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Imperialism, East and West

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Old prejudices die hard, even on the left. So today, as in 1956 and 1968, you still find socialists who argue that there cannot be such a thing as Russian imperialism.

They usually put it something like this: imperialism, as Lenin showed, is not simply the conquest of one nation by another: it is a specific phenomenon associated with monopoly capitalism; finance capital dominates the economy, and its search for overseas investment leads the major imperialist states to 'partition and repartition the world': in Russia there is no finance capital (indeed, no capitalists of any sort!): therefore Russia cannot be imperialist. QED.

At one level, the argument is easy to refute. No Marxist has ever claimed that *only* with the monopoly stage of capitalism and the domination of finance capital do you get imperialism – after all. Marx wrote on 'British Imperialism

in India' in the 1850s and 1860s, whereas the 'monopoly stage' of capitalism did not really start until the 1890s.

But the argument fails much more fundamentally than this. Not just on a verbal quibble, but on an inability to grasp the essential drives that underly the actions of the great powers in the West as well as in the East. Those who deny the fact of Russian imperialism reduce the nuclear warheads directed at Peking or the millions of Chinese and Russian soldiers facing each other along the Ussuri to a mere accident of history.

What was the point of the theory of imperialism as developed by Lenin (and his fellow Bolshevik Bukharin) in 1915 and 1916? It was to establish that the First World War was not an accident, due to the intrigues of reactionary court circles or to the pressures of a minor arms manufacturing part of the ruling class, but flowed from the inner dynamic of the whole of the ruling classes involved on both sides. As Lenin wrote:

“In this pamphlet, it is proved that the war of 1914-18 was on both sides imperialist (i.e. an annexationist, predatory, plunderous war), a war for the partition of the world, for the distribution and redistribution of colonies, of spheres of influence of finance capital, etc. ...”

The point was that world capitalism had reached a stage where it was impossible for its rival ruling classes to co-exist without periodically being driven to war.

‘Peaceful alliances prepare the ground for wars and in their turn grow out of wars. One is the condition for the other, giving rise to alternating forms of peaceful and non-peaceful struggle on one and the same basis, that of imperialist connections and inter-relations of world economics and politics’.

Capitalism could no longer survive without seeking to 'partition and repartition' the world. Lenin and Bukharin explained. because the scale of the concentration of production was so great that it could no longer simply be contained within narrow national frontiers. As Lenin put it.

"The capitalists partition the world, not out of personal malice, but because the degree of concentration which has been reached forces them to adopt this method in order to get profits ..."

In Lenin's explanation of how this happened, finance capital (the banks) were seen as playing a central role. They had reached a higher degree of monopolisation than industry, and very much subordinated industrial capital to their needs. And their need was to raise the rate of profit by finding new outlets for financial investment. Hence the struggle to carve up what we now call the >'third world' into colonies.

Bukharin went on to develop a more general theory than that of Lenin (although Lenin's notes on Bukharin do not indicate any profound disagreement with it). He focussed not just on finance capital, but on the way that industrial capital also was driven to military adventures. This was because, although the ownership of industry was in general nationally based, the scale of its operations more and more reached beyond national frontiers.

The carving up of the national economy between a few monopolies in co-operation with the state was not enough if the national capitalism was to survive in international competition – it had to seek ways of organising production on a still wider basis. It could only seize the resources to do

this from other capitalists (big and small) of other states by periodically substituting military conflict for economic competition.

There was clash between 'the national state' basis of industrial ownership ('appropriation') and the international character of the capitalist system (and therefore production). The more each state intervened to regulate the national economy in the interests of the monopolies, the more its efforts stood in contradiction to the more or less completely unregulated interaction of the different national economies in the world economy. It was a contradiction which national states could only seek to overcome by moving from 'peaceful' alliances to war.

Imperialism West

In many ways the history of Western capitalism in the last 50 years has fitted Bukharin's more generalised picture more closely than Lenin's rather narrower one with its concentration on 'finance capital'.

In the 1930s vast concentrations of industrial capital grew up – this was the period of the organisation of ICL, Unilever, ITT, the >'Seven sisters' of the oil world, and the great industrial firms linked into the German and Japanese war economies.

