we address the issue of political imperialism. This is based primarily on Joseph Schumpeter's treatment of the subject[2]. His theory of political imperialism largely encapsulates the opinion of bourgeois scholars who view imperialism as a 'heritage of the autocratic state'. In contrast, the Marxist-Leninist perspective locates imperialism squarely in the economic sphere. In particular, it considers it a stage of capitalist development necessitated by the much vaunted 'inner logic' of capitalism itself. This is what the section that follows will address. We will also, in the next section, examine the structural character of imperialism. This theory does not attempt to identify the cause of or to typologize imperialism but rather builds a model mechanism that underlies both the inequality between core and periphery states and the resistance of that inequality to change. The next section then examines neo-imperialism in the context of contemporary changes in the international system. In essence, it views neo-imperialism as globalization and attempts to show how globalization has perpetuated the structure of dominance in less obvious but more effective ways. It contextualizes globalization in asymmetrical exchanges between the 'old' métropoles and the satellites. In short, as O'Connor described it, control without colonialism[3]. This inevitably leads to a brief examination of the African crisis of development. In this section we attempt to interrogate some of the main issues confronting African development. We locate this problem in what Samir Amin described as the manner of Africa's 'cooptation' into the international political economy[4] and attempt to make modest suggestions as to how the continent may break out of this cycle. The last section concludes. It briefly lays out our main arguments and makes a case for the primacy of the economic perspective of imperialism.

Imperialism as a Political Phenomenon

Joseph Schumpeter in *Imperialism and Social Classes*[5] dissociates capitalism from imperialism. His theory of imperialism largely derives from his disagreements with the Marxist-Leninist 'primacy of economic conditions' perspective. He insists that imperialism cannot be reduced to the mere pursuit of economic interest. Locating imperial instincts in the dynamics of the political process, he argues that imperialism is a 'heritage of the autocratic state ... the outcome of pre-capitalist forces which the autocratic state has

reorganized (and) would never have been evolved by the inner logic of capitalism itself. This inner logic is free trade and as Schumpeter argued, where free trade prevails, no class has an interest in forcible expansion as such (since) citizens and goods of every nation can move in foreign countries as though those countries were politically theirs. In short while Schumpeter does not deny the existence of imperial relationships of dominance and dependence, he diverts attention from the economic motivations and instead draws attention to what Dougherty and Pfaltzgraff referred to as 'a much more comprehensive sociological phenomenon' –St Augustine called it *Animus Dominandi*- that drives societies to seek expansion for its own sake, war for the sake of fighting and dominion for the pleasure of ruling. Schumpeter like most other scholars in the neo-liberal school of thought, highlights one of the key assumptions of capitalism which is that market based societies and states are rational actors and that 'like nationalism, imperialism is an irrational and unconscious atavism in the social culture'. Implicit in this perspective of imperialism is the supposed validity of the comparative advantage theory of David Ricardo[6] which holds that all parties in international commodity trade, where it is under competitive conditions, benefit in accordance with the strength of the demand for their respective commodities. This doctrine therefore assumes that exploitative economic relations between advanced capitalist countries and the underdeveloped ones cannot survive in a world of politically independent countries. It therefore locates imperialism not in economic rationalization but rather in what Hans Morgenthau referred to as 'policies that aim at the overthrow of the status quo (or) at a reversal of the power relations between two or more nations'[7]. To this school therefore, the 20th century economic theory of imperialism is a distortion in so far as it subordinates international politics to international economics both rigidly and superficially[8].

If economic conditions do not drive imperialism what then does? Hans Kohn provided what is arguably the most sophisticated typology of imperialism which he understands in terms of distribution of political power[9]. This typology is in general agreement with the works of most liberal scholars[10] who examine imperialism from, for instance, the balance of power needs of major powers in the international system who acquire colonial territories and dependencies for the purpose of enhancing their strategic advantage relative to their competitors. This theory of imperialism would seem to have been validated by the cold war era which saw a Marxist-Leninist state, supposedly immune to the expansionist logic of capitalist states, get involved in empire building and subtle and not so subtle imperial engagements in Eastern and Central Europe, South East Asia and Africa as a response to real political needs imposed by the power structure of that international order.

The most distinctive feature of the political theory of imperialism is however its avid, almost uncritical defense of capitalism and the market logic. This requires that imperialism be taken away from the economic realm to the political frameworks within which the character of dominance is supposedly developed and entrenched. To scholars like Schumpeter, imperialism not only predates capitalism, and so could not have originated from its dynamics, but it is also an essentially anachronistic system that has no place in the modern international political economy. To them, imperialism is being phased out by the development of capitalism that had sounded the death knell for the old feudal and aristocratic systems. These old systems, according to them, were the real purveyors of imperial conquests and not capitalism as economic theorists of imperialism like Hobson and Lenin contend.

