Introduction

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The title of the present volume is indicative of the relevance of imperialism as a concept, or more appropriately, as a continuous arrangement since the early years of empire-colonies to the current pattern of expropriations, on the part of those who wield power vis-à-vis the weaker ones.

Varied interpretations of imperialism are there in the literature, on what it stands for, or even on whether the notion has any relevance at all in contemporary capitalism. Interpretations as above, however, do not lessen the significance of what can be observed as the common ground underlying the alternate positions. The unity, which runs across the diverse pattern of expropriations under imperialism, makes it even more relevant to put together a new set of research dealing with different approaches to what can be characterised as imperialism. We attempt, in this book, a similar exercise, putting together papers dealing with alternate interpretations, of imperialism and its changing pattern over space and time.

Continuities, in the run of imperialism over centuries and the engulfing of newer regions, incorporate within its fold, the changing parameters of authority and suppression. Aspects, as are highlighted in the literature, provide alternate interpretations of the changing pattern of oppression, often reflecting the dynamics underlying a pattern which is rather similar. In this the attempts to characterise what has been called ‘new imperialism’ under contemporary capitalism provides an explanation of its evolution in its new incarnation.

Earlier formulations of ‘imperialism’ can be found in the writings of Hobson, Hilferding and Lenin. Analyses, as above, were framed in the context of the imperial relations between the ruling nations and their colonies. Political subjugation of the latter, captured by force or by commerce, provided the groundwork for their economic domination in the interest of the ruling nations. Forms of such arrogation varied,
industrial interests. Standardisation of labour regulations through an international legal/normative regime was one of the means of reducing this disadvantage.

The chapters in the final Part IV address the issues connected with liberalisation and deregulation in contemporary India, which are seen as part of a process producing a variety of imperialism, very different from the colonial past, but no less damaging in terms of its effects on income distribution, poverty and social inequality.

The opening piece by Sukanya Bose and Abhishek Kumar looks at the role of finance and services in the Indian economy by first examining the contrasting evidence coming from empirical studies on the role of above in fostering growth. The main hypothesis of the authors is that several service sectors, namely, banking, insurance, real estate and business services, did not feed into growth of industrial sectors and vice-versa. The linkages of these sectors with the rest of the economy have 'probably been weak such that the expansionary phase of this sector has not been accompanied by a revival of overall economic growth'. The hypothesis is put to test in the paper by using empirical exercises, whose results provide confirmation at large that the kind of finance-led growth India has witnessed in the recent period does not seem to be embedded in the real economy, thus making the finance-driven growth in the current phase of finance capitalism unsustainable.

Byasdeb Dasgupta looks at the Indian labour market and the effects of the neoliberal reforms, in particular the dismantling of the welfare state and of the system of labour protections. The author looks in particular to the features of flexible labour regime in contemporary India.

Surajit Mazumdar's closing piece brings together various threads of the analysis of imperialism presented in the previous chapters, with particular reference to India. He starts by reviewing the elements explaining remarkable growth of the country in the last three decades making India a prosperous economy relative to all the advanced countries barring the United States (in PPP terms) and pointing out how this growth has been greatly beneficial only to some segments of Indian society. As a result, the distribution of income within the sector has moved very sharply in favour of corporate profits, to the disadvantage of India’s working population, most of which is in agriculture and in the informal non-agricultural sectors.

The structure of the Indian economy has been dramatically changed by globalisation and neoliberal reforms, favouring the maintenance of its relative subordination in the world economy. Rather than a story of success, present-day Indian capitalism exhibits inherent weakness,

such as vulnerability of the external payments front and a great degree of dependence on volatile capital flows as well as on the US economy. This in turn circumscribes India's capacity to play an autonomous leading role on the global stage whether as a partner or as a rival of the advanced economies. Another instance of the changed face of todays' imperialism.

