

Chapter 9: Revisionist Critiques of the Leninist Theory of Imperialism

Let us now deal with some criticism that has been raised by various centrist currents against the Leninist Theory of Imperialism. What these centrist criticisms have in common is that they deny implicitly or explicitly the fundamental contradictions of the imperialist epoch of which the super-exploitation of the semi-colonial world by monopoly capital is one of the prime features. Related to this is their open or hidden ignorance of the existence of the labor aristocracy as a top layer of the proletariat which is bribed by the monopolies. Centrism denies or ignores these essential features of imperialism because clear recognition of these would oblige them to openly struggle against all political, ideological and organizational currents related to the labor aristocracy. It would also oblige them to openly struggle against their own imperialist powers with all the consequences including defending all semi-colonies attacked by their imperialist power and calling for the defeat of the latter.

Centrism is not capable of such a consistent internationalist position. The reason for this is that it reflects in one or another form a petty-bourgeois class viewpoint. To be more precise, it reflects the pressure of the labor bureaucracy and the labor aristocracy as well as of the progressive intelligentsia which again adapts to the capitalist class and its state. Therefore they usually ignore the lower and oppressed strata of the proletariat. For the same reason they usually negate openly or implied the need to smash the capitalist state and the necessary violent character of the armed uprising and the socialist revolution in general. This is why the Bolshevik Party wrote in its Programme of 1919 that *“the ‘centrist’ movement is also a bourgeois distortion of socialism.”*⁴⁰¹

The Essence of Centrism

In an Open Letter in 1920 Lenin explained the class difference between Marxism, that is Bolshevism, on one hand and Centrism, that is Menshevism, on the other hand and hence the duty of communists to decisively break with the latter:

“In fact, a struggle is going on between the revolutionary proletarian elements and the opportunist petty-bourgeois elements. Today as in the past, the latter include the Hilferdings, the Dittmauns, the Crispiens, numerous members of the parliamentary groups in Germany and France, etc. A struggle between these two political trends is in progress in every country without exception. This struggle has a long history. It grew

⁴⁰¹ Programm der Kommunistischen Partei Rußlands (Bolschewiki) (1919); in: Boris Meissner: Das Parteiprogramm der KPdSU 1906-1961, Köln 1962, p. 124; in English: Program of the CPSU (Bolsheviks); adopted March 22, 1919 at the Eighth Congress of the Russian Communist Party

extremely acute everywhere during the imperialist war, and has become aggravated since then. Opportunism is represented by elements of the “labour aristocracy”, the old bureaucracy in the trade unions, co-operative societies, etc., by the intellectualist petty-bourgeois strata, etc. Without the elimination of this trend—which, by its vacillation and its “Menshevism” (the Dittmanns and Crispiens fully resemble our Mensheviks) in fact exerts the bourgeoisie’s influence on the proletariat from within the working-class movement, from within the socialist parties—without the elimination of this trend, a break with it, and the expulsion of all its prominent representatives, it will be impossible to rally the revolutionary proletariat.

By their constant veering towards reformism and Menshevism, and their inability to think and act in terms of revolution, the Dittmanns, the Crispiens, etc., without realising the fact, are actually carrying bourgeois influence into the proletariat from within the proletarian party—they subordinate the proletariat to bourgeois reformism. Only a break with such and similar people can lead to international unity of the revolutionary proletariat, against the bourgeoisie, and for the overthrow of the bourgeoisie.”⁴⁰²

Trotsky, who experienced the various forms of centrism for much longer, gave in 1929 a comprehensive definition of centrism. He described it as a political expression of the interests and moods of the petty bourgeois labor bureaucracy:

“The main reservoir of international opportunism, that is, of class collaborationism, is the petty bourgeoisie, as a broad, amorphous class, or more correctly, a stratified accumulation of numerous subclasses left over from precapitalist production or newly created by capitalism, and forming a series of social rungs between the proletariat and the capitalist bourgeoisie. (...) The complete decline of the petty bourgeoisie, its loss of economic importance, deprived it forever of the possibility of working out an independent political representation that could lead the revolutionary movement of the working masses. In our epoch the petty bourgeoisie oscillates between the extreme poles of contemporary ideology: fascism and communism. Precisely these oscillations give the politics in the imperialist epoch the character of a malarial curve.

Class collaborationism in the workers movement has a more persistent quality precisely because its direct proponents are not the ‘independent’ parties of the petty bourgeoisie but rather the labor bureaucracy, which sinks its roots deep into the working class by way of the labor aristocracy.

The labor bureaucracy, by its conditions of existence, stands closer to the petty bourgeoisie (officialdom, liberal professions, and so forth) than to the proletariat. Nevertheless it constitutes a specific product of the working class movement; it is recruited from its ranks. In the primitive aspect, collaborationist tendencies and moods are elaborated by the whole petty bourgeoisie; but their transformation, their adaption to the peculiarities, to the needs, and above all to the weaknesses of the working class – that is the specific mission of the labor bureaucracy. Opportunism is its ideology, and it inculcates and imposes this ideology upon the proletariat by utilizing the powerful

⁴⁰² V. I. Lenin: Letter to the German and the French Workers. Regarding the Discussion on the Second Congress of the Communist International (1920), in: LCW Vol. 31, pp. 281-282

pressure of the ideas and institutions of the bourgeoisie, by exploiting the weakness and immaturity of the working masses. The forms of opportunism to which the labor bureaucracy resorts – open collaborationism, centrism, or a combination of both – depends upon the political tradition of a country, on the class relations of a given moment, on the offensive power of communism, and so forth and so on.

Just as under certain circumstances the struggle between bourgeois parties can assume a most violent and even sanguinary character, while remaining a struggle for the interests of the property of both sides, so the struggle between open collaborationism and centrism can assume an extremely violent and even desperate character at certain times, remaining within the limits of petty-bourgeois tendencies adapted by the labor bureaucracy in different ways for the maintenance of their positions of leadership in the working class.”⁴⁰³

Centrism’s basically opportunist essence does not hinder it from vacillating sometimes to radical, even revolutionary positions. In fact this combination of fundamental adaption to reformism with inconsistent zigzags to the left is characteristic of centrism. This is why Trotsky arrived to the following – as he called it – “scientific definition” of centrism:

“Centrism is the name applied to that policy which is opportunist in substance and which seeks to appear as revolutionary in form. Opportunism consists in a passive adaptation to the ruling class and its regime, to that which already exists, including, of course, the state boundaries. Centrism shares completely this fundamental trait of opportunism, but in adapting itself to the dissatisfied workers, centrism veils it by means of radical commentaries. If we proceed from this scientific definition, it will appear that the position, of our hapless critic is in part and in whole centrist.”⁴⁰⁴

Prior to continuing past this general characterization of centrism, including concrete criticism, we need to undertake a further differentiation. We said that centrism is an expression of petty-bourgeoisie. Given the context of this book it is important to point out the difference between the class position of the petty-bourgeoisie in the imperialist and the semi-colonial countries. In the imperialist countries the modern petty-bourgeoisie often exists in the form of the middle class (salaried or self-employed). Political trends related to these layers are often marked by adaption to the prejudices of the dominant class in these countries – imperialist monopoly capital. Therefore centrism in the imperialist world is often colored with spotting of pacifism, liberal secularism, ignorance towards the lower strata of the working class including migrants, softness towards their own imperialism and labor aristocracy, etc. Centrism in the semi-colonial world adapts too to non-proletarian layers. But given the nature of the semi-colonial countries as nationally oppressed and super-exploited by imperialism their opportunism can adapt towards imperialism (which is often channeled

⁴⁰³ Leon Trotsky: Crisis in the Right-Center Bloc (1928); in: Leon Trotsky: The Challenge of the Left Opposition (1928-29), pp. 311-12

⁴⁰⁴ Leon Trotsky: Independence of the Ukraine and Sectarian Muddleheads (1939); in: Writings 1939-40, p. 54

via interwovenness with NGO's or the sections of the labor bureaucracy which again is connected with social-imperialists like the leaders of the US trade union federation AFL-CIO) on one hand. But it can also often adapt towards bourgeois and petty-bourgeois nationalism as well as religious fundamentalism which is directed against imperialism on the other hand.

Coming from such a class analysis of centrism it was obvious for the Marxist classics to define it as a *"non-revolutionary, non-Marxist"* current inside the workers movement.⁴⁰⁵

Denial of Concept of Semi-Colonies

One of the essential pillars of the revisionist rejection of the Leninist Theory of Imperialism is their refusal to understand the so-called Third World countries as dependent semi-colonial nations. Such wrote the late SWP/IST leader Chris Harman:

*"Talk of the state as 'semi-colonial' or 'neo-colonial' reinforces such a misperception. Imperialism is an enemy anywhere. But most of the time the immediate agent of exploitation and oppression is the local ruling class and the national state. These collaborate with one or other of the dominant imperialisms and impose the horrors of the world system on the local population. But they do so in the interests of the local ruling class as well as its imperial ally, not because the local rich have temporarily forgotten some 'national interest' they share with those they exploit."*⁴⁰⁶

He argues that since the colonies gained formal state independence it would be wrong to call them "semi-colonial":

*"But in some of the most important cases independence did mean independence. Governments proceeded not only to take seats in the United Nations and set up embassies all over the world. They also intervened in the economy, nationalising colonial companies, implementing land reforms, embarking on schemes of industrialisation inspired by the preaching of the Latin American dependency theorists or, often, by Stalin's Russia. Such things were undertaken with varying degrees of success or failure in India, Egypt, Syria, Iraq, Algeria, Indonesia, Ghana, Equatorial Guinea, Angola, Taiwan and South Korea, as well as by the more radical regimes of China, Cuba and Vietnam. (...) To call regimes like Nasser's Egypt or Nehru's India 'neo-colonial' or 'semi-colonial' was a travesty."*⁴⁰⁷

Armed with such arguments, the IST leaders claim that Lenin's theory of imperialism is no longer relevant for today's world:

"The very strength of Lenin's approach rested on its insistence that the great Western powers were driven to divide and redivide the world between them, leading to war on the one hand and direct colonial rule on the other. This hardly fitted a situation in which

⁴⁰⁵ See for example Leon Trotsky: *Centrism and the Fourth International* (1939), in: Leon Trotsky: *On France*, New York 1979, p. 214

⁴⁰⁶ Chris Harman (SWP): *Analysing Imperialism*, p. 71

⁴⁰⁷ Chris Harman (SWP): *Analysing Imperialism*, p. 33

*the possibility of war between Western states seemed increasingly remote and colonies had gained independence.”*⁴⁰⁸

The same line of argument is repeated by John Rees, who was a long-time leader of the SWP/IST and currently leads – together with Lindsey German – the British group *Counterfire*:

*“Since the Second World War formal colonies have largely gained their independence. Oppressed nations have come and gone, fought their battle, and joined the international system of states in more or less subordinate ranks. This process began with the American colonies in the 1770s and ran through to the liberation of Ireland and India, among many others, in the 20th century. But that does not mean that the national question has disappeared—merely that it has, like imperialism itself, evolved new forms. The indigenous ruling classes that took the place of their colonial overlords have often struggled to suppress new nationalist forces within their, often artificial, boundaries. So it was, for instance, that the new post-independence Indonesian ruling class fought to suppress the East Timorese. Equally these new ruling classes have struggled with the still ever-present economic and military strength of the major powers. And this returns us to the need, as Lukács argued, to assess each anti-imperial struggle from the standpoint of the whole contemporary alignment of forces in the imperialist system.”*⁴⁰⁹

The same political logic is deployed by the British-based *Committee for Marxist Revival* (CMR), respective its main component, the Iranian exile group *Iranian Revolutionary Marxists’ Tendency* (IRMT). They argue that the relationship between the imperialist states and the South has fundamentally changed since the times of Lenin and Trotsky so that their theoretical model is no longer accurate today:

*“Although we are dealing with the same mode of production and epoch as that of Lenin and Trotsky, the world long ago entered a period that included important changes in the relationship between the imperialist countries and those they dominate. This theoretical viewpoint therefore needs an overhaul to make it relevant to a changed world.”*⁴¹⁰

The authors of this article, Maziar Razi and Morad Shirin, go on to explain the nature of this supposed fundamental change in the relation between the imperialist and the semi-colonial countries:

⁴⁰⁸ Chris Harman (SWP): *Analysing Imperialism*, p. 32

⁴⁰⁹ John Rees: *Imperialism: globalisation, the state and war*; in: *International Socialism Journal*, Issue No. 93 (2001), p. 26f.; <http://pubs.socialistreviewindex.org.uk/isj93/rees.htm>

⁴¹⁰ Maziar Razi and Morad Shirin (IRMT): *Modern imperialist domination and Islamic fundamentalism* (2008); <http://marxist.cloudaccess.net/impire/115-modern-imperialist-domination-and-islamic-fundamentalism.html#>. This is a document of the IRMT which they originally wrote at the time when they were members of the “International Marxist Tendency” of Alan Woods and the late Ted Grant. It was written against the background of a discussion before and around the 2008 Congress of the IMT. Yossi Schwartz, an Israeli Marxist (who at that time was a member of the IMT too) correctly took the position of support the military struggle of the Palestinians and of the Lebanese Hezbollah against the Israeli state. He also argued for the defense of Iran – including support for a military struggle of the Iranian army – against an imperialist attack. The IRMT comrades and the IMT leadership naturally argued against the anti-imperialist position.