The Economic Theory of Imperialism

Lenin developed a radical economic theory of imperialism. Even though his writings have had the most profound effect on the study and understanding of imperialism, it, in large part, owes its origins to the work of the British scholar J.A Hobson[11]. Lenin acknowledged the Hobson's influence in his preface to *Imperialism, The Highest Stage of Capitalism* when he noted that he made use of the principal English work on imperialism, the book by J.A Hobson, 'with all the care that it deserves'[12].

Having developed their theories at the height of colonialism, both men seemed to equate colonialism with imperialism and therefore failed to identify the significance of the 'imperialism

of free trade' that was to later become the hallmark of imperial dominance. Nevertheless, they effectively established the economic content of imperial expansion. Hobson for instance, viewed the vast increase in the supply of surplus capital in the metropolitan countries, especially Britain, as being responsible for capital exports to economically underexploited continents like Africa. As he saw it, inequalities in the distribution of wealth and income in Britain dampened the consumption power of the British working class, which in turn made it unprofitable for capitalists to fully utilize their industrial capacity. Colonies were therefore acquired abroad as a sought of dumping ground for surplus capital.

A key feature of Hobson's theory is his conception of colonialism (read as imperialism) as the reflection of the unfulfilled promise of liberal democracy. He believed that imperial domination was bound to lose popularity if liberal democratic values take hold properly. This will in turn lead to increases in capital retention and absorption rates of the métropole to the extent that, as O'Connor noted, 'the volume of consumption would correspond more closely to the volume of production' therefore negating the economic logic that necessitated imperialism in the first place.

Lenin's theory of imperialism agrees fundamentally with Hobson though he roundly rejected the panacea of liberal democracy offered. He made a very profound contribution to the understanding of the dynamics of imperialism. The most distinctive element of his theory is however related to the cause of the economic surplus described by Hobson and his establishment of the imperialism as an inevitable stage in the historical development of capitalist political economy. Instead of imperialism being one of many possible sets of foreign policy option, he considered it to have been imposed by the *diktat* of 'monopoly capitalism'. Imperialism, to Lenin, was the monopoly stage of capitalism[13].

Lenin goes much further to distinguish between industrial and finance capital. This distinction is taken in the context of the role surplus finance capital plays in the creation of relations of dependence and dominance between the periphery states and the métropoles. He argued that even though free competition is the basic feature of capitalism, the inherent contradictions in the distributive character of capitalist commodity production has seen the displacement of free competition by monopoly capitalism[14]. The accumulation of capital earlier described by Hobson agrees fundamentally with this and in fact effectively identifies the origin of monopoly capitalism itself. The replacement of the fundamental features of capitalism by its polar opposites is viewed by Lenin as indicating, not the retrogression of capitalism as it so obviously suggests, but rather its progression to a higher stage of development-that is imperialism.

The needs of monopoly capitalism are therefore the overriding logic that imposes the acquisition of colonies and the entrenchment of imperial systems. These monopolies do not however, as they would once again seem to suggest, eliminate free competition, having grown out of it, but rather, as is shown by Lenin, exists 'above and alongside it, thereby giving rise to acute and intense antagonisms'[15].

While Leninist writings have been generally accepted, at least by third world scholars, as decisive explanations of the economic perspective of imperialism, revisionist scholars like Karl Kautsky[16] have attempted to modify some aspects of Marxist political economic thought that are the foundations of economic theories of imperialism. In particular, he tried to de-emphasize the constant allusion to 'irreconcilable class antagonisms' and as a consequence, violent conflict as inevitable products of the contradictions that plague capitalist political economy. Indeed, Kautsky canvassed the possibility of what he called 'ultra imperialism'- a super imperialism growing out of a coalescence of imperialisms and their various interests. These imperialisms, he figures, will then, united by their common

economic needs, collectively exploit weaker and more vulnerable regions of the world. The purpose of this paper is not to debate these controversies but to rather show that they exist and debunk the myth of universal Marxism. It is suffice however to note that not even revisionists like Kautsky deny the fundamental economic essence of imperialism. To them 'imperialism is highly developed industrial capitalism. It consists of the striving of every industrial capitalist nation to bring under its control or to annex large areas of agrarian territory, irrespective of what nations inhabit it'[17]. In spite of the disagreement of core Leninist led by Lenin himself, this definition fits almost perfectly the orthodoxy of economic imperialism and that suffices for our purposes here.