Note

across regions and over time, between the early years of European invasions of South America, the slave trade across oceans, the use of plantation islands by importing indentured labour from colonies and the structured governance of colonies to drain off surpluses by using trade and financial channels. As indicated in the related literature, it was from nineteenth century onwards that imperialism in its early form was found to rest on the formal control of the colonies by the respective empires.

The pattern, however, has considerably changed since then. While imperialism as an arrangement of exploitation has continued over time, measures deployed to achieve the goals have gone through variations, much depending on the network of the power structure. The formal makeover for change came up with decolonisation at the end of the Second World War, introducing new relations between some of the advanced countries and their former colonies. While social democratic governments in the West were trying to generate a stable capitalist order within the region, their links with the developing region were reworked in a neo-colonial frame where overseas development assistances (ODAs) were fetching economic mileages with loan tying in general or with the PL480s used by the United States to access captive external markets in order to dispose of its surplus farm products. Trade between the advanced industrialised countries and the rest of the world, especially the primary producing countries, was conducted at a terms of trade which added further to the gap between the rich and the poor nations. Much of those were facilitated by the machinations of imperialism in its new incarnation.

Predictions in the Marxist literature, on the limits to expanded reproduction under capitalism, turned out to be a reality by the last quarter of the twentieth century, in particular with the continued stagnation in the real economy of the major advanced countries. With growing inequalities, primitive accumulation led way to disproportionate stocks of wealth concentrated among a few, in turn calling for measures which could protect as well as augment those. Thus began the era of finance-led capitalism with state patronage, providing the space for changes in institutions which could ease out financial markets and generate handsome returns as rentier income. As in the earlier period of imperialism with empire-colony relations, external markets under new imperialism continued to provide opportunities for further accumulation and expanded reproduction of wealth under finance capital. It is important to observe that it was the revival of methodological individualism as the philosophical basis of official policies which provided the ideology behind the opening up of markets and the remodelling of institutions in favour of finance. With free flow of financial assets providing opportunities for speculation, a large part of transactions in the market were no longer subject to national jurisdictions. Classic examples include the expanse of shadow banking which has overtaken, in a large number of countries, the pace of credit flows under the surveillance of the central banks. Also, one recalls the sub-prime crisis in recent times, which led the world economy to severe disruptions.

Unleashing new imperialism in contemporary capitalism rests on several tools to protect and enhance financial assets. There is a need to avoid depreciation of values of financial assets (in real estate, stock markets or even in commodity stocks) by using deflationary policies in the real economy. In addition, the predatory state facilitates accumulation by using its power to dispossess those who have lost the ability to resist, be it with land acquisition, labour flexibility or even displacement of indigenous manufacturing. Imperialism in its new form operates not only across but also within nations, with the same pattern of unequal relations in the market-led exchange between the stronger and weaker partners. Corporate-led finance continues to innovate further avenues to prosper by using new instruments, like mergers or privatisations of publicly owned property. Deregulation of markets with rising uncertainty has also generated newer opportunities to make money by hedging financial assets, as indicated by the rising values of derivative instruments which, incidentally, never generate real activities. Simultaneously, there emerge powerful alliances within corporate houses, between shareholders and managers geared to lucrative short-term investments in financial assets, as against long-term growth in the real economy. Mobile capital in the financial oligarchy today has an international presence, not only in the private sphere of financial markets but also in official multinational institutions like the IMF and the WTO. Dominance of finance replicates itself in the functioning of above institutions, as ordained by the rich and powerful nations.

As in its old form under colonialism, new imperialism continues in contemporary capitalism by using unequal power relations. The changes in the form of political arrangement, from colonial to a neo-colonial order, have replaced the regal authority by the so-called liberal order of the market. The latter is based on the ideological precepts of methodological individualism, which further strengthens the process of appropriation, using the efficient growth paradigm as justification. One can conclude that not much has changed between the days of political subordination under old imperialism and the ideology-driven advances of markets for arrogation by the powerful, in this age of new imperialism of current times.
The book

Part I of the book is devoted to addressing theoretical issues, which may appear to be rather abstract in nature but, in fact, serve to illuminate the various angles from which the notion of imperialism can be examined and evaluated. It contains five papers containing the conceptual basis of arguments in the volume.

Of the latter, Satyaki Roy's starting point is that we do not have a single theory of imperialism applicable to all times, but several which correspond to multiple historical manifestations of imperialism in the post-competitive phase of capitalism. So the author takes up the interpretations of imperialism that comprehend global hegemony in the context of colonial domination and war (Luxemburg, Hilferding, Bukharin, Lenin) to the theories of New Imperialism in the post-colonial phase, the latter explaining how in the context of globalisation hegemony emerges as Empire.

Roy sees in the recent theoretical developments, attempts to reconcile the tension between the non-territorial forms of domination emerging in the context of globalisation and the role of the nation-state. Earlier theories of imperialism focussed on the conflicts between nations representing interests of national capitals, but in the context of globalisation and universal capitalism, nation-states are no longer the organizing unit. So the question at the core of the paper is whether global capitalism renders the notion of imperialism irrelevant. The author argues that while the notion of capitalism has still many insights to offer, theories of the Empire are less so, because those ignore the diversities of interests that still exist in the capitalist world. The characterisation of imperialism today cannot be limited to a rivalry between advanced capitalist countries nor an expression of conflict between developed and underdeveloped nations; it has to encompass the power structure and internal articulation of global capitalism. While the division of the world between core and periphery is no longer based on geography, it is still a structural element of the global economy.

John Smith's paper dwells on the present situation of the working class worldwide (workers as 'global labour'). It looks at the effects of the efforts by firms in Europe, North America and Japan to cut costs and boost profits by replacing higher-wage domestic labour with cheaper foreign labour, achieved either through emigration of production ('outsourcing') or through immigration of workers. Neoliberal globalisation is the new imperialist stage of capitalist development, where imperialism is characterised by the exploitation of 'southern' labour by northern 'capital'. The current structure of the world trade sets firms in low-wage countries competing with each other in offering goods produced by their workers to the global market. In 2010, 79 percent or 541 million of the world's industrial workers lived in 'less-developed regions'. This is up from 34 percent in 1950 to 53 percent in 1980 - compared to the 145 million industrial workers, or 21 percent of the total, which in 2010 lived in northern countries.

Smith takes issue with the dependency theories, which sought to explain the persistence of imperialist exploitation, following the dismantling of territorial empires, on the basis of the unequal exchange between developed nations and the Third World, and expressed in declining terms of trade of their raw material exports vis-à-vis manufactured imports from core nations. As held by Smith, it generates large-scale transfer of wealth from the former to the latter.

The globalisation of production, Smith argues, has transformed the typical social relation between capital and labour, also sharpening competition between workers of the north and the south. The fundamental driving force of today's imperialism is the high degree of exploitation prevalent in export-oriented industries of low-wage nations; this constitutes a third wave (after extending the working day or through technological upgrading) in which capitalism managed to increase surplus value.

Prabhat Patnaik takes us from the original formulation of Lenin, who associated imperialism with monopoly capitalism as the result of the process of centralisation of capital in industry and among banks, through the different phases which have developed since then to the present form of imperialism, the latter marked by the hegemony of international finance capital, globalisation and the pursuit of neoliberal policies.

The author takes issue with those interpretations of imperialism as a political project undertaken by the State of the leading imperialist country, the US, for globalising its brand of capitalism through enlisting the support of other advanced capitalist States'. The argument put further in this chapter is that taking the leading country's state as the driving force behind imperialism, means attributing to the state an autonomy, which none of the present capitalist countries have. According to the author, today's imperialism is marked by the retreat of the state in obedience to the need of international finance. The paper conveys also the message that the only political option is a selective de-linking of the national economy from the global economy, in forms which will have to be diverse in different regions in the world. As we will notice in the following pages, this volume is, in fact, focused
in the attempt to highlight the regional differences, both historically and in present times, at least in areas which include Latin America, the United States, Europe and India.

The particularity of imperialism today is the topic addressed in Anjan Chakrabarti's chapter. Along with class domination-induced imperialism in the nation state (which is what is defined as 'external' imperialism), the author introduces the notion of 'internal' imperialism as the domestically induced policy of conquest of the world by the so-called underdeveloped/developing or postcolonial nations. Neoliberal globalisation has re-shaped the international division of labour and intra-national division of labour by mechanisms of offshoring, outsourcing and subcontracting, so that globalisation has been able to fragment activities across time zones, spaces and enterprises within the nation states. The methodology of the analysis draws on Bukharin (1915) and his notion of policy of conquest. Thus, for Chakrabarti, today's imperialism is a policy of conquest through force and violence over the 'outside' of the capitalist world.

Subhankar Chowdhury's chapter departs from the classical notion of imperialism based on the division of the world into two clear segments, with one consisting of the advanced capitalist countries oppressing the other (third world). Imperialism, seen as a thwarting capitalist development in the developing countries, is no longer true in today's world, at least for a set of significantly large countries, such as India and China. The share of the advanced capitalist countries in world GDP has been declining consistently (from 60 percent in 1992 to 51 percent in 2011), while the share of developing and emerging economies has increased (from around 35 percent in 1992 to 49 percent in 2011). The 'third world' countries, now located within the overall circuit of the global capital, have access to global finance, markets and technology, and their big bourgeoisie have become major players in the international market. The increase in the share of world GDP for developing countries is due mainly to the growth of China and India, but also to the emergence of BRICS. However, the significant factor remains that the workers in these countries are way behind those of the United States, in terms of their wages, and their lives are not on par with those of the workers in developed countries. Through the policies of reforms and globalisation, we witness a process of enrichment of the ruling classes, while the vast masses of people remain detached from these capitalist processes and remain impoverished.

Part II of the book focuses on the patterns of imperialism in Latin American countries and the United States where the varieties, as predicated in previous part, can be seen in all clarity. In the present era of finance capital domination, the United States ceased to be the global producer of manufactured goods and the major supplier of advanced technological innovations. Instead, the country has gone through a de-industrialising process, with foreign capital flows pouring into its financial system. From the 1980s onwards, the US financial system has broadened and diversified, moving its operations from credit creation to financial trading, creating shadow banks composed of mutual and pension funds, finance companies, real estate investment trusts, hedge funds and so on. The present variety of imperialism couples financialisation with neomercantilism, that is, the policies situating net exports as the driving force of economic growth and the external market, together with reduced internal markets, competitive (under-valued) exchange rates and low wages. This variety of imperialism as domination through financialisation and neomercantilism is the background of all the three chapters in Part Two, which looks at the region where it originated (the United States) and examines how it impacted on Latin America and other world regions.

Noemi Levy examines the performance of six Latin American economies: Argentina, Brazil, Colombia, Chile, Mexico and Peru; these countries were chosen because of their different sizes and distinct economic specialisations. The latter, however, did not make for a remarkable difference in the process of financialisation and neomercantilism in these economies. The author shows that the region failed to adopt a successful neomercantilist model; the region as a whole did not benefit from the new international division of labour, which shifted the manufacturing industry from the United States to developing economies. The liberalisation process gave unfavourable results because these countries either specialised in raw materials or assembly manufacturing exports; and in neither of the above-mentioned countries did investment spending play an important role in their export specialisation (with the exception of Mexico, because of its specialisation in high-tech manufactured goods). The conclusion is that the neoliberal model, deregulating and globalising the production finance and commercial structures, while imposing an export-led growth model, has changed the Latin American region with further concentration of the distribution of income as happened within these countries.

The imperialist nature of the relationship between the United States and Latin America is the core of Amiya Bagchi's chapter, which reviews and reveals this aspect of the US domination through military and political control, with complicity of the domestic elite.