“Trotsky’s position on the war between Fascist Italy and Ethiopia, and the British threats against a semi-Fascist Brazil, are similar to Marx’s position, for example, on the Russo-Turkish War in 1878. This is because the conditions had not changed fundamentally between 1878 and 1935 or 1938. The pace of development during those 60 years had not produced a qualitative change in the class structure of these societies.”

They claim that this change consists of the following:

“The main difference between then and now

We believe that when comparing the general international situation vis-à-vis the national and colonial question during the early twentieth century with today’s conditions there is one main difference: the Comintern was dealing with dependent countries as opposed to independent nations.

This new development, in turn, has had the following consequences: the indigenous bourgeoisie rather than European rulers has come to power; the indigenous bourgeois state apparatus and army uphold the status quo; capitalism had become the dominant mode of production in the former pre-capitalist societies; the growth and economic importance of the working class (rather than peasants); growth in industrial rather than agricultural production; shift to urban rather than rural living; and last, but not least, class struggle - especially of the proletariat - within the ex-colonial nation.”⁴¹¹

This whole argument is completely wrong from the beginning to the end. Of course it is true that most colonies have become formally independent states. Hence the working class in the South is often faced with native capitalists and a native government attacking them. However, while for Marxists this should be starting point for the analysis of the relationship between the South and the imperialist powers, the centrists thinking ends with this superficial description.

Did Lenin and Trotsky know of semi-colonies?

Let us start with the strange assumption of the centrists that Lenin, Trotsky and the Comintern were only dealing with colonies. This is simply wrong and a trick to declare the Marxist classics positions as sound *for the past period* they were living in but as no longer relevant for the present period today.

At the time of Lenin and Trotsky significant parts of the capitalistically less developed nations were not colonies but semi-colonies: these were mainly; nearly the whole of Latin America, Ethiopia, Liberia, Saudi-Arabia, Iran, Afghanistan, Thailand and China. In these countries more than 560 million people lived in 1913 which constituted 31.3% of the world population at this time.⁴¹²

⁴¹¹ Maziar Razi and Morad Shirin (IRMT): Modern imperialist domination and Islamic fundamentalism. (Emphasis in original)

⁴¹² We have calculated this figure based on figures given by Angus Maddison: While the world population in 1913 was 1791 million people, 560,6 million people lived in the semi-colonial countries: China (437 million), Latin America (80,5 million), Turkey (15 million; this country was not a semi-colony in 1913 but from 1920 onwards), Iran (11 million), Thailand (8,6 million), Afghanistan (5,7 million) and Saudi-Arabia (2,6 million). Unfortunately Maddison does not provide figures for

While these are historical facts which can hardly be denied, could it be the case that Lenin and Trotsky did not know about them? Of course this was not the case and in fact they repeatedly dealt with the case of semi-colonial countries. We have shown this with a number of quotes in Chapter 1 in *“The semi-colonial countries: a modified form of imperialist subjugation or independent capitalist states?”*. Also Lenin himself referred to the significant share of the semi-colonial countries of the world population.⁴¹³ Let us nevertheless return to this subject once again.

At its fourth congress the Communist International discussed, in its *“Thesis on the Eastern Question”*, the issue of the struggle in the colonies and semi-colonies extensively and developed the anti-imperialist united front tactic. In clear contradiction to the false claims of the IRMT comrades and others, the Comintern explicitly integrated the semi-colonial countries in the overall issue of the struggle of the part of the world which is oppressed and exploited by the imperialist powers. Let us give only a few examples:

*“Since then the struggle against imperialist oppression in the colonial and semi-colonial countries has become far more acute as the result of an intensification in the political and economic post-war crisis of imperialism.”*⁴¹⁴

In opposite to those like the Cliffite IST tradition who claim that imperialism didn't facilitate capitalist development, the Comintern already recognized this in 1922:

*“Precisely this weakening of imperialist pressure on the colonies, together with the steady intensification of the rivalry between the various imperialist groups, has facilitated the development of indigenous capitalism in the colonial and semi-colonial countries; it has outgrown the narrow and restricting limits of the imperialist rule of the great Powers, and this process is continuing.”*⁴¹⁵

The Comintern – again against the false claims of its revisionist critiques today – clearly recognised the existence of a working class in the colonial and semi-colonial countries and put it in the centre of its strategy:

“The communist workers' parties of the colonial and semi-colonial countries have a dual task: they fight for the most radical possible solution of the tasks of a bourgeois-democratic revolution, which aims at the conquest of political independence; and they organize the working and peasant masses for the struggle for their special class interests, and in doing so exploit all the contradictions in the nationalist bourgeois-democratic camp. By putting forward social demands they release the revolutionary energy for

Liberia and Ethiopia for 1913. (See Angus Maddison: *The World Economy, Volume 1: A Millennial Perspective, Volume 2: Historical Statistics*, Development Centre Studies 2006, p. 175, 213 and 241)

⁴¹³ See e.g. V. I. Lenin: *Imperialism. The Highest Stage of Capitalism* (1916); in: LCW Vol. 22, p. 258

⁴¹⁴ Communist International: *Theses on the Eastern Question*, 5 December 1922, Fourth Congress of the Communist International, in: Jane Degras: *The Communist International 1919-1943. Documents Volume I 1919-1922*, p. 383; We have republished this Thesis in the RCIT's English-language journal *Revolutionary Communism* No. 6. In the internet it can be found at <http://marxists.org/history/international/comintern/4th-congress/eastern-question.htm> (The translation of the internet version is not identically with the book version of Degras. Here we have used the version of Degras.)

⁴¹⁵ Communist International: *Theses on the Eastern Question*, p. 384

*which the bourgeois-liberal demands provide no outlet, and stimulate it further. The working class of the colonies and semi-colonies must learn that only the extension and intensification of the struggle against the imperialist yoke of the great Powers will ensure for them the role of revolutionary leadership, while on the other hand only the economic and political organization and the political education of the working class and the semi-proletarian strata of the population can enlarge the revolutionary surge of the struggle against imperialism.”*⁴¹⁶

Trotsky who outlived Lenin for 16 years – a time in which a number of anti-imperialist struggles in the South took place – dealt with the issues of semi-colonies repeatedly. What is obvious from his writings is his understanding that the semi-colonial countries share the same essence as the colonies – i.e. their class characteristics as countries super-exploited and oppressed by imperialist states.

*“As for the colonies I would hesitate to say which one of them is most typical as a colony: this would either be India, a colony in the formal sense, or China which preserves the semblance of independence yet in her world position and the course of her development belongs to the colonial type. Classic capitalism is in Britain. Marx wrote his Capital in London by directly observing the development of the most advanced country—you will know this, though I do not remember which year you cover this in... In the colonies capitalism develops not out of its own fragments but as an intrusion of foreign capital. This is what creates the two different types.”*⁴¹⁷

Trotsky expressed the same thought when he spoke in 1938 about Latin America as a quasi-colony of the United States:

*“The USA has no direct colonies, but they have Latin America and the whole world is a sort of colony for the United States ...”*⁴¹⁸

Of course, the same essence must not lead us to ignore the enormous differences between the various forms of colonial and semi-colonial countries as Trotsky explained:

“Colonial and semi-colonial – and therefore backward – countries, which embrace by far the greater part of mankind, differ extraordinarily from one another in their degree of backwardness, representing an historical ladder reaching from nomadry, and even cannibalism, up to the most modern industrial culture. The combination of extremes in one degree or another characterizes all of the backward countries. However, the hierarchy of backwardness, if one may employ such an expression, is determined by the specific weight of the elements of barbarism and culture in the life of each colonial

⁴¹⁶ Communist International: Theses on the Eastern Question, p. 389

⁴¹⁷ Leo Trotzki: Aussichten und Aufgaben im Osten (1924); in: Schriften 2.1, p. 52; in English: Leon Trotsky: Perspectives and Tasks in the East. Speech on the third anniversary of the Communist University for Toilers of the East (1924), <http://www.marxists.org/archive/trotsky/1924/04/perspectives.htm>

⁴¹⁸ Leo Trotzki: Weitere Diskussionen über das Übergangsprogramm (1938) in: Der Todeskampf des Kapitalismus und die Aufgaben der IV. Internationale. Schriften zum Programm, p. 70; in English: Leon Trotsky: Discussions with Trotsky on the Transitional Program (June 1938), <http://www.marxists.org/archive/trotsky/1938/tp/tpdiscuss.htm>

country. Equatorial Africa lags far behind Algeria, Paraguay behind Mexico, Abyssinia behind India or China. With their common economic dependence upon the imperialist metropolis, their political dependence bears in some instances the character of open colonial slavery (India, Equatorial Africa), while in others it is concealed by the fiction of State independence (China, Latin America)."⁴¹⁹

So we see that Trotsky was fully aware of the existence of semi-colonial countries. But in opposition to its revisionist critiques today, he understood that these types of countries are essentially a form or a variation of colonies exploited and oppressed by imperialism.

When did the Epoch of Imperialism begin?

Before we continue this argument we want to briefly point out that there is a certain tendency amongst some centrists to confuse the date of the beginning of the imperialist epoch. As we have seen in the quote from the IRMT comrades Maziar Razi and Morad Shirin they speak about the period 1878-1938 as one and the same: "*This is because the conditions had not changed fundamentally between 1878 and 1935 or 1938. The pace of development during those 60 years had not produced a qualitative change in the class structure of these societies.*"⁴²⁰

A similar mistake can be seen in the writings of the Cliffite SWP/IST. Their main theoretician Alex Callinicos develops a new understanding of the imperialist epoch and classifies it in the "*Classical Imperialism, 1875-1945*" and "*Superpower Imperialism, 1945-1990*".⁴²¹

As it is well known, Lenin and all Communists since then dated the beginning of the imperialist epoch to the end of the 19th century and the beginning of the 20th century.

*"Imperialism, as the highest stage of capitalism in America and Europe, and later in Asia, took final shape in the period 1898-1914. The Spanish-American War (1898), the Anglo-Boer War (1899-1902), the Russo-Japanese War (1904-05) and the economic crisis in Europe in 1900 are the chief historical landmarks in the new era of world history."*⁴²²

This different assessment of the beginning of the imperialist epoch is not a pedantic issue about exact dates but reflects a different understanding of what

⁴¹⁹ Leo Trotsky: Revolution und Krieg in China (Vorwort zu Harold Isaacs' 'The Tragedy of the Chinese Revolution') (1938); in: Schriften 2.2, p. 911; in English: Leon Trotsky: The Chinese Revolution (Introduction to Harold R. Isaacs, The Tragedy of the Chinese Revolution, London 1938); <http://www.marxists.org/archive/trotsky/1938/xx/china.htm>

⁴²⁰ Maziar Razi and Morad Shirin (IRMT): Where should we stand if US-Israel attack Iran? 25 January 2012, in: Marxist Revival No. 12, December 2011/January 2012, p. 3, <http://marxist.cloudaccess.net/mideast/233-where-should-we-stand-if-us-israel-attack-iran.html>

⁴²¹ Alex Callinicos: Marxism and Imperialism today, in: A. Callinicos, J. Rees, C Harman & M. Haynes: Marxism and the New Imperialism, London 1994, p. 22 and 27

⁴²² V. I. Lenin: Imperialism and the split in socialism (1916); in: LCW Vol. 23, p. 106. See also for example V. I. Lenin: The Discussion on Self-Determination Summed Up (1916); in: LCW Vol. 22, pp. 341-42 or various remarks from Lenin in his book on imperialism.

the main features of this epoch are. While of course the Cliffite SWP/IST as well as the IRMT pay lip-service to a definition of the imperialist epoch as one of monopolization, in reality they – consciously or unconsciously – see the form of colonial domination as the main feature used to differentiate different epochs. For these revisionists the question of formal colonies or dependent countries is the essential question so they date the beginning of the imperialist epoch to the time when the Great Powers drive to colonize the whole world accelerated dramatically (around 1875). When most of the South got rid of the colonial domination and became formally independent but remained semi-colonies (i.e. after the WWII) the centrists date a new period – in effect a kind of new epoch.