In conclusion, the economic theory of imperialism and of its crisis must include a theory of the state in the imperialist epoch. Samir Amin for instance identified the relevance of the state in the very process of accumulation, how its powers are appropriated for the purpose of protecting and expanding the accumulation process and how it modifies transnational relations.[18] This aspect of contemporary Leninist imperialism is very important given the context of state-centrism in the international system. It is often argued that, even though transnational capital exports are the key platforms for the entrenchment of imperialist domination, the state context within which it is advanced requires the construction of a theory of the state along similar politico- economic lines or indeed as an accompaniment to the theory of imperialism. Recent developments in the global order is however seriously challenging this line of thought as will be shown later in this paper.

The Structural Theory of Imperialism

This theory is not concerned with the cause of imperialism but rather attempts to account for inequality within and between nations and the resistance of this inequality to change by constructing a mechanistic model that highlights the nature of relations between what Galtung referred to as 'center and periphery states'[19] and between core and periphery classes within each state. This theory seeks to build a model that provides a clear view of the network of relations of dominance and dependence in the international system. Galtung views imperialism from the perspective of discrepancies. Concisely, imperialism is a system that splits up collectivities and relates some of the parts to each other in relations of harmony of interest and the other parts in relations of disharmony of interest.

The structural theory attempts to explain the inner workings of an imperial system by tracing the cross cutting webs of relationships between and among classes. Like classical Marxists, they base their analysis of material relations on class antagonisms. They however go further to identify the possibility, nay imperative of relations of harmony between the center of the métropole and that of the periphery for the purpose of constructing and entrenching imperialism.

Underpinning these networks of material relations are two key principles identified by Johan Galtung[20]. These are: the principles of 'vertical interaction relation' and that of 'feudal interaction relation'. The first concerns the nature of the interaction itself and the second how these relations are put together in a larger interaction structure. The idea of interaction implies of course that since nations and people have different complementary values, exchange between them is carried out following Ricardo's comparative advantage theory. A mere cursory examination of the third world's experience however challenges this contention. Quite often, material relations between states at different levels of capitalist or industrial development are asymmetric. Two key factors arising from the interaction may be easily employed to determine the exact nature of relations. The factors are: value exchange (this speaks to inter-actor effects) and the effects of interaction inside the actors (intra-actor effects). Where exchange creates or widens the gap between societies, where it increases the relative dependence of one society to the other and where it enhances the ability of the advantaged society to compel action on the other society, imperialism can be said to exist.

While structural theories of imperialism did not bring anything new per-se, it benefited immensely from having examined the phenomenon from a non-jaundiced prism. The fact that the structural theory holds a mechanistic rather than an ideological view on the nature of imperialism earned it the toga of objectivity. Its views can therefore be dispassionately examined by both radical and liberal theorists.

Neo-Imperialism and the new International Order: An Examination of the Imperialist Character of Globalization.

The controversies discussed above largely reflect the dynamics of 19th and 20th century thoughts on imperialism. The unending controversies notwithstanding, there are broad areas of consensus. For instance both Marxists and Liberals agree on the general description of economic organization and policy. They agree that irrespective of the initial motive of imperial expansion, the essential ingredient of imperialism as Dobb[21] rightly noted, is 'privileged investment' that is investment in projects that carry with them some differential advantage or preferential treatment. Even Schumpeter views monopoly combines as created by protective tariffs, forced imports (that is dumping) and a generally aggressive foreign policy posture[22]. The second area of broad agreement is that whatever the causes of imperialism, it depends on the colonial control of the territories on the fringes of the global system and that the end of colonialism will inevitably lead to the collapse of the imperial order. O'Connor put it in poignant perspective when he argued that modern imperialism depends on colonial rule as the main form of economic and political control and that political independence will significantly reduce or eliminate entirely the exploitative imperialist relations[23].

The events of the last decades particularly since the end of the cold war have however severely undermined the validity of these assumptions. The new era has shown for instance that the end of colonialism does not guarantee the collapse of the imperial order. Even though the physical domination of foreign territories or even the maintenance of empire by whatever guise is now considered anachronistic, the essential features of imperialism: its advancement of monopoly capitalism, its export of capital, its asymmetrical nature of inter-state relations and its promotion of relations of dependence and dominance have survived into the present era. It is in this sense that we speak of neo-imperialism.

