

## The Political/Economic Stages of Capitalist-Imperialism

*[This is a short contribution I made to an ongoing discussion about the stages that may exist in modern capitalist-imperialism, which was being carried out in an Internet discussion group in July 2002. This specific posting is in response to a posting by Jim Devine made a day or two earlier. Jim's previous posting is included at the bottom. -- Scott Harrison]*

It seems to me that very different types of “stages” are being mixed up in this discussion so far.

Capitalism/imperialism can be divided into stages or periods in any number of ways. *One* very important and very basic way to do it is Lenin's way:

Stage 1) Highly competitive, pre-monopoly capitalism. (I.e., capitalism up until the late 19th century.)

Stage 2) The very changed form of capitalism since then, which has been characterized, and *is still characterized*, by a) monopoly or semi-monopoly or domination of most important markets by a small number of oligopolistic firms (at least *within* each country), and b) rampant imperialism. Since these are the two most distinctive characteristics, this stage is often called “monopoly capitalism” or simply “imperialism”. (I've always thought that “capitalist-imperialism” is a less misleading term than simply “imperialism”. I notice that Jim also uses the term ‘capitalist imperialism’.)

Of course there are other “stages” or periods of capitalism based on other considerations. Marx talked about early mercantile capitalism, for example, though clearly this is part of pre-monopoly capitalism in Lenin's framework. And there have been changes over the last century and more which allow us to subdivide the imperialist era into the sort of “stages” that Jim lists below (although many people do it quite differently). But this does *not* mean that any of these subdivisions have “superseded” Lenin's stage 2 (imperialism). They are simply subdivisions based on secondary factors.

Using Lenin's framework there has really been only *one* additional form of capitalism/imperialism in history, and that is now almost extinct. This is the Soviet form of state capitalism in which the monopoly tendencies of Western-style monopoly capitalism are qualitatively more extreme, almost complete in fact. This extreme form of state monopoly capitalism can, it seems, only come into existence by means of a newly developed bourgeoisie capturing state power in an up-til-then socialist country. And history has demonstrated pretty well that it is very unstable and unable to compete economically with Western-style monopoly capitalism. The few small remaining state monopoly capitalist countries won't last for long in their present form.

But considering just the imperialist era, how should we go about dividing it up into reasonable “sub-stages” or periods (or “cycles” or “spirals”)?

Almost everyone marking out these sorts of periods focuses on the following factors: world wars, the overthrow of major regimes (such as the USSR and its empire circa 1989-91), revolutions (such as the Bolshevik revolution), counter-revolutions (such as the Khrushchev group coming to power, or the revisionist coup in China after Mao's death), and major economic changes in the world economy (such

as the Great Depression, the post-WW2 boom, and the long slowdown which began circa 1973). In short, the three determinants are usually wars, changes in class rule in major countries (revolutions or counter-revolutions), and major economic changes in the world.

The big problem with all such schemes, however, is that the three factors (war, revolutions, economics) do not always coincide. At the nodal point around World War I, for example, war and major revolution in Russia coincided, but major world economic change did not (except of course in Russia). Circa 1929 a major world economic change happened, but war and revolution didn't occur at that time. With World War II and immediate aftermath we had, for once, all three factors more or less simultaneously: Major war, of course, plus the end of the Great Depression, and even revolution of sorts, if you count what happened in Eastern Europe in the aftermath of the war as revolution. And even if you don't, you can maybe stretch things out to include the for-real Chinese revolution in 1949. This is why virtually *everybody* marking down such periods counts World War II as a nodal point; it was the one time when all three factors actually did come together.

The smaller Korean war did not have revolution or world economic change connected with it, however. The Vietnam War resulted in some small revolutions (by global standards) in south Vietnam and Laos and Cambodia, but there was not any major world economic change related to that war. However, not long afterwards (circa 1973) the capitalist world did slip into its long economic slowdown that continues to the present. In 1976, after Mao's death, there was a counter-revolution in China, though few except for small numbers of us "extreme Maoists" seemed to notice it at the time. (Some die-hards still won't admit that China is now a capitalist country.) But there was no war or world economic change associated with the 1976 counter-revolution in China. In 1989-90 there was a regime change in the USSR and the Soviet sphere, which was actually more of an economic change than anything else; that is, a change from state monopoly capitalism to Western-style monopoly capitalism. It was not really a revolution, nor even a counter-revolution, since the same class continued to run things—though now openly as capitalists. And there was no war at that time.

Many people on this list will likely disagree with me about some of the particulars in the above, but I don't think there is much point in arguing about those differences of opinion at present. The overall point I am making is simply that—with the exception of the World War II nodal point—wars, revolutions, and world economic change have not happened at the same time over the past century. And this means that the widespread desire to mark off the sort of periods which tacitly assume that these things *do* coincide is quite off base.