For us on the other hand the decisive characteristic of the imperialist epoch is the rule of the monopolies which results in the super-exploitation and oppression of the (semi-)colonial world (whatever the concrete form is). This is how Lenin and Trotsky saw it, as we have shown with numerous quotes in this book.

“Sometimes the Creation of ,Independent’ States leads to a Strengthening of Imperialism.” (Lenin)

Does this mean that nothing has changed since the WWII? No, of course there have been tremendous changes; the national liberation struggles in the colonies which led to formal independence and a transformation into semi-colonial status, massive industrialization, the strengthening both of the working class in the South as well as of the native bourgeoisie – to name some of the most important. But the revisionists conclude wrongly from this that the essence of the relationship between the rich, imperialist and the poorer, (semi-)colonial countries has changed.

They do not understand that capitalism in general has massively transformed in the last century. One hundred years ago the working class had to fight nearly everywhere in Europe for fundamental democratic demands like the universal right to vote, to assembly etc. Today these exist for most workers (except for many migrants). One hundred years ago the working class had to fight nearly everywhere in Europe for their own flat or house. They could not even dream of their own car. Today many workers (albeit not all!) possess such in the imperialist countries. While no worker had a telephone at that time, today even a number of workers in the poorer countries own a mobile telephone.

It is a classic liberal argument with which all class fighters are only too familiar with: the liberals argue that the changes would supposedly demonstrate that Marxism might have been justified 100 years ago but does not correspond with the reality today. *“The working class”* – goes the liberal myth – *“does not exist any longer”*. Or, as other liberals say, the working class is only the industrial worker and hence it is diminishing in importance in the imperialist world.

All Marxists of course argue against this, that these changes – certainly not to be ignored – have not changed the *substance* of capitalist exploitation of the working class, but only its form. Karl Marx once stated in *Capital* Volume I that one must look scientifically behind the outward appearance to recognize the true essence: “*But all science would be superfluous if the outward appearance and the essence of things directly coincided.*”⁴²³

With or without a car or a mobile, with dirty working clothes or a well-dressed office uniform – the workers get only paid a part of their working hours and the rest is appropriated as surplus labor by the capitalists and transformed into profit. With or without voting rights, the political system is dominated by the monopolies and the working class is still the exploited and oppressed class in the bourgeois-parliamentary system.

Let us take another example: there was and still is an important difference between a small handicraft business consisting of let us say 5 workers on one hand and a modern big enterprise with high-technological robots and computers and a huge workforce on the other. It is obvious that the forms of value creation and of exploitation are very different in these two cases but both share the fundamentally essential characteristic – the capitalist exploitation of the workers. As we said this does not mean that the changes in form and appearance are to be ignored, since form and essence are related. In fact – as the leading Soviet philosopher in the 1920s, Abraham Deborin, remarked – “*the ‘Essence’ includes the ‘Insubstantial’ and contains the relationship to the Other, i.e. its inner correlation.*”⁴²⁴ However, this relationship has to be put in the right context or let us say it more precise its *inner hierarchy*.

Surely the SWP/IST, IRMT and similar-thinking comrades will agree with such arguments against the liberal “*Working class and Marxism is dead*” nonsense. But unconsciously they repeat the same liberal, petty-bourgeois logic when they claim that the relationship between the imperialist North and the semi-colonial South has fundamentally changed, has changed to such a degree that the latter cannot be defended against the imperialists, changed to such a degree that a number of the Southern countries have become “sub-imperialist” and so on.

But as we have shown in this book with many examples, this is not true. The imperialists still super-exploit the semi-colonial world. We have also shown above that Lenin and Trotsky considered the imperialist super-exploitation of colonies as well as of semi-colonies as of essentially the same nature. Lenin once remarked in a note to Bukharin’s book *Economics of the Transformation period*: “*Sometimes the creation of ‘independent’ states leads to a strengthening of imperialism.*”⁴²⁵

⁴²³ Karl Marx: *Das Kapital*, Band III, MEW 25, p. 825; in English: Karl Marx: *Capital*, Vol. III, Chapter 48

⁴²⁴ Abram Deborin: *Lenin als revolutionärer Dialektiker* (1925); in: Nikolai Bucharin/Abram Deborin: *Kontroversen über dialektischen und mechanistischen Materialismus*, Frankfurt a.M. 1974, p. 57 (our translation)

⁴²⁵ W. I. Lenin: *Randbemerkungen zu Nikolai Bucharins ‘Ökonomik der Transformationsperiode’* (1920), Wien 1929, p. 31; in English: W. I. Lenin: *Notes on Nikolai Bukharins ‘Economics of the*

In his *Draft Theses on National and Colonial Questions for the Second Congress of the Communist International*, Lenin warned particularly against the illusion that the semi-colonial countries could gain anything like real independence as long as imperialist continues to exist:

*“... the need constantly to explain and expose among the broadest working masses of all countries, and particularly of the backward countries, the deception systematically practised by the imperialist powers, which, under the guise of politically independent states, set up states that are wholly dependent upon them economically, financially and militarily. Under present-day international conditions there is no salvation for dependent and weak nations except in a union of Soviet republics.”*⁴²⁶

After WWII there were a number of national liberation struggles which succeeded in driving out the colonial powers like Britain, France, Belgium or the Netherlands. These struggles, of course, deserved the full and unconditional solidarity from the international working class movement. However, these national liberations struggles were not completed. Given the petty-bourgeoisie and bourgeois leaderships of these anti-colonial struggles, these new states remained capitalist and hence they remained trapped in the imperialist world economy. At the same time the US had become the undisputed leading imperialist power. It traditionally possessed fewer colonies since it was an imperialist state which arrived as a world power after the world was already divided amongst the colonial empires. Therefore a transformation took place from the direct rule of the old colonial powers to the indirect rule of the new colonial power – US imperialism. Indeed, in this way imperialism was strengthened.

Backward Countries without Industry and Proletariat?

The centrists justify their critique by the assumption that in the times of Lenin and Trotsky there was hardly any industrialization of the colonial and semi-colonial countries and hence hardly any proletariat existed. Since this is different today, so their argument goes, we cannot apply the Leninist theory of imperialism under the present conditions. So for example the IRMT comrades write:

“Trotsky was dealing with pre-capitalist or very weak capitalist countries, with no significant working class movement - when dealing with Brazil he mentions the British proletariat but not the Brazilian one. But could such a position be taken now, if say an imperialist power were to threaten Brazil for some reason? Could Marxists overlook the fact that during the past 70 years Brazilian capitalism has grown by leaps and bounds? That there has been a huge growth in class differentiation and social inequalities among these classes? That the working class has been involved in many struggles and has matured to the level that it has experienced both a reformist labour government and

Transformation period’ (1920) (our translation into English)

⁴²⁶ V. I. Lenin: *Draft Theses on National and Colonial Questions for the Second Congress of the Communist International*; in: LCW Vol. 31, p. 150

factory councils? That many other sections of society, like black people, have also developed important mass movements?"⁴²⁷

In fact Lenin and Trotsky were of course fully aware of the ongoing process of industrialization of the (semi-)colonial world and the formation of an indigenous proletariat. Trotsky observed that after WWI a massive flow of capital export took place into the South:

*"The United States have accumulated an unbelievable quantity of gold: in the vaults of the Central Bank there is kept gold to the value of 3,000m dollars, that is 6,000m gold roubles. This inundates the economy of the United States. If you ask: to whom do Britain and the United States give loans? —for as you have probably heard they are still not giving loans to us, the Soviet Union, nor do they give them to Germany, they gave France some miserable crumbs to save the franc—so who do they give them to? For the most part they give them to the colonial countries; they go to finance the industrial development of Asia, South America and South Africa. I shall not give you figures: I do have some but this would drag out my report too much, but it is sufficient to say that up to the last imperialist war the colonial and semi-colonial countries received from the United States and Britain probably about half as much in credits as did the developed capitalist countries, yet now financial investments in the colonial countries exceed, and exceed very considerably, investments in the old capitalist countries. Why is this? The causes are many but the chief ones are two: a lack of confidence in old Europe, ruined and bled white, with this furious French militarism at its heart—a militarism which threatens ever fresh upheavals; and on the other hand the need for the colonial countries as furnishers of raw materials and as customers for the machines and manufactured goods of Britain and the United States. During the war we observed and we observe now the headlong industrialization of the colonial, semi-colonial and of the backward countries in general: Japan, India, South America, South Africa and so on."*⁴²⁸

Against the notion of the IMRT that the Comintern dealt with countries which had no workers, Lenin noted already in 1916 that a working class existed in a majority of the oppressed countries:

*"The colonial and semi-colonial nations, we said, account for 1,000 million people, and P. Kievsky has not taken the trouble to refute that concrete statement. Of these 1,000 million, more than 700 million (China, India, Persia, Egypt) live in countries where there are workers. But even with regard to colonial countries where there are no workers, only slave-owners and slaves, etc., the demand for "self-determination", far from being absurd, is obligatory for every Marxist. And if he gave the matter a little thought, Kievsky would probably realise this, and also that "self-determination" is always advanced "for" two nations: the oppressed and the oppressing."*⁴²⁹

⁴²⁷ Maziar Razi and Morad Shirin (IRMT): Where should we stand if US-Israel attack Iran?, p. 3

⁴²⁸ Leo Trotzki: Aussichten und Aufgaben im Osten (1924); in: Leo Trotzki: Europa und Amerika (Zwei Reden), Berlin 1926, pp. 110-111.; in English: Leon Trotsky: Perspectives and Tasks in the East. Speech on the third anniversary of the Communist University for Toilers of the East (1924), <http://www.marxists.org/archive/trotsky/1924/04/perspectives.htm>

⁴²⁹ V. I. Lenin: A Caricature of Marxism and Imperialist Economism; in: LCW Vol. 23, p. 64 (Emphasis in original)

Now let us look at the facts. It is wrong to present the (semi-)colonial world in Lenin's and Trotsky's time as one without proletariat. True, there were regions with hardly any industrialization. It is, of course, also true that the imperialist countries were far more advanced in their capitalist development than the countries of the South. But important regions already had a certain degree of industry and a domestic proletariat. In Egypt manufacturing and construction represented 10.8% of GDP (1907), in India 14.6% (1886) and in Sri Lanka 14% (1881).⁴³⁰ Around the beginning of the 20th century the industrial sector contributed in Argentina 18% to the domestic product. In Mexico the share was 14%.⁴³¹ In the 1920s and 1930s industrial production represented a small, but significant part of the total output in Latin America (see Table 46).

This level of industrial development had certain similarities with the degree of capitalist development in Eastern European semi-colonial states. In 1930 industrial employment as a share of total employment were 17% (Poland), 11% (Yugoslavia), 9% (Romania) or 8% (Bulgaria).⁴³²

While various centrists deny or downplay the degree of capitalist development and the proletarianization and also the importance of semi-colonial states in the times of Lenin and Trotsky, they tend to deny or downplay the class character of oppression and super-exploitation of the semi-colonial countries by imperialism since the WWII. Thus they present the relationship between the imperialist and the semi-colonial countries as one of inequality, different development, yes even one which is influenced with "neo-colonialism". But by this, they remain on the surface and don't look at the deeper, essential characteristics of this relationship.