They retained an interest in colonies in the Third World. But increasingly what caught their eye was the concentration of industrial capital, usually in Europe, in the camp of rival capitalisms. So, for instance, for German capitalism the 1930s and the early 1940s meant successive military efforts to incorporate into its industrial operations

economies formerly under Anglo-French influence – Austria, Czechoslovakia, Poland, Alsace-Lorraine, etc.

In the post-war years, the growing influence of industrial capital pushed even further this shift in the operation of imperialism. With their eyes now focussed in the main on the *industrialised parts* of the world, the relative significance of investment in the third world declined for the western capitalists. The Western ruling classes no longer felt that it was a life and death matter for each to guard its control over parts of the third world from its Western capitalist neighbour. France and Germany no longer threatened each other with war over the control of Morocco; Japan and Britain were no longer wrestling for control of the South China coast and the Malay peninsula. Decolonisation was possible because the partitioning and repartitioning of the third world between the Western capitalist states was no longer a central issue.

The question of control of the resources within the advanced countries and the newly industrialised states around their fringes (such as Brazil, Hong Kong or South Korea) also ceased to be a motive leading to military conflicts between the Western states, although for a different reason. The expansion of all the Western economies meant that the annoyance of one national capital at the encroachments of its rivals was only marginal. There were plenty of good things to go round and they did not need to fight one another for them a contrast to the 1930s when it had seemed to German and Japanese capital that the only way to shift the burden of crisis was through military expansion at the expense of other Western capitals.

The military aspect of imperialism did not disappear. But during the boom years it came to be directed outwards by an alliance of Western capitals, rather than inwards by each against the other. What mattered was defending a new

international order against those who did not accept its rules fully – whether that was a Russia still apparently threatening to grab bits of Western capital's sphere of influence for itself, or some local national liberation movement trying to regain control of its own country's resources.

The Western powers were willing to permit each other to poach in their back gardens, whereas in 1914 and 1939 this had led to war, but they were not prepared to let anyone else to do so.

The huge arms expenditure was meant to deter anyone from even trying. The Americans in Vietnam, for instance, were out to prove that they could not be challenged with impunity anywhere in their sphere of influence.

What was at stake was not the role of the American banks in Saigon, but the long term safety of the huge concentrations of American owned industrial and financial wealth in Europe, Central and South America, Southern Africa, Australia, etc.

Imperialism East

How has Russia fitted into this picture?

If imperialism is the attempt by national rulers to control forces of production that operate on a scale wider than existing national boundaries, then the rulers of Russia are involved in imperialism as much as those of the Western states.

Since Stalin inaugurated the First Five Year plan in 1928-9, the main aim of the Russian rulers has been to 'catch up and overtake' the West. As they see it, there is no other way of safeguarding their control over Russia. Inside the Russia

of Stalin's period this meant imitating all the means used by Western capitalism to industrialise (from wage cutting and piece work to driving the peasants from the land and employing slave labour).

External policy was motivated by the same pressures as internal policy. The first victims were the non-Russian peoples had been absorbed into the Czarist empire and then given the right to self determination by the revolution; that right became a complete fiction as they were completely subordinated to the needs of industrialisation in competition with the West (see the article on the Soviet Muslims in this issue). Then it was the turn of the Baltic states and Eastern Poland, seized by Stalin 1939 and incorporated into the Soviet Union as part of a deal that gave Hitler a free hand in Western Poland. Finally, (as Ian Birchall tells in his article) it was the turn of Poland, Hungary, Czechoslovakia, Rumania, Bulgaria and East Germany to pass under Russian hegemony in return for giving the West a free hand in France, Italy, Greece and the Western colonies 'liberated' from the Japanese and Italians.

(People who 'don't believe Russia can be imperialist should also note that at one stage in the negotiations Stalin demanded the former Italian colony of Tripoli for Russia!)

In this early period Russian imperialism was very, much like the early stage of Western imperialism in the 18th and early 19th century. It involved the wholesale looting of countries to the advantage of the Russian economy: the dismantling and removal of factories, the imposition of 'unequal treaties' which gave Russia for no cost a half share in joint companies exploiting key resources, the rigging of commodity prices to Russia's advantage (for details, see the denunciations of Russia made by both Yugoslavia and China after their break with Moscow, and the literature that appeared in Poland and Hungary in 1956).