No phenomenon in the contemporary world captures this global political economy better than what is now generally referred to as globalization. It has become so important that virtually every social science phenomenon may be explained in its context. Jacques Gelinas captured the universal utility of the term globalization when he noted that it could be approached from several perspectives: as a system, a process, an ideology, a modern mythology, and an alibi[24]. In spite of the wide controversies surrounding the exact meaning of globalization, there are areas of consensus. Adebayo Olukoshi for instance identified three broad areas of consensus: that the last few decades has seen the intensification of the process of globalization; that among the key factors accounting for this intensification is the revolution in information and communications technology; and that these changes have compressed time and space in such a way that has been critical to the changes being witnessed in economic organization in both national and international climes.[25] These areas of consensus are however dwarfed by the very significant differences in the conception of many of the most important aspects of globalization. For one there is no consensus as to the promise that the process holds for states, individuals, groups, transnational firms, cultures and indeed ideological contraptions like democracy. There is also an intense debate as to the reversibility or otherwise of the system or indeed its desirability.

The controversies surrounding globalization are not helped by the very many contradictions that the process has spurned. For instance while it undoubtedly integrates the world's financial systems, witnessing the movement of capital and goods across national boundaries

on a scale unprecedented in world history, it is also advancing perhaps the most profound marginalization of states that have in the last few centuries remained on the margins of the international system. Even within the developed world that seems to benefit the most from the process, the distribution of the advantages of globalization has been skewed. Globalization is creating immense wealth and at the same time entrenching excruciating poverty. It is promoting the general adherence to the western neo-liberal conception of political participation and freedom- liberal democracy- yet it is undermining the very platform around which democracy must be built-the state.

Globalization is without doubt a contradictory process but its critique need not detain us any further. Our purpose here is to show how globalization is the new imperialism.

From our earlier treatment of imperialism, the following may be inferred:

- Imperialism promotes a system of unequal exchange
- It is characterized by the large scale export of financial capital
- It invariably engenders relations of dominance and dependence
- It establishes an international division of labor with natural commodities being prized far lower relative to finished goods
- It is characterized by pressures and resistance, which promotes conflict

The globalization process, as the experience of the developing world has shown perfectly mirrors the above. The export of transnational capital has intensified most profoundly and questions are increasingly being raised as to the implications of a globalization project that Olukoshi rightly described as being 'dominated not only by finance capital but by highly mobile and speculative investors'[26], the exchange between the states at the core and those on the margins is also still very asymmetrical and resistance to imperialism is generating unorthodox violence like terrorism. The essentially nature of the imperial age has survived and the beneficiaries are largely the same states that benefited from the supposedly defunct era.

In the light of the above, one cannot but come to the conclusion that the phenomenon of imperialism has transformed to what is now widely referred to as globalization without changing its fundamental features. It is therefore new imperialism.

Theories of Imperialism

Political Theories

Examples: Morgenthau, Cohen

Imperialism is simply a manifestation of the balance of power and is the process by which nations try to achieve a favorable change in the status quo. The purpose of imperialism is to decrease the strategic and political vulnerability of a nation.

"...we are engaged in 'pegging out claims for the future'. We have to consider, not what we want now, but what we shall want in the future. We have to consider what countries must be developed either by ourselves or some other nation and we have to remember that it is part of our responsibility and heritage to take care that the world, as far as it can be moulded by us, shall receive the Anglo-Saxon and not another character. Remember that the task of the statesman is not merely with the present, but with the future. We have to look forward beyond the chatter of platforms, and the passions of party, to the future of the race of which we are at present the trustees, and we should, in my opinion, grossly fail in the task that has been laid upon us did we shrink from responsibilities, and decline to take our share in a partition of the world which we have not forced on, but which has been forced upon us."
Earl of Rosebery, Speech at the Royal Colonial Institute, 1 March 1893

Fashoda

Conservative Theories

Examples: Disraeli, Rhodes, Kipling

Imperialism is necessary to preserve the existing social order in the more developed countries. It is necessary to secure trade, markets, to maintain employment and capital exports, and to channel the energies and social conflicts of the metropolitan populations into foreign countries. There is a very strong ideological and racial assumption of Western superiority within this body of thought.

The Philippines

"I went down on my knees and prayed to Almighty God for light and guidance ... and one night late it came to me this way. We could not leave (the Philippines) to themselves--they were unfit for self-government--and they would soon have anarchy and misrule over there worse than Spain's was... There was nothing left for us to do but take them all and educate the Filipinos, and uplift and Christianize them." US President William McKinley, as quoted in General James Rusling, "Interview with President William McKinley," *The Christian Advocate* 22 January 1903, 17. Reprinted in Daniel Schirmer and Stephen Roskamm Shalom, eds., *The Philippines Reader* (Boston: South End Press, 1987), 22–23.