Table 46: Evolution of Industrialization in selected Latin American countries, 1929-1957 (industrial output as % of GDP)⁴³³

	<i>Argentina</i>	<i>Mexico</i>	<i>Brazil</i>	<i>Chile</i>	<i>Colombia</i>
1929	22.8%	14.2%	11.7%	7.9%	6.2%
1937	25.6%	16.7%	13.1%	11.3%	7.5%
1947	31.1%	19.8%	17.3%	17.3%	11.5%
1957	32.4%	21.7%	23.1%	19.7%	16.2%

⁴³⁰ UNIDO: Industry in a Changing World, New York 1983, p. 92

⁴³¹ Celso Furtado: Economic Development of Latin America. Historical Background and contemporary problems, New York 1984, p. 105

⁴³² Gerold Ambrosiu and William H. Hubbard: Sozial- und Wirtschaftsgeschichte Europas im 20. Jahrhundert, München 1986, p. 61

⁴³³ Celso Furtado: Economic Development of Latin America. Historical Background and contemporary problems, New York 1984, p. 108

In fact, they deny or ignore the *systematic character of oppression and super-exploitation* which takes the form of class antagonism between the imperialist bourgeoisie on one hand and the proletariat and the semi-proletarian, toiling masses (poor peasantry, urban poor) on the other side. In this class antagonism the semi-colonial bourgeoisie is to a certain degree oppressed too since it is forced to hand over a part of the surplus value produced in its country to the imperialist capital and it is substantially limited in its independent political decisions as a state by the dictates of the Great Powers and their international institutions like IMF, World Bank, WTO etc. This is why Trotsky spoke about the colonial and semi-colonial bourgeoisie as a “*semi-ruling and semi-oppressed class*”. This is the reason why it sometimes comes into a temporary conflict with imperialist powers. However it is incapable of taking a consistent stand against imperialism. Quite the opposite! A consistent stand against imperialism would require a break with imperialism. But without the world capitalist system – which is and can only exist in an imperialist form – the semi-colonial bourgeoisie would lose its economic basis. Therefore the semi-colonial bourgeoisie has no choice then but to subordinate itself to the imperialist powers which – as we said – does not exclude short, temporary clashes between the two.

Centrists like Maziar Razi and Morad Shirin of the IRMT or the leaders from the IST and CWI however believe that such a class antagonism between the imperialist and semi-colonial countries doesn't exist or doesn't possess a central importance. Rather the semi-colonial bourgeoisie is reduced to be only a local agent of imperialism or a profiteer of imperialist super-exploitation. We give a few examples to show this un-dialectical removing of the class antagonism between the imperialist states and the semi-colonies. Thus the IRMT writes:

*“Political independence that removes the main obstacle to capitalist development - colonial domination - has therefore always been the main political aim of the bourgeoisie of these countries. Once the bourgeoisie was in power, however, its main reason for being against imperialism disappeared (even though in a number of cases this is just formal independence). So while the ‘national bourgeoisie’ was opposed to the colonial administration it is now no longer fundamentally opposed to the economic domination of the country by imperialism.”*⁴³⁴

The conflicts between the imperialist and the semi-colonial bourgeoisie – which are so obvious that the centrists can't deny these facts – are reduced as superficially “explained” as scuffles between “*thieves of all sizes*”:

*“This ‘national bourgeoisie’, which in many aspects is a client of the bourgeoisie of the imperialist countries, nevertheless, has its own interests that may come into conflict with the imperialists. But so long as there are super-profits then there is enough for thieves of all sizes.”*⁴³⁵

⁴³⁴ Maziar Razi and Morad Shirin (IRMT): Modern imperialist domination and Islamic fundamentalism (Emphasis in original)

⁴³⁵ Maziar Razi and Morad Shirin (IRMT): Modern imperialist domination and Islamic fundamentalism

This “sloppy” formulation removes the class difference between the imperialist and the semi-colonial bourgeoisie and by this removes the difference between a conflict involving an imperialist and a semi-colonial state and a conflict between two imperialist states. This is the “advantage” of such revisionist formulation of a conflict between “*thieves of all sizes*” that it opens the door to the betrayal of the necessary defence of semi-colonies against the real gangster bosses – the imperialist powers.

Indeed, the IRMT believe that the contradictory position of the semi-colonial bourgeoisie – expressed in Trotsky’s formulation about the “*semi-ruling, semi-oppressed class*” – has no validity today. They rather state that the semi-colonial bourgeoisie is a ruling class similar to the imperialist ruling classes: “*Once the ‘national bourgeoisie’ comes to power it becomes the ruling class.*”⁴³⁶

Hence the struggle for real independence from imperialism is declared an “irrelevant issue”:

*“As for ‘the fight of an underdeveloped nation for independence against imperialism’, this is, historically speaking, largely irrelevant.”*⁴³⁷

To help this betrayal a wrong differentiation between the colonial and the semi-colonial bourgeoisie is introduced. While the colonial bourgeoisie was – according to the IRMT comrades – “*fundamentally opposed to the economic domination of the country by imperialism*”, the semi-colonial bourgeoisie is not so anymore. This is, of course, wrong. Yes, there are certain differences but fundamentally the colonial bourgeoisie also were not “*fundamentally opposed to the economic domination of the country by imperialism*”. This is why it didn’t wage any consistent struggle but rather looked for an arrangement with the colonial rulers. This was already recognized by the Comintern:

*“That is why the ruling classes among the colonial and semi-colonial peoples are unable and unwilling to lead the struggle against imperialism in so far as that struggle assumes the form of a revolutionary mass movement.”*⁴³⁸

The close connection between denying the semi-colonial character of the countries of the South on a theoretical level and the betrayal of the internationalist duty to defend the semi-colonies in a war against imperialist forces in practice becomes obvious in the example of the CWI, whose historic leading section and international centre has always been in Britain.

⁴³⁶ Maziar Razi and Morad Shirin (IRMT): Modern imperialist domination and Islamic fundamentalism

⁴³⁷ Maziar Razi and Morad Shirin (IRMT): Where should we stand if US-Israel attack Iran? 25 January 2012, p. 2

⁴³⁸ Communist International: Theses on the Eastern Question, 5 December 1922, Fourth Congress of the Communist International, in: Jane Degras: The Communist International 1919-1943. Documents Volume I 1919-1922, p. 385

The CWI and the “imperialist” Argentina

Taking Argentina, which the CWI failed to defend against the British imperialism’s war on the Malvinas in 1982, these centrists demonstrate how fast the discard of the Leninist theory of imperialism leads to theoretical confusion and practical desertion. So instead of stating clearly the (imperialist) class character of Britain and the (semi-colonial) class character of Argentina, the CWI replaces the Marxist categories with confusing, “common sense” (God save us from the Anglo-Saxon pragmatism!) categories and “characterizes” both countries as “two fading second or third division powers”:

*“Twenty years ago in 1982, British imperialism’s war with Argentina over the Falklands/Malvinas islands burst out like a sudden storm. This minor war between two fading second or third division powers, cynically described as “two bald men fighting over a comb”, only lasted ten weeks.”*⁴³⁹

In another document, the central CWI leader Peter Taaffe, even states that Argentina itself is somewhat “imperialist”:

*“This was the programme advocated by us at the time of the Malvinas/Falklands conflict. This was not a classic conflict between an imperialist power and a ‘colony’ in which Marxists were called upon to ‘critically’ support the latter. Argentina was a relatively developed capitalist power. It was not a feudal or semi-feudal regime in which the bourgeois-democratic revolution needed to be completed (apart from freeing Argentina from the economic vice of US imperialism and the world market, which is a socialist task). It was itself ‘imperialist’ towards other countries in Latin America – exporting capital and exploiting them – as well as being ‘exploited’ by the major imperialist powers. Moreover, it had a more developed capitalist structure than pre-1917 Russia, for instance. The latter, according to Lenin and Trotsky, was both a ‘semi-colony’ of Anglo-French imperialism and, at the same time, an ‘imperialist’ oppressor of the 57% of the population of the Tsarist Empire who were non-Russians. Lenin and the Bolsheviks never supported Russia, a ‘semi-colony’, in the wars against Japan in 1905, for instance, or German imperialism in the First World War.”*⁴⁴⁰

Hardly any sentence of this makes sense. Let us first briefly refute the assertion that Lenin and Trotsky saw Russia as a semi-colony. The CWI hopes that its readers are unaware that the Bolsheviks clearly characterized Russia under the Tsar as an *imperialist state* – not as a semi-colony. Yes, there was an *element* of a semi-colonial relationship towards French financial capital but this was a *subordinated* aspect. That’s why the Bolsheviks were clear in their characterization of Russia as imperialist. In their theoretical organ during the First World War, the Bolsheviks recognized that “*the Russian imperialism differs from Western European imperialism in many aspects. It is not an imperialism*

⁴³⁹ Roger Shrivies: Falklands/Malvinas 1982 - Thatcher’s War Of Saving Face, in: The Socialist (CWI) 3 May 2002, http://www.socialistparty.org.uk/html_article/2002-252-index#article4

⁴⁴⁰ Peter Taaffe: Afghanistan, Islam and the Revolutionary Left (2002), CWI, <http://www.socialistworld.net/pubs/afghanistan/afghanchp1.html>

*of the latest stage of capitalist development. Russia is a country which imports capital, which is an object of capital exporting countries. The Russian imperialism is a feudal, militaristic imperialism. (...) There is no imperialism which is cruder, more barbaric, and bloodier than Russian imperialism.”*⁴⁴¹

Trotsky later explicitly emphasized the difference between a semi-colonial bourgeoisie like the one in China and the imperialist bourgeoisie like the one in Russia before 1917:

*“The Russian bourgeoisie was the bourgeoisie of an imperialist oppressor state; the Chinese bourgeoisie, a bourgeoisie of an oppressed colonial country.”*⁴⁴²

It was the Stalin bureaucracy which for some time spread the nonsense that Russia before 1917 was a “semi-colony” but even they had to give up this ridiculous nonsense after some time. The CWI however wishes to revive what for Marxists is nothing but an embarrassing example of intellectual striptease.

It hardly needs elaboration why Argentina can never be compared with imperialist Russia which in the late 19th century and early 20th century was one of the longest-standing and biggest powers in Europe and world-wide.

Lumping together Britain and Argentina as essentially both capitalist “second or third division powers” serves as pretext for the CWI’s desertion in the class struggle but is a smack in the face of reality. Let us briefly compare the economic, politically and military strength of these two “second or third division powers”: In 2003, when the CWI wrote such nonsense, Britain had 77 of the world-wide biggest 1000 corporations. Argentina had ... none.⁴⁴³ Argentina’s GDP per head was 5.150 \$ - the equivalent of 1/8 of Britain.⁴⁴⁴ Britain is one of the five veto-wielding powers in the United Nations and possesses a significant army with approximately 225 nuclear weapons and the world-wide fourth-biggest military budget.⁴⁴⁵ Argentina, on the other hand, has no meaningful influence in world economy and world politics. So we see that there is an abyss between the economic, political and military power of Britain and Argentina. Any failure to recognize this is criminal stupidity to justify a petty-bourgeois desertion from class struggle when it is most urgently needed – in the case of an imperialist war.

The next quote from the CWI leadership shows us another form of distortion of the Marxist theory of Imperialism:

“Nevertheless, in the past period of world economic upswing, Argentinean capitalism developed a semi-industrialised basis of its own. It is ludicrous to portray Argentinean

⁴⁴¹ Grigori Sinowjew: Die russische Sozialdemokratie und der russische Sozialchauvinismus (1915); in: W. I. Lenin/G. Sinowjew: Gegen den Strom. Aufsätze aus den Jahren 1914-1916, Hamburg 1921, pp. 174-175 (our translation)

⁴⁴² Leon Trotsky: The Third International After Lenin, New York 1970, p. 174

⁴⁴³ See The BusinessWeek Global 1000, in: BusinessWeek, 14. July 2003

⁴⁴⁴ See World Bank: World Development Report 2008, pp. 334-335

⁴⁴⁵ See Hans M. Kristensen and Robert S. Norris: British nuclear forces, 2011, *Bulletin of the Atomic Scientists* 2011, <http://bos.sagepub.com/content/67/5/89.full.pdf+html>; Laurent Joachim: Die Unkosten des Krieges. Billionen vom Staat für Blei, Stahl, Sprengstoff und Elektronik, 10.06.2012, <http://heise-online.mobi/tp/artikel/37/37028/1.html?from-classic=1>

capitalism as a completely dependent, 'comprador' capitalism, dominated by the agents of foreign capital. This is the analysis offered by some of the sects in an attempt to justify their support for the Junta.