But it soon underwent changes that made it more similar to the Western industrial imperialism of the 1930s. The East European economies were run under a system which gave them a degree of autonomy, but which subordinated their overall pattern of development to the needs of Russian competition with the West. So in the early 1950s workers and peasants throughout Eastern Europe saw their living standards slashed so as to build up the heavy industrial base of the Russian arms programme.

The pressure on workers' consumption relaxed somewhat after the popular uprisings of 1953 and 1956, but it has never grown at anything like the speed of industrial output, and is now under pressure again.

An imperial order can be stabilised on two bases: *either* by improving the conditions of the people incorporated within it so that they identify with its rulers; *or* by the crudest repression, aimed at intimidating them into submission, if necessary, denying them any vehicle such as local language and traditions that might enable them to organise a fightback.

The basic Russian goal of expansion of heavy industry in competition with the West ruled out the first strategy. And so the second had to be used. Inside the lands of the former Czarist empire that meant Russification aimed at downgrading local language and culture and upgrading Russian speaking minorities who could be expected more easily to identify with Moscow. In Eastern Europe it meant exemplary displays of Russian armed might in 1956 and 1968 to crush opposition.

Repression was the glue used to bind a heterogeneous collection of peoples to the needs of economic competition with the West.

It was the means by which the Russian ruling class tried to control a concentration of forces of production that

extended beyond Russia's border. Russian imperialism was the logical sequel to Russian state capitalism.

The Two Imperialisms in Conflict Today

In the 1950s, 1960s and 1970s the two imperialisms, each policing a string of regimes subordinated to its accumulation goals, could grow to mutually tolerate and respect each other. Both were experiencing high rates of economic growth, which guaranteed a certain acquiescence to their rule by many of their client states. So the Americans stood idly by while Russian tanks crushed Budapest and Prague, and the Russians were not too upset when Johnson and Nixon bombed Hanoi. No atrocity on either side, it seemed, could stop the movement towards détente.

Conditions today are rather different. Economic crisis has produced popular discontents which both sets of rulers fear will upset their hegemony. In the West, Angola, Mozambique, Ethiopia and now Iran have broken from the bloc. The US ruling class feel they have to make a show of strength if more valuable properties are not to be threatened.

They even fear that without such a show of strength their European and Japanese allies may begin to follow policies that no longer protect US economic interests (by imposing higher import duties and lower quotas for US goods, by not backing US policies over issues like Iran).

Very much the same considerations apply to Russia. There can no longer be any doubt about the reality of its economic crisis: last month the official press announced that 1979 had

been the worst year for, the Russian economy since 1945, with a growth of the national income of 2 per cent, only half that planned (compared with, say, a growth of the West German GNP of more than 4 per cent). This comes after reports showing industrial stagnation in much of Eastern Europe (see last month's issue of **Socialist Review**).

The East European rulers have tried for a decade and more to avoid economic crisis by a growing integration into Western markets, growing tie-ups with Western companies and growing dependence on Western bank loans. But this can only create unease in Moscow, where it seems that it is in danger of losing its economic hold over Eastern Europe. At the same time, reports of widespread discontent, especially in Poland (where the Gdansk shipyard has been striking as we go to press) raise for Brezhnev and his friends the spectre of Budapest 56 and Prague 68. They too feel the need to reach for their guns.

The Russian rulers cannot sustain their competition with the US – especially their military competition – without marshalling the efforts of states which lie outside Russia's frontiers. But that means demonstrative action against any one in the bloc who steps out of line, even if in taking it they make their economic crisis worse, increase the resentments of the peoples over whom they rule, and heighten the odds in the war games with the US.

East and West, national ruling classes are compelled by their mutual competition to organise production on a scale which extends beyond national boundaries. They build up the fire power of their state machines to compel peoples outside their national frontiers to accept this and to keep foreign ruling classes from interfering in their spheres of influence. Their mutual interaction leads to a spiral of arms spending. And as each side, just to stay where it is, cracks

the imperialist whip, the whole world moves a bit further along the road to Armageddon.