[The Belgian Congo](#)

Liberal Theories

Examples: Hobson, Angell

Imperialism is a policy choice, not an inevitable consequence of capitalism. Increasing concentration of wealth within the richer countries leads to underconsumption for the mass of people. Overseas expansion is a way to reduce costs (and thereby increase or maintain profit levels) and to secure new consumption. Overseas expansion is not inevitable, however. A state can solve the problem of underconsumption by increasing the income levels of the majority of the population either through legislation concerning wage levels (minimum wage laws, legalization of unions, child labor laws) or through income transfers (unemployment compensation, welfare).

"Aggressive Imperialism, which costs the tax-payer so dear, which is of so little value to the manufacturer and trader, which is fraught with such grave incalculable peril to the citizen, is a source of great gain to the investor who cannot find at home the profitable use he seeks for his capital and insists that his Government should help him to profitable and secure investments abroad.

If, contemplating the enormous expenditure on armaments, the ruinous wars, the diplomatic audacity of knavery by which modern Governments seek to extend their territorial power, we put the plain, practical question, Cui bono? the first and most obvious answer is, The investor

Investors who have put their money in foreign lands, upon terms which take full account of risks connected with the political conditions of the country, desire to use the resources of their Government to minimize these risks, and so to enhance the capital value and the interest of their private investments. The investing and speculative classes in general also desire that Great Britain should take other foreign areas under her flag in order to secure new areas for profitable investment and speculation." John A. Hobson, *Imperialism. A Study* (1902)

Marxist Theories

Example: Lenin

Imperialism also arises because increased concentration of wealth leads to underconsumption. However, since the state represents the capitalist interest it is not possible to reduce underconsumption effectively through liberal strategies. Both strategies involve taking away money from the bourgeoisie and Marx and Lenin did not view this strategy as possible. Ultimately, according to Lenin, the world would be completely divided up and the rich countries would then fight over the redivision of the world. This analysis served as his explanation for World War I.

"It goes without saying that if capitalism could develop agriculture, which today is everywhere lagging terribly behind industry, if it could raise the living standards of the masses, who in spite of the amazing technical progress are everywhere still half-starved and poverty-stricken, there could be no question of a surplus of capital. This "argument" is very often advanced by the petty-bourgeois critics of capitalism. But if capitalism did these things it would not be capitalism; for both uneven development and a semi-starvation level of existence of the masses are fundamental and inevitable conditions and constitute premises of this mode of production. As long as capitalism remains what it is, surplus capital will be utilised not for the purpose of raising the standard of living of the masses in a given country, for this would mean a decline in profits for the capitalists, but for the purpose of increasing profits by exporting capital abroad to the backward countries. In these backward countries profits are usually high, for capital is scarce, the price of land is relatively low, wages are

low, raw materials are cheap. The export of capital is made possible by a number of backward countries having already been drawn into world capitalist intercourse; main railways have either been or are being built in those countries, elementary conditions for industrial development have been created, etc. The need to export capital arises from the fact that in a few countries capitalism has become "overripe" and (owing to the backward state of agriculture and the poverty of the masses) capital cannot find a field for "profitable" investment." Vladimir Lenin, *Imperialism: The Highest Stage of Capitalism*, 1920

Social-Psychological Theories

Example: Schumpeter

Imperialism is objectless expansion, a pattern simply learned from the behavior of other nations and institutionalized into the domestic political processes of a state by a "warrior" class. This warrior class is created because of the need for defense, but, over time, the class will manufacture reasons to perpetuate its existence, usually through manipulation of crises.

These theories have been updated and modified by theorists who see an alliance between the warrior class and corporate interests. Most commonly this alliance is referred to as a "military-industrial complex" a phrase coined by US President Eisenhower in his farewell Address to the American people:

"In the councils of government, we must guard against the acquisition of unwarranted influence, whether sought or unsought, by the military industrial complex. The potential for the disastrous rise of misplaced power exists and will persist. We must never let the weight of this combination endanger our liberties or democratic processes. We should take nothing for granted. Only an alert and knowledgeable citizenry can compel the proper meshing of the huge industrial and military machinery of defense with our peaceful methods and goals, so that security and liberty may prosper together." President Dwight David Eisenhower, 1961