A few crucial statistics reveal the absurdity of this position. In 1979, industry accounted for 45% of GNP, compared to 13% for agriculture (and 42% for services). Manufactured goods, it is true, account for only 22.7% of the country's exports, compared to 65.5% for food and agriculture, thus reflecting the weakness of Argentine industry on world markets. But the urban population now accounts for over 82% of the total population. Twenty-nine per cent of the active population work in industry, as compared to only 14% in agriculture (57% work in the enormous service sector). In other words, Argentina, despite its continued neo-colonialist subservience to American, West European and Japanese big business, nevertheless has all the characteristics of a semi-industrialised capitalist economy.

*If there were an Argentinean population on the Islands, subjected to British rule against their will, the situation would be different. Then there might be a case for the "national liberation" of the Islands. But this is not the case. Apart from one or two Argentines married to Islanders, there have been no Argentineans on the Islands for 150 years."*⁴⁴⁶

The last paragraph is obviously a particularly vulgar form of adaption to British imperialism. Since the British colonial empire succeeded in preventing Argentina for more than 150 years to bring the islands in front of its coast under their control and since Britain succeeded in sending a few settlers to these islands, Argentina – according to the CWI social chauvinists – has lost its national rights on a territory which is in front of its coast but more than 12.700 kilometres away from Britain. This is nothing but a justification for the conquests of centuries of Western colonialism!

However the quote represents a good example of the typical confusions. The CWI says "*it is ludicrous to portray Argentinean capitalism as a completely dependent, 'comprador' capitalism, dominated by the agents of foreign capital*". This is a deliberate exaggeration and confusion, since no one claims that it is "completely dependent". This is the nature of semi-colonies; otherwise they would be just colonies.

The Example of Argentina

It also nonsensical to argue that Argentina is a "*semi-industrialised capitalist economy*". So what? The whole world is industrializing as a result of the development of the productive forces. But this doesn't remove *the relationship of super-exploitation by the imperialist monopolies*. In fact as we have shown above

⁴⁴⁶ Lynn Walsh: Falklands war: what lessons for the labour movement?, in: Militant International Review, Nr. 22, Juni 1982; reprinted by the Socialist Party (CWI): Falklands war: what lessons for the labour movement?, in: Socialism Today, No 108, April 2007, <http://www.socialismtoday.org/108/falklands.html>

the more the semi-colonial world industrializes, the more surplus value is created in these countries and the more extra-profits can be, and indeed are, appropriated by the imperialist monopolies. Argentina is an example for this. One third of its banking sector is foreign-controlled. It's economy has been traditionally dominated by multi-national corporations from the imperialist countries. According to a recent study the imperialist monopolies increased their control in the past decades so that in 2003 their share of the output of the 500 Argentine leading firms was already more than 4/5:

*"The number of TNC affiliates among the 500 Argentine leading firms increased from 219 in 1993, to 318 in 2000, to 340 in 2003, mainly through the takeover of public or private domestic firms. Their share in total output increased from 60 percent in 1993, to 79 percent in 2000, to 82 percent in 2003. (...) In 1963, TNC affiliates accounted for 46 percent of total value added and 36 percent of employment for leading industrial firms. In 1997, the equivalent figures were 79 and 61 percent, respectively."*⁴⁴⁷

Argentina recently had to put a 20% cap on the amount of land available to foreign landowners. This was the reaction to the fact that in the last 10 years foreign corporations such as the Benetton family, Chinese corporations, etc. tripled their possession from 7 to 20 billion hectares.⁴⁴⁸

Additionally, Argentina has been plundered by the imperialist financial institutions (including British banks!) for decades. It pays a significant proportion of its export income to the monopolies for debts and interests. In 1977 this was 27.4%, in 1986 it was even 82.8% of its annual export income (remember this was the time when the CWI declared that Argentina was not a semi-colony). While this share declined to 25.1% in 1994, it exploded again to 74.7% in 1999. Recently it has declined to 16.7% (2010) of its exports of goods, services and income. This is the equivalent nearly 4% of its total Gross National Income (in 2006 it was even 10.4% of its annual total income).⁴⁴⁹ And this is not the whole degree of imperialist robbery of Argentina since these are only the figures for the debt payments and not the other forms of value transfer to the North which we explained in the chapters above.

Finally, let us remember the economic disaster which the imperialist monopolies inflicted on Argentina in 2001 (and after) which drove the country into an economic and social collapse. This was a historic proof of the real position of Argentina in the world order.

So we see that while Argentina is not "*completely dependent*" it was and is

⁴⁴⁷ Daniel Chudnovsky and Andrés López: Foreign Investment and Sustainable Development in Argentina, Working Group on Development and Environment in the Americas, Discussion Paper Number 12, April 2008, p. 6; http://ase.tufts.edu/gdae/Pubs/rp/DP12Chudnovsky_LopezApr08.pdf

⁴⁴⁸ Mia de Graaf: Limiting Foreign Land Ownership: A Law in the Making, 28 September 2011. <http://www.argentinaindependent.com/currentaffairs/newsfromargentina/limiting-foreign-land-ownership-a-law-in-the-making>

⁴⁴⁹ Argentina - total debt service. Total debt service (% of exports of goods, services and income); <http://www.indexmundi.com/facts/argentina/total-debt-service>; World Bank: Global: Development Finance 2012. External Debt of Developing Countries, p. 68

dominated and super-exploited by the imperialist monopolies. It is this “small detail” which is ignored by the CWI centrists, a “small detail” which however expresses the different class character between a semi-colonial Argentina and imperialist countries like Britain.

Argentina, of course, was no exception in the sad history of the CWI’s failed anti-imperialism. The CWI – politically and ideologically linked with the British labor bureaucracy and via them adapted to British imperialism – repeated such a refusal of defense of a semi-colony under attack by imperialism in the Gulf war 1991 and 2003 and during the imperialist assault on Afghanistan in 2001 and the following occupation. Again the CWI leadership invoked its distortion of the Leninist imperialism theory and getting on the wrong track, it ended up with the vulgar banalities of “powers” instead of class characterization in theory and the withdrawal of revolutionary anti-imperialism in practice. In the case of the imperialist wars on Iraq the CWI leadership even flirted with characterizing Iraq as a “regional imperialist power”:

*“Whether a country is imperialist depends on its economic structure and the specific interests of its ruling class. An underdeveloped country, in which the few existing industries are monopolized and strongly intertwined with the banks, is also imperialist. (Provided the capitalists are at least sufficiently strong, that they rule and not some large landowners). The bourgeoisie of a colonial country like India is also trying to suck their profits from other countries if they can. Its attempts to subject Sri Lanka have shown that. Saddam Hussein’s annexation of Kuwait was also imperialist. Nevertheless, they are only regional imperialist powers.”*⁴⁵⁰

We will not start dwelling into these new insights of CWI centrists about “colonial imperialists”. It was no accident that they did not officially repeat much longer such nonsense about the “regional imperialist” Iraq in public. However, they kept this approach as the underlying method for their refusal to defend semi-colonies in an imperialist war. In the case of the imperialist war against Afghanistan the CWI leaders hardly could argue that this was a “regional imperialist powers” without risking becoming the laughing stock of the left. So they invented the argument that the Taliban are reactionary and highly unpopular amongst the Western working class so it would be wrong for them to side with the Taliban against the imperialist troops (including the British).⁴⁵¹

⁴⁵⁰ Wolfram Klein: Hintergründe der kolonialen Revolution (1991); in: Die koloniale Revolution, Herausgegeben von Stuttgarter VORAN-Unterstützern (1991), p. 6 (Emphasis in the Original; our translation). The German original is: „Ob ein Land imperialistisch ist, hängt von seiner Wirtschaftsstruktur und den von ihr bestimmten Interessen der herrschenden Klasse ab, Auch ein unterentwickeltes Land, in dem die wenige vorhandene Industrie stark monopolisiert und mit den Banken verflochten ist, ist imperialistisch. (wenn die Kapitalisten zumindest so stark sind, daß sie herrschen und nicht irgendwelche Großgrundbesitzer). Die Bourgeoisie eines kolonialen Landes wie Indien versucht auch, ihre Profite aus anderen Ländern zu saugen, wenn sie kann. Seine Versuche, Sri Lanka in seine Abhängigkeit zu bringen, haben das gezeigt. Saddam Husseins Annektion von Kuwait war ebenso imperialistisch. Trotzdem sind das nur imperialistische Regionalmächte.“

⁴⁵¹ See Peter Taaffe: Afghanistan, Islam and the Revolutionary Left (2002), CWI, <http://www.socialistworld.net/pubs/afghanistan/afghanchp1.html>

The SWP/IST and the Debt Dependency

Another example of centrist ignorance of the Leninist theory of imperialism is the confusion of the British SWP/IST about the debt crisis. Their central leader and university professor Alex Callinicos wrote in a presentation of *“Marxism and Imperialism today”*:

*“It would be a mistake, however, to see the debt crisis as simply marking the imposition of a new form of ‘dependency’ on the Third World.”*⁴⁵² He continues:

“The debt crisis thus involves not so much a conflict between nation states, rich and poor countries, but a class struggle in which the Latin American bourgeoisie, increasingly integrated into the international financial circuits, aligns itself with the Western banks and multinational corporations in demanding solutions which further open up their economies to the world market.”

This is another form of cynical confusion of imperialist-centrism. Of course the financial plundering of the South via the debt trap is indeed a form of dependency. As we have shown above (see in Chapter 8 our sub-chapter *“Extra profits via capital export as money capital (loans, currency reserves, speculation etc.)”*) the semi-colonial countries have repaid between 1980 and 2002 eight times what they owed in 1980. At the same time, by 2002 their amount of still existing debts had increased to \$2,400 billion, more than four times the amount of 1980. This is a pretty obvious “new form of dependency” which could be comprehended even with simple “common sense”.

This form of dependency is certainly not new – well it might be new to Professor Callinicos but it is certainly not so new for the Latin American countries. In the 1920s for example, Argentina had to pay for its debts on average 20% of export proceeds, a proportion which shot up to 35% in the first few years of the Great Depression after 1929.⁴⁵³

The IST leader refers to the complicity of the Latin American bourgeoisie. This is, of course, true – a small thief usually tries to make deals with the gangster boss and make a living out of it. It is again certainly not a new phenomenon as the role of debt service in the 1920s shows. However, for a Marxist it is necessary to answer the following questions: Which class is paying the price for this? What are the potential contradictions in the relationship between the “small thief” and the “gangster boss”? Since the debt service is paid from the surplus value produced by the working class in the indebted, semi-colonial countries, this question affects the proletariat and the toiling masses directly. It affects them even more since the debt trap increases the exploitation, i.e. it robs the working class of an even bigger share of the value it produced and lowers their wage share.

⁴⁵² Alex Callinicos: *Marxism and Imperialism today*, in: A. Callinicos, J. Rees, C. Harman & M. Haynes: *Marxism and the New Imperialism*, London 1994, p. 37

⁴⁵³ Arturo O’Connell: *The Return of “Vulnerability” and Raúl Prebisch’s Early Thinking on the “Argentine Business Cycle”*; in: *CEPAL REVIEW* 75 (December 2001), p. 61

In addition to this it would be stupid to ignore the contradictions in the relationship between the “small thief” and the “gangster boss”. Yes, they collaborate usually in their business, however sometimes they get in conflict with each other. We saw this in the Malvinas war in 1982 where the British SWP/IST used its rejection of the Leninist theory of imperialism as a pretext to refuse support for Argentina’s struggle against the British imperialism. We saw it again recently when the Kirchner government in Buenos Aires nationalized the Spanish oil giant Repsol and put a cap on the amount of land sold to foreign investors. The imperialist war against Iraq in 2003 and the looming war against Iran are other examples for this.

In short, the blurring of the class contradictions between imperialist and semi-colonial countries, the blurring of their different class positions into vulgar categorizations of “bigger and smaller powers” etc. – all this does not only lead to a decline in scientific Marxist analysis but also to a practical refusal to side with the semi-colonial countries in their resistance against imperialism.

Is there still a National Question of the Semi-Colonial Countries?

All this shows how absurd the centrist claim to declare “*the fight of an underdeveloped nation for independence against imperialism*” as “*largely irrelevant*” is. Similarly nonsensical is the CMR/IRMT statement: “*The ‘national interest’ of the nation-state is against all the basic rights of the nationalities as well as workers.*”⁴⁵⁴

In fact the IRMT is a model to show the absurd consequences of this “*imperialist economism*” as Lenin used to call the ignorance of the national and democratic questions in the epoch of imperialism. Economism ignores that the economic process of value creation and exploitation is necessarily interwoven with the political and ideological superstructure. Capitalism is after all a political and economic unity of class contradictions. It can only exist as a totality of economic production relations and political, social and ideological superstructures. These different spheres depend on each other – with the economic basis as the final determinant – and can only exist in correlation. Ivan K. Luppol, a leading Soviet philosopher in the 1920s, once remarked, that „*the reality is the synthesis of the appearance and the essence*“.⁴⁵⁵ And indeed, form and essence are inextricably related to each other.

Commodities can only be exchanged on a regular level if there is social regulation and legal security. Labor force needs reproduction – hence various social forms (family, possibility for relaxation, child care facilities etc.) are

⁴⁵⁴ Maziar Razi and Morad Shirin (IRMT): Where should we stand if US-Israel attack Iran? 25 January 2012, p. 2

⁴⁵⁵ Ivan K. Luppol: Lenin und die Philosophie. Zur Frage des Verhältnisses der Philosophie zur Revolution (1928), p. 202 (our translation)

necessary. Economic and social activity necessities language – hence the importance of language rights for national minorities. The inequality between women and men has direct consequences for the woman’s possibilities for an existence independent of man etc. From all these flow the importance of political and social questions. The process of economic exploitation is coated, interwoven and deformed with various forms of state and social oppression mechanism. It is no accident that Marx spoke about *political economy*. Trotsky once rightly remarked: „*Thus, pure economics is a fiction.*“⁴⁵⁶

It is in this context that national questions have to be seen. Yes, issues like full national sovereignty are democratic questions which affect not only workers, but it affects workers too. Furthermore, the working class has an interest to rally the toiling masses, including sections of the petty-bourgeoisie, behind it. But the CMR/IRMT comrades lack any understanding of this. Worse, they even consider the defense of national sovereignty as “*totally reactionary*”:

“Therefore, when a country is threatened in some way, the international left should not look to defend the national sovereignty or territorial integrity of these countries. The workers and other exploited and oppressed classes in these countries have material interests that are opposed to those of their own bourgeoisie and they therefore have no common ‘national interest’ with it. (...)

The bourgeoisie of the country may expect such support but the workers must know that the nature of such a disagreement with imperialism is totally reactionary and that if it really leads to war then the best way to fight imperialism is for the exploited and oppressed masses, led by the most advanced layers of the working class, to organise the military resistance to the invaders and mobilise to overthrow the regime. (...)

Because of its balancing act between the masses and its ties to imperialism on the one hand, and its own national (and regional) interests as a minor bourgeois partner of imperialism on the other, the indigenous bourgeoisie may in certain situations adopt not only ‘anti-imperialist’ rhetoric, but provoke diplomatic incidents and even start some small scale military action. Whatever the outward manifestation of these conflicts of interest the indigenous bourgeoisie remains fundamentally regressive and reactionary. There is no progressive content to these disagreements with imperialism. Not only is the bourgeoisie unwilling to engage in a real anti-imperialist struggle - i.e., one that is also anti-capitalist and for socialism - but, as the ruling class, it wants to uphold the status quo. The interests of the workers in these countries are the same as workers in the imperialist or advanced capitalist countries.”⁴⁵⁷

Similarly, the historic leader of the IST, late Tony Cliff, betrayed his “imperialist economism” when he stated that the “*national identity of the future ruling classes*” in the oppressed countries should not be an issue “*to argue over*”:

⁴⁵⁶ Leon Trotsky: *Philosophical Tendencies of Bureaucratism*; in: Leon Trotsky: *The Challenge of the Left Opposition (1928-29)*, p. 399

⁴⁵⁷ Maziar Razi and Morad Shirin (IRMT): *Modern imperialist domination and Islamic fundamentalism (my emphasis)*

*“For revolutionary socialists in the advanced countries, the shift in strategy means that while they will have to continue to oppose any national oppression of the colonial people unconditionally, they must cease to argue over the national identity of the future ruling classes of Asia, Africa and Latin America, and instead investigate the class conflicts and future social structures of these continents. The slogan of “class against class” will become more and more a reality. The central theme of Trotsky’s theory remains as valid as ever: the proletariat must continue its revolutionary struggle until it is triumphant the world over. Short of this target it cannot achieve freedom.”*⁴⁵⁸

The same centrist logic was argued in the early 1970s by another leading theoretician of the IST, University lecturer Nigel Harris: *“A by-product of the economic expansion was increased economic domination of the backward countries. But increased economic domination does not necessarily mean increased dependence. It remains true that imperialism does produce wars, but not so much between the advanced and the backward countries as between the advanced countries. And this is true even when the backward countries are the scenes of the war.”*⁴⁵⁹

This is without doubt an amusing statement of Professor Harris! *“Increased economic domination does not necessarily mean increased dependence.”* As we have shown above with numerous facts, it did mean so and not accidentally but necessarily. *“It remains true that imperialism does produce wars, but not so much between the advanced and the backward countries as between the advanced countries.”* Again, one wonders about such a statement which is in flagrant contradiction with reality. It is in flagrant contradiction not only in the world after 9/11, but was already bizarre at the time when it was written, in 1971. At that time US imperialism’s war in Vietnam was at a highpoint! What is the meaning of the statement: *“And this is true even when the backward countries are the scenes of the war”*? It means that if there are wars in semi-colonial countries, they are – according to the IST theoreticians – mainly proxy wars of US and “Soviet imperialism”. This nonsense not only denies the national liberation aspect of the oppressed peoples’ struggles against the imperialist powers. (Let us also briefly point out that the class difference between imperialist and semi-colonial countries is also neglected in the liberal terminology of “advanced” and “backward” countries.) The denial of the workers’ state character of the USSR and China and their denunciation as imperialist “super-powers” was also a convenient excuse for the Cliff/IST tradition to betray progressive struggles – as they did for example when they took a neutral position in the Korean War against US imperialism in 1950-53.

In opposite to the IST, the Communist International defended the view that there is still a national issue in the semi-colonial world. It correctly explained in its main resolution on the oppressed peoples at its Fourth Congress in 1922,

⁴⁵⁸ Tony Cliff (SWP): *Deflected Permanent Revolution* (1963), <http://www.marxists.org/archive/cliff/works/1963/xx/permrev.htm>; see on this also Tony Cliff: *Die Ursprünge der Internationalen Sozialisten. Die Weiterentwicklung der Theorien Trotzki’s nach 1945*, Frankfurt a. M. 2000, p. 76

⁴⁵⁹ Nigel Harris: *Imperialism Today*, in: Nigel Harris, John Palmer (Editors): *World Crisis. Essays in Revolutionary Socialism*, London 1971, p. 129

that for the semi-colonial countries the imperialist oppression and exploitation continues “*under the cloak of formal independence*”:

*“The danger of an agreement between bourgeois nationalism and one or several rival imperialist Powers is far greater in the semi-colonial countries like China or Persia, or in the countries which are fighting for their independence by exploiting inter-imperialist rivalries, like Turkey, than it is in the colonies. Every such agreement means a wholly unequal division of power between the indigenous ruling classes and imperialism, and, under the cloak of formal independence, leaves the country in its former position as a semi-colonial buffer State in the service of world imperialism.”*⁴⁶⁰

No, weakening the imperialist grip of the land and the national income is not an irrelevant issue or even against the interest of the workers. Imperialism makes the workers and the toiling masses poorer. It is as simple as that. There still exists a “national question” in the semi-colonial world despite their formal independence. The masses instinctively know this. This is why the toiling masses in the semi-colonies usually support strongly such a move as we can see in the case of the nationalization of Repsol in Argentina. This is why the masses supported and support armed resistance against imperialist occupiers as everyone could see in Iraq and Afghanistan in the recent past. One must be really a sectarian diehard to condemn this as backward or even reactionary!

The new Theory of “Sub-Imperialism”

To blur the class contradictions between the imperialist and the semi-colonial world centrists like the SWP/IST, IRMT or Marxist Tutum introduce a new category – “sub-imperialism”. Alex Callinicos explained the SWP/IST understanding of this concept in the following way:

*“A key factor in the development of a more pluralistic and therefore more unstable world order has been the rise over the past two decades of the sub-imperialisms that is, of Third World powers aspiring to the kind of political and military domination on a regional scale which the superpowers have enjoyed globally. (...) Plainly the nature of the sub-imperialisms is a crucial issue in any attempt at understanding contemporary imperialism. Behind the phenomenon of the sub-imperialisms lies the partial industrialization of the Third World and the consequent emergence of new centers of capital accumulation outside the imperialist core.”*⁴⁶¹

Callinicos also makes a list of countries which he considers as “sub imperialist”. It includes “*Israel, Iran, Iraq, Egypt, Syria and Turkey (...)* *India, Vietnam, South Africa, Nigeria, Brazil and Argentina*”.⁴⁶²

Therefore the Gulf war between Iraq and Iran in 1980-88 was a war between

⁴⁶⁰ Communist International: Theses on the Eastern Question, 5 December 1922, Fourth Congress of the Communist International, in: Jane Degras: The Communist International 1919-1943. Documents Volume I 1919-1922, pp. 390-91

⁴⁶¹ Alex Callinicos: Marxism and Imperialism today, in: A. Callinicos, J. Rees, C Harman & M. Haynes: Marxism and the New Imperialism, London 1994, p. 45

⁴⁶² Alex Callinicos: Marxism and Imperialism today, p. 45

two sub-imperialist powers:

*“The war became a war of attrition between two middle sized capitalist powers, two ‘sub-imperialisms’.”*⁴⁶³

Similarly the British SWP/IST leadership justified their refusal to defend Argentina against Britain in the Malvinas war in 1982 by referring to the supposed “sub-imperialist” character of Argentina. Hence for these centrists the war between Britain and Argentina over the Malvinas in 1982 was reactionary on both sides. In the same article Callinicos approvingly quotes two Argentine authors who state:

*“It was neither an anti-colonial struggle nor a struggle between oppressed and oppressor nations. The contending parties were an emergent capitalist country with regional and continental imperialist features, and a longstanding imperialist power which, though in marked decline, is still a powerful force. There was not a progressive and a reactionary camp.”*⁴⁶⁴

Callinicos comments on this:

*“Generalising from this broadly correct analysis of the Falklands War we could then argue that the same process of capitalist development which gave rise to imperialism in the first place now produces sub imperialism. (...) Inevitable the expansion of industrial capitalism bursts out of national border, giving rise to regional conflicts between rival sub-imperialisms – between Greece and Turkey, India and Pakistan, Iran and Iraq – and often, in the absence of such rivalries, to the growing regional dominance of a particular sub-imperialism (South Africa in southern Africa, Australia in the South Pacific). While this analysis has a large measure of truth it is essential to qualify it. For the rise of the sub imperialism has not taken place in a vacuum. Nor has it created a world composed of capitalist states the differences between whose power are ones of degree rather than of kind.”*⁴⁶⁵

So when we see masses in the South enter the streets protesting against imperialist domination, the SWP/IST has no other explanation than referring to the psychology of the people, their memories of the past:

*“Memories of such humiliating subordination to the imperialist powers survived long after the acquisition by these states of a much more effective degree of independence. They help to explain why anti imperialist rhetoric continues to have a massive popular appeal in countries which can no longer in any sense be regarded as semi colonies.”*⁴⁶⁶

We will focus here not on the whole SWP/IST’s revisionist theory of imperialism but only on their concept of “sub-imperialism”.⁴⁶⁷ Essentially the SWP/IST

⁴⁶³ Alex Callinicos: Conference Report; in: Socialist Worker, 29 September 1987; quoted in: Workers Power: SWP: wrong positions on Iran and Iraq, 6.2.1988, <http://www.fifthinternational.org/content/swp-wrong-positions-iran-and-iraq>

⁴⁶⁴ Alex Callinicos: Marxism and Imperialism today, pp. 50-51

⁴⁶⁵ Alex Callinicos: Marxism and Imperialism today, p. 51

⁴⁶⁶ Alex Callinicos: Marxism and Imperialism today, p. 49

⁴⁶⁷ We refer readers also to an extensive critique of the SWP/IST distortion of the Marxist theory of imperialism which we undertook in our predecessor organisation – the *League for a Revolutionary Communist International* (later renamed into LFI): Paul Morris: The SWP, imperialism and the “real Marxist tradition”; in: Trotskyist International, No. 17 (1995)

analysis of “sub-imperialism” is a purely superficial, descriptive category. Let’s start with this assertion: “*Inevitable the expansion of industrial capitalism bursts out of national border, giving rise to regional conflicts between rival sub-imperialisms*” What does this mean? Since industrial capitalism expands always and everywhere – this is in the nature of capitalism – does this mean that more and more countries become “sub-imperialist”?! So the epoch of imperialism is not an epoch where a small minority of states oppresses and exploits the world but quite the opposite, it consists of countries aligning themselves more and more?! So in the epoch of imperialism the exploitation and the gap between the states don’t increase but – rather the opposite – decrease?!

Of course this is not true. The epoch of imperialism is a period of increasing exploitation and sharpening contradictions. This is why the inequality between the imperialist world and the semi-colonial world has increased and not decreased. The economic historian Angus Maddison showed that inequality constantly rose in the epoch of imperialism. His calculations demonstrate the massive and increasing gap between the imperialist and the semi-colonial regions. (See Table 47) The gap between the richest and the poorest continent even grew from 5:1 in 1870 to 9:1 in 1913, to 15:1 in 1950, 13:1 in 1973 and to 19:1 in 1998.⁴⁶⁸ Since then globalization made sure that this gap grew even more.

This leads us to the fundamental problem in the SWP/IST’s concept of “sub-imperialism”: it is a concept which’s main criteria is *the will of a given ruling class to increase their regional dominance*. This becomes obvious also from the examples which Callinicos gives for his “sub-imperialist” countries: Israel, Iran, Iraq,

Table 47: Level of Per Capita GDP and Interregional Spreads, 1870-1998 (in 1990 international dollars)⁴⁶⁹

	1870	1913	1950	1973	1998
Western Europe	1.974	3.473	4.594	11.534	17.921
USA, Canada,					
Australia & New Zealand	2.431	5.257	9.288	16.172	26.146
Japan	737	1.387	1.926	11.439	20.413
Asia (excl. Japan)	543	640	635	1.231	2.936
Eastern Europe & ex-USSR	917	1.501	2.601	5.729	4.354
Africa	444	585	852	1.365	1.368
World	867	1.510	2.114	4.104	5.709
Interregional Spread	5:1	9:1	15:1	13:1	19:1

⁴⁶⁸ Angus Maddison: *The World Economy, Volume 1: A Millennial Perspective, Volume 2: Historical Statistics, Development Centre Studies 2006*, p. 126

⁴⁶⁹ Angus Maddison: *The World Economy, Volume 1: A Millennial Perspective, Volume 2: Historical Statistics, Development Centre Studies 2006*, p. 126

Egypt, Syria, Turkey, Greece, India, Pakistan, Vietnam, South Africa, Nigeria, Brazil and Argentina. What they have in common is that they have been involved in wars with neighbouring countries. These countries have nothing in common in terms of their development of big capital groups, an exploitative relation with other countries as a dominant form of its outward economic relations, or even an actual regional dominance.

Let us now move to a somewhat more serious attempt to defend the concept of “sub-imperialism”. The Turkish group *Marxist Tutum*, which is closely aligned with the IRMT/CMR, published in 2009 a document “*On Sub-imperialism: Regional Power Turkey*” in which their leading theoretician Elif Çağlı explained and defended their position. We quote the central passage:

“The concept sub-imperialism defines a position below the imperialist countries that occupy the higher steps of the imperialist pyramid of hierarchy. Although a sub-imperialist country is not yet as economically powerful as those countries in the upstairs and not as influential as them in determining the world agenda, it conducts directly expansionist relations in its own region in the company of big imperialist powers. That is why the countries that reach this level by climbing upwards among medium-level developed counties are qualified as sub-imperialist. (...)

It is very important to grasp the laws of operation of capitalism, features of the system and that imperialism is a different stage than colonialism in order to analyse the situation of countries like Turkey in a correct and satisfactory way. To repeat, imperialist-capitalism produces interdependence on the basis of inequality. Therefore problems emerging from unequal positions and possibility of powerful ones to intervene in less powerful ones economically and politically do not go away. Yet, capitalist nation-states in general and sub-imperialist ones in particular have also their own spheres of economic and political operation in their own rights. Therefore, to characterise these countries still as semi-colony (or neo-colony/modern colony etc.) would be a big error or falsification. (...)

Leaving aside the falsifications and focusing on the fact of the matter, domestic and international realities have long invalidated the arguments of the nationalist left. But petty-bourgeois mindlessness is a chronic disease and those who suffer from this disease always prove unable to recover and accept reality. One of the important issues to be underlined in this context is that the petty-bourgeois take unequal relations between different capitalist countries as a kind of relations of exploitation and be obsessed with it. Yet within imperialist-capitalist hierarchy the relations between “the high and low” or “the weak and strong” do not reflect a relation of exploitation but of inequality and hegemony.

Capitalist countries or capitalist powers of different levels of development do not exploit one another. They altogether exploit the working class. But they share the surplus value according to the might and size of their investments or capital. Therefore, to depict the relation between different capitalist states with different size and power as a relation of exploitation wherein the big exploit the weak, and conclude an artificial conception of anti-imperialism is incompatible with the revolutionary outlook of the working class.

In conclusion, petty-bourgeois left's "anti-imperialism" is a would-be anti-imperialism which does not have a radical attitude against domestic capitalism thus lacking an anti-capitalist content and is reduced merely to a foreign factor! On the part of the petty-bourgeoisie anti-imperialism is consisted of taking an attitude against colonialist and annexationist "policies". However there cannot be an anti-imperialist struggle without anti-capitalism. And a conception of struggle against capitalism torn from revolutionary class axis would be surrendering to petty-bourgeois and nationalist left frames of mind.

As evidenced concretely by Turkey, sub-imperialist countries generally move along with a big imperialist power in ongoing imperialist scrambles for re-division in various regions of the world. As a general rule big share goes to the big partner, but it should not be forgotten that the lesser ones also get their share. Thus the relation between imperialist countries and sub-imperialist countries is a relation of partnership in exploiting. A concrete expression of this is the institutions of economic cooperation or strategic partnerships which gather advanced and medium-level capitalist countries under the same roof. It is obvious that this situation has nothing to do with the "dependence relation" in the colonial era and 'the collaborationist bourgeoisie'." ⁴⁷⁰

The Marxist Tutum comrades err in their conception. The comrades say that "capitalist countries or capitalist powers of different levels of development do not exploit one another." It is indeed true that there are bigger and smaller imperialist countries which are unequal but one does not exploit the other. For example the USA and Canada are certainly not equal but also don't systematically exploit each other. The same is true for Germany and Austria or France and Belgium, Luxemburg or Swiss. However they are all imperialist nations. Why? Because they have developed a significant monopoly capital and financial capital which systematically exploits and transfers value from the South and they are part of an international imperialist order which they profit from and defend by various means.

The so-called "sub-imperialist" countries on the other hand are not in such a position. Of course some advanced semi-colonies have a certain regional influence, some are stronger and others are weaker. But as Marxist we must focus on the law of value and the value transfer between the countries and the political order related to this. And here it is obvious that also the industrialised semi-colonies are super-exploited by the imperialist monopolies.

The Example of Turkey

This is also true for Turkey. The comrades say that sub-imperialist countries "have also their own spheres of economic and political operation in their own rights." Yes, but one has to see the proportions. In Table 48 we show that by 2011 Foreign Direct Investment coming from the imperialist monopolies was 6 times as big

⁴⁷⁰ Elif Çağlı: On Sub-imperialism: Regional Power Turkey, Marxist Tutum, August 2009, http://en.marksist.net/elif_cagli/on_sub_imperialism_regional_power_turkey.htm

as outward FDI coming from Turkey. And this figure does not tell us how much this outward FDI stems directly or indirectly from multinational corporations operating in Turkey. It is therefore clear that there is a huge gap between the capital export and exploitation by imperialist states towards Turkey and the same from Turkey towards other countries. This is a gap which is not just of quantitative but of qualitative nature.

So we see that Turkey's own foreign investment is a subordinated feature to the systematic super-exploitation which they suffer from imperialist monopoly capital. It is a basic responsibility for Marxists not to reduce an analysis to an "on one hand – on the other hand", but to a dialectical assessment of the essence of the matter. One must focus on the difference between quantity and quality, the assessment when a process enters a qualitatively new stage, etc. The

Table 48: Turkey's FDI Stock, by Region and Economy, 1990-2011 (in Million US-Dollars) ⁴⁷¹

<i>FDI inward stock</i>			<i>FDI outward stock</i>		
<i>1990</i>	<i>2000</i>	<i>2011</i>	<i>1990</i>	<i>2000</i>	<i>2011</i>
11.150	19.209	140.305	1.150	3.668	24.034

Figure 54: Turkey's Rising Dependence on Short-Term Foreign Debt (in Million US-Dollar) ⁴⁷²



⁴⁷¹ UNCTAD: World Investment Report 2012, p. 175

⁴⁷² Spengler: The horizon collapses in the Middle East, Asia Times Online, 10.10.2012

Soviet philosopher Abraham Deborin once remarked: *“In order to understand the character of an epoch and its wars and all possible processes, one has to identify the ‘true essence’ of the epoch, its most fundamental driving forces, which determine all the other appearances. One has to interlink them to a unified total irrespective of the manifold of the outward appearance.”*⁴⁷³ Unfortunately, the comrades from *Marxist Tutum* fail in this.

But let’s see also more evidence: As in the case of Argentina, Turkey too has been plundered by the imperialist financial capital for decades. It also pays a significant proportion of its export income for debts and interests to the monopolies. In 1974 this was 12.4% of its annual export income; in 1988 it was even 41.9%. In the 1990s this share declined, but climbed again to 48.5% in 2002. After another decline it rose again to 41.9% in 2009. In other words, Turkey gives nearly half of its total export income to the foreign financial institutions! If we put this amount in relation to the national income we can see the following: In 1970 debt payment was the equivalent of 1.2% of its total Gross National Income, in 1988 8.5%, in 2002 even 12.2% and in 2009 still 10.7% of its annual total income. So all in all, the imperialist financial sharks appropriate one tenth of Turkey’s total annual national income!⁴⁷⁴

In the past two years Turkey’s indebtedness has even worsened. Its current account deficit is running at 8% to 10% of GDP, about the same level as Greece before its financial collapse. Short-term debt doubled since 2010 to cover the deficit (See Figure 54).⁴⁷⁵

Here too we have to remind our readers that this is not the whole degree of imperialist robbery of Turkey since these are only the figures for the debt payments and not the other forms of value transfer to the North which we explained in the chapters above.

We refer our readers also to Figure 43 which shows that Turkey and Argentina are not exceptions: in general the so-called “Upper middle-income countries” paid around 40% of their total export income to service their debts to the imperialist monopolies in the years 2005 and 2010.

In addition we have particularly seen in the recent past a massive rise of imperialist capital export into the Turkish economy. In the early 2000s 114 of the 500 largest manufacturing firms were foreign-controlled and nearly 15% of the total industrial output was produced by enterprises with certain amounts of foreign capital.⁴⁷⁶ The rise of foreign ownership has been particularly strong in

⁴⁷³ Abram Deborin: Lenin als revolutionärer Dialektiker (1925); in: Nikolai Bucharin/Abram Deborin: Kontroversen über dialektischen und mechanistischen Materialismus, Frankfurt a.M. 1974, p. 79 (our translation)

⁴⁷⁴ Turkey - total debt service. Total debt service (% of exports of goods, services and income); <http://www.indexmundi.com/facts/turkey/total-debt-service>; World Bank: Global: Development Finance 2012. External Debt of Developing Countries, p. 294

⁴⁷⁵ Spengler: The horizon collapses in the Middle East, Asia Times Online, 10.10.2012, http://www.atimes.com/atimes/Middle_East/NJ10Ak02.html

⁴⁷⁶ See Recai Coskun: Determinants of direct foreign investment in Turkey; in: European Business Review Vol. 13, No 4 (2001), p. 221

the financial sector. After the economic collapse in 2000-01 which strengthened the imperialist subordination of semi-colonial Turkey the share of foreign banks (in terms of total assets in the banking sector) dramatically rose from around 3% to 33% in 2006 and 40% in 2010.⁴⁷⁷ Foreign currency loans already account for over a third of the total stock of loans.⁴⁷⁸

Finally, let us remember that Turkey too faced an economic disaster which the imperialist monopolies inflicted on it in 2000-01 and after. Here too the country was driven into an economic and social collapse and bankruptcy. It was forced to subordinate under the typical imperialist IMF program and control from 1998 to 2008 which put it on small rations.⁴⁷⁹ Again, this too is a historic proof of the real position of Turkey in the world order.

“Sub-Imperialism” or Advanced Semi-Colonies?

So when the comrades say that “*imperialist-capitalism produces interdependence on the basis of inequality*” they are of course correct. But they fail to think about this in a dialectical way. Inequality which exists for a long period transforms – in combination with the growth of the productive forces and the inevitable economic internationalization – into exploitation. On such a basis there cannot be extreme unequal nations beside each other *without transforming and intensifying* their relationship with each other. This leads inevitably to a relationship of exploitation. This is why with the internationalization of capitalism, inevitable oppressor and oppressed nations emerged, one exploited the other, one became imperialist and the other colonial or semi-colonial. To put it in another way: *The relationship between the imperialist and the semi-colonial nation is unequal to such a degree that this inequality that a systematic relationship of exploitation arises out of this and results in a sustained value transfer from the semi-colonial to the imperialist nation.*

As we have shown above, it is clear that there are many differences between various types of semi-colonies. When Trotsky pointed out the huge differences between Equatorial Africa and Algeria, Paraguay and Mexico, Abyssinia and India or China, this is no less true today. There are huge differences today between Peru and Argentina or Brazil, Congo and Egypt, Pakistan and Turkey, Nepal and Thailand. But what Trotsky named as the decisive feature which they all share is their “*common economic dependence upon the imperialist metropolis*”.

Instead of introducing a wrong and politically revisionist formula of “sub-imperialism” we prefer to express the differences which exist between countries

⁴⁷⁷ See Yener Altunbas, Alper Kara and Ozlem Olgu Akdeniz: Productivity of Turkish Commercial Banks: Effects of Foreign Ownership (2008); http://wolpertinger.bangor.ac.uk/papers_2008/productivity_altunbas.doc; European Bank for Reconstruction and Development: Strategy for Turkey (2012), p. 37

⁴⁷⁸ European Bank for Reconstruction and Development: Strategy for Turkey (2012), p. 21

⁴⁷⁹ See A. Erinc Yeldan: Turkey and the Long Decade with The IMF: 1998-2008, International Development Economics Associates, (IDEAs), 2008, www.networkideas.org

of the South in another way. It is much better to differentiate between *advanced or industrialized semi-colonies* like for example Argentina, Brazil, Egypt, Turkey, Iran or Thailand on one hand and *poorer or semi-industrialized semi-colonies* like Bolivia, Peru, the Sub-Saharan African countries (except South Africa), Pakistan, Afghanistan, Indonesia etc.

Rejection of Concept of Labour Aristocracy

One of the most important social pillars of monopoly capital in the imperialist countries is the labour aristocracy as the main social basis for reformism and the labour bureaucracy. As we have shown above Lenin, Trotsky and the Communist International were of the opinion that the economic basis of the labour aristocracy is the *super-exploitation* of these oppressed nations by the imperialist monopolies and the *extra profits* which monopoly capital can acquire by this. From these *extra profits* the monopolies are able to bribe the upper, aristocratic sectors of the working class and in particular the labour bureaucracy in the imperialist countries.

This view is however ignored or openly rejected by many centrists. The SWP/IST current openly rejects Lenin's concept. They argue that there is no layer of the working class in the West which profits from the super-exploitation of the semi-colonies. At least they are consistent in this since for the SWP/IST there also exist hardly any super-exploitation nor any semi-colonies. But consistency does not make an argument but produces only a theory which is wrong and out of touch with reality on all accounts. Already in the late 1950 Tony Cliff, the late leader of the forerunner to the SWP, argued that the theory of the labour aristocracy was irrelevant.⁴⁸⁰ Here is how Chris Harman puts their case:

*"Such flows of investment are an indication of where capitalists think profits are to be made, and they suggest that it is overwhelmingly within the advanced countries, and a handful of 'newly industrialising' countries and regions (of which coastal China is now the most important). This means that, whatever may have been the case a century ago, it makes no sense to see the advanced countries as 'parasitic', living off the former colonial world. Nor does it make sense to see workers in the West gaining from 'super-exploitation' in the Third World. Those who run the system do not miss any opportunity to exploit workers anywhere, however poor they are. But the centers of exploitation, as indicated by the FDI figures, are where industry already exists."*⁴⁸¹

The SWP denies the existence of a labor aristocracy: *"In fact neither the export of capital nor the "superprofits" of imperialism play the role they once did... It is arguable that there has been no net capital at all (to the Third World) for long periods in the recent*

⁴⁸⁰ Tony Cliff: Economic Roots of Reformism (London 1957), quoted in Workers Power: The British working class today; in: Permanent Revolution No. 7 (1988), p. 24. Permanent Revolution was the journal of the British section of our predecessor organization, the League for the Revolutionary Communist International.

⁴⁸¹ Chris Harman (SWP): Analysing Imperialism (Summer 2003); in: International Socialism 2:99, pp. 39-40; <http://pubs.socialistreviewindex.org.uk/isj99/harman.htm>

*past....Export of capital plays a vital role in modern capitalism but it is overwhelmingly export from one developed country to another. Its economic significance is entirely different...It cannot account for the "corruption" of "labour aristocracies"...by the crumbs of superprofits."*⁴⁸²

Of course in reality the labor aristocracy is not at all irrelevant. This has been underlined again and again in the past decades. An indication of this is the growing wage inequality inside the working class. The upper strata get an increasingly higher share of the total wage sum while the share of the mass of the proletariat – the low-skilled workers – has widened enormously. Of course the following statistics have to be qualified in the sense that not all wage earners belong to the working class. A minority – and this minority is strongly represented at the upper strata of the wage earners – is part of the wage-earning middle class. However if one takes the top 10 or 20% of the wage earners one can surely assume that they are mostly composed of the wage-earning middle class and the labor aristocracy. We hope to deal with this important issue of the labor aristocracy – an issue which is ignored by most of the centrist left – in the future.

In Table 49 we can see the ratio of the wages of the top 10% of the wage earners have been in relation to the wages of the bottom 10% in the past four decades in a number of OECD countries. We can see that in all countries except France the ratio has risen in favour of the top strata. So in 2008 the upper 10% got between 2.5 to 5 times as much as the bottom 10%. Another OECD statistic confirms that in 16 out of 19 OECD countries *"the earnings of the 10% best-paid workers have risen relative to those of the 10% least-paid workers since the mid-1990s"*.⁴⁸³

In Figure 55 we can see the growing gap between the different income groups in the USA since 1979. One can assume that the uppermost fifth consists mostly of the bourgeoisie and a significant part of the middle class, in the second upper fifth probably the lower middle class and labor aristocracy is dominating while the lower 60% are mostly working class.

Another example of the growing gap between the aristocratic top layers of the working class and the proletarian masses can be seen in the following Figure 56. It shows the massive and increasing gap between the workers with a college, and in particular, a graduate school education and those without. Between 1963 and 2008 the already existing gap increased by 40% and 80% respectively.

Bourgeois economists sometime claim that that the rising inequality exists only for the very lowest wage earners. In our next Figure 57 we show that this is not true. We can see – taking the figures for 10 OECD countries – that the ratio of the wages of the top 10% of the wage earners compared to the wages of the middle 10% increased since 1985.

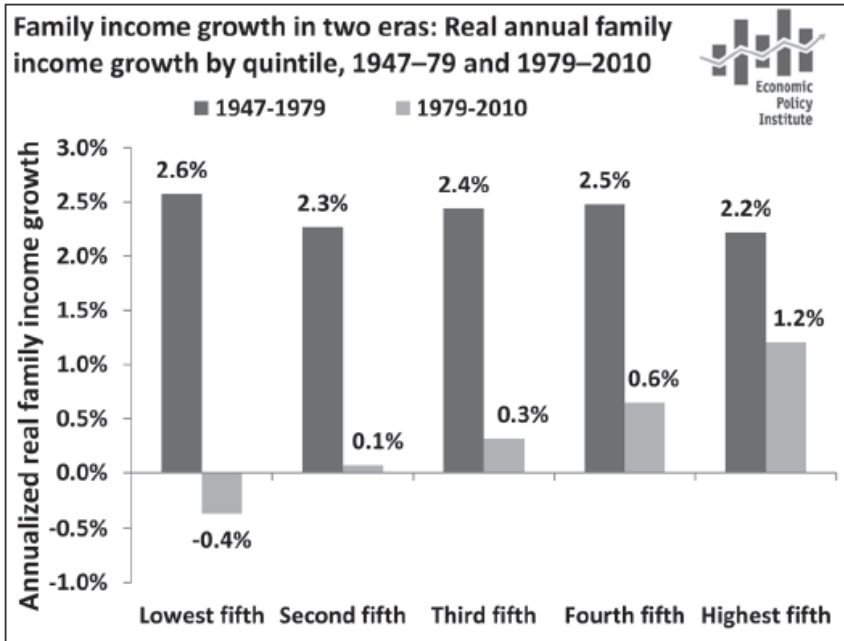
⁴⁸² Socialist Worker 28 April 1979. Quoted in David Yaffe: The labour aristocracy and imperialism (Part 4), in: FRFI 164 December 2001 / January 2002, <http://www.revolutionarycommunist.org/index.php/britain/1138-the-labour-aristocracy-and-imperialism-part-4-frfi-164-dec-2001-jan-2002>

⁴⁸³ OECD: Globalisation, Jobs and Wages (2007), OECD Observer policy Brief, p. 4

Table 49: Wage Inequality: Ratio of Income between the Top 10% and the Bottom 10% of Wage Earners in OECD Countries, 1970-2008 ⁴⁸⁴

Country	1970	1980	1990	2000	2008
Australia	2.4	2.7	2.7	3.1	3.5
Denmark	-	2.1	2.2	2.5	2.7
Finland	-	2.5	2.5	2.4	2.6
France	3.7	3.3	3.3	3.0	2.9
Germany	-	2.5	2.5	2.8	2.9
Japan	2.6	2.6	2.8	2.8	2.9
Netherlands	-	2.3	2.5	2.9	2.9
New Zealand	-	2.2	2.5	2.7	3.1
South Korea	-	4.1	3.2	3.7	4.7
Sweden	2.2	2.1	2.1	2.4	2.4
UK	2.7	2.7	3.3	3.4	3.7
United States	3.4	3.6	4.4	4.8	5.0

Figure 55: Real Annual Family Income Growth by Quintile, 1947-1979 and 1979-2010 ⁴⁸⁵



⁴⁸⁴ Stephen Machin and John Van Reenen: Inequality: Still Higher, But Labour's Policies Kept it Down (2010), p. 4; <http://cep.lse.ac.uk/pubs/download/ea015.pdf>

⁴⁸⁵ Center for Popular Economics: Economics for the 99%, New York 2012, p. 11

Figure 56: Changes in US Male Full-Time Workers Wages according to their different Education Levels, 1963-2008 ⁴⁸⁶