Arguments in Bagchi's chapter tally with the next chapter by Gerald Epstein on the role of military spending in the years antecedent
to the wave of terrorists’ attacks in 2001. Epstein views the facet of US imperialism as the velvet glove as opposed to the iron fist, which accompanied the rise of neoliberal policies and globalisation. The paper attempts various measures to quantify the effects of military expenses on net earnings and consumption of the 60-80 percent bottom income of US population, and arrives at the conclusion that

workers do not, on balance, gain from US imperialism, at least since 1985 ... the situation was probably different in the 1950s, 1960s and 1970s. At that time, US workers had much more power to extract rents from U.S. capitalists. Therefore, they had much more power to get a piece of the imperialist pie. Oil prices were extremely low and very stable. Taxes were more progressive. Trade competition was not as intense.

Parts III and IV of this book relate to India. The chapters there look to the colonial and contemporary conditions and examine in which way imperialism as a category is useful to interpret its past and present.

Utsa Patnaik’s chapter provides the general framework of British domination by providing data on the exceptionally large magnitude of India’s export earnings which were appropriated by Britain, showing the important role the colony was made to play in providing real and financial resources for sustaining the growth and operation of the entire British Empire. Britain largely re-exported imported tropical goods to obtain imports from temperate lands, which entered as wage goods (corn) and raw materials (cotton, iron) into its domestic production and without which a large part of its domestic output and exports, especially cotton cloth, would not have been possible. The author provides calculations of regional trade balances for the late eighteenth to the mid-nineteenth century, using basic data series prepared by the economic historians of Britain.

The conclusion is that Britain, the world capitalist leader at the centre of the global payments system was crucially dependent on the rising export earnings of India. ... Britain ran rising deficits on current account (merchandise plus invisibles) with the Continent, North America and the regions of recent settlement, while also lending to these regions, thus running up very large balance of payments deficits. It would have been impossible for it to do so without access to the rising foreign exchange earnings of its colonies, which were entirely appropriated by Britain to settle its own deficits and to export capital.

Sunanda Sen looks at another aspect of the imperialist relationship between India and Britain in colonial times. Providing a component in the tremendous increase in world trade volume between 1850 and 1913, there comes the ‘trading in indentured labour’. Faced with a shortage of labourers at the end of slavery, the planters in the British colonial islands pressured the British government to find a way to supplement labour cheaply. The desperately poor and famine-stricken populations of Asia and India, in particular, became the target of an organised large-scale emigration of indentured labourers from India to plantation colonies, whose dependence on coerced labour persisted throughout most of the nineteenth century for sugar production. It can also be seen that the waves in immigrant flows were singularly linked to the fortunes of sugar plantations. A triangular network involving labour (indentured), commodities (both raw materials and processed) and finance characterised the relationship between Britain and the colonies between the late nineteenth and early twentieth centuries. Thus was the variety of imperialism, which was rooted first in slave trade and later in movements of indentured labour and ‘proved a lucrative source of earning surpluses which were appropriated by the commercial and financial interests of imperial Britain’.

Indenturing of labour from India (and China) continued till the 1920s, which was followed by the commencement of a new era in labour welfare and labour control in colonial India. This is the theme of Sabyasachi Bhattacharya’s chapter that looks at the interaction between the International Labour Organisation (ILO) and the welfare and labour legislation in India between 1919 and 1929. The post-First World War time saw the emerging global economic system, the growth of transnational capital and the internationalisation of the labour market, which required the devising of an international normative on labour. One of the aims was to make sure that the higher level of wages and benefits in the developed countries did not become an impediment in competing with less developed countries with a lower wage cost. The colonial state in India put on the statute books an impressive number of labour laws. Although their application was ineffective, they show the pressure coming from Britain, where lobbying was active to promoting labour legislation in India as cheapness of Indian labour was perceived as a threat.

Even prior to large scale employment of immigrant labour in the advanced countries the factor of wage cost differential and the resultant disadvantage to the countries with higher wages and labour regulations loomed large in the calculations of metropolitan