As it happens, I have two essays posted on the web that criticize this sort of thing, condemning it as a failure to take note of the particularity of contradiction (in dialectical terms). The first of these is a long critique of the Revolutionary Communist Party, USA's scheme of imperialist spirals and conjunctures, which is [now] posted at: <http://www.massline.org/PolitEcon/ScottH/NotesNPE.htm> The other essay, however, might be of more interest to people here, and is a criticism of a similar period scheme by Jose Maria Sison, the top leader of the Communist Party of the Philippines. This is posted at: <http://www.massline.org/PolitEcon/ScottH/SisonCr.htm> (I also criticize the theory of the [General Crisis of Capitalism](#), and Sison's acceptance of it, there.)

When I look at Jim's period scheme below, I see some of the same problems of trying to talk about war, revolution and economic change all at once—when they don't necessarily happen all at once. But Jim's approach is somewhat different than that of the RCP or Sison. What Lenin was talking about was

capitalism itself, and how *it* had changed from stage 1 to stage 2. Jim seems to be ignoring that and talks about geopolitics instead (how there is only one superpower since the collapse of the Soviet Union for example—and therefore no longer the possibility, at least for now, of inter-imperialist war). But US capitalism, in its modern imperialist form, remains the same in its basic essentials as it was in Lenin's day. That is, it is still characterized by much greater degrees of monopoly (or oligarchy) than in pre-monopoly capitalism, and it is still certainly imperialist to the core.

Thus, despite what Jim says, Lenin's two stages still hold, and we are still in the second stage. Moreover, the periods he delimits don't really have much of a rational basis to them. The problem, once again, is that three inconsistent methods are trying to be applied all at once. It just doesn't work.

If you want to divide up the imperialist era on the basis of major world economic changes, then fine, it is easy to do that. If you want to divide up the era on the basis of major wars, then again fine, it is easy to do that too. And it is also easy to divide up the era on the basis of major revolutions too. But what you cannot coherently do is divide up the era based on all three methods simultaneously.

I should add one more thing. The first person to try to do this, and the original source for this kind of confusion on the part of traditional Marxist-Leninists (including the RCP and Sison), is none other than Joseph Stalin in "The Foundations of Leninism". For more on this, see my critique of the RCP.

—Scott Harrison

In a message dated 7/7/02 8:08:56 AM Pacific Daylight Time, jdevine@lmu.edu writes:

> I wrote:>Lenin dubbed "imperialism" to be the "highest stage of capitalism."  
> (I interpret "stage" as referring to a specific type of social system  
> associated with capitalist imperialism.) Unfortunately for him, there have  
> two or three "stages" of capitalism -- and one or two stages of capitalist  
> imperialism -- since he wrote. Of course, it's hard to figure out some times  
> when one "stage" begins and another ends.<  
>  
> Hari: >Please clarify these superseding stages.<  
>  
> I'll try only one set of stages, for both capitalism & imperialism, starting  
> with Lenin's:  
>  
> 1. from 1900 or so to 1945 or so: the Lenin/Bukharin stage of  
> state-against-state contention (interimperialist rivalry). [Lenin cited  
> Bukharin as having a better theory than his own.] This produced not only  
> expansion, but two major ("world") wars and a serious trade war, which  
> helped produce the Great Depression. This is a period of de-globalization,  
> in some ways, because the nation-state was the focus of accumulation.  
> (Nineteenth century capitalism was quite globalized.)  
>  
> 2. 1945 until 1989 or so: U.S. hegemony and the Cold War, what some might  
> see as involving a new kind of inter-imperialist contention (US vs. USSR),  
> though others say that the USSR couldn't be imperialist (by definition).  
> This era was more expansive, involving increasing amounts of direct

- > investment out of the capitalist center. The roots of the current phase of
- > globalization are set here, as the nation-state begins to lose its role as
- > the focus of accumulation.
- >
- > 3. Neo-Liberalism, of 1989 and after (so far): the US hegemon vs. the
- > periphery (Iraq, Serbia, the Taliban, etc.) With the USSR gone, and most of
- > the conflicts within the advanced capitalist world muted, the hegemon is
- > imposing a Neo-Liberal consensus (with help from its IMF and World Bank) and
- > capitalism on a world scale. This is the era of the new globalization and of
- > competitive austerity and export promotion, stabilized so far by the US's
- > role as the consumer of the last resort (getting deeper in debt).
- >
- > Of course, each "stage" (which do not follow in mechanical precision)
- > involves holdovers from the previous stage and signs of what's to come.
- >
- > The above is just a sketch, one that can be improved.
- > JD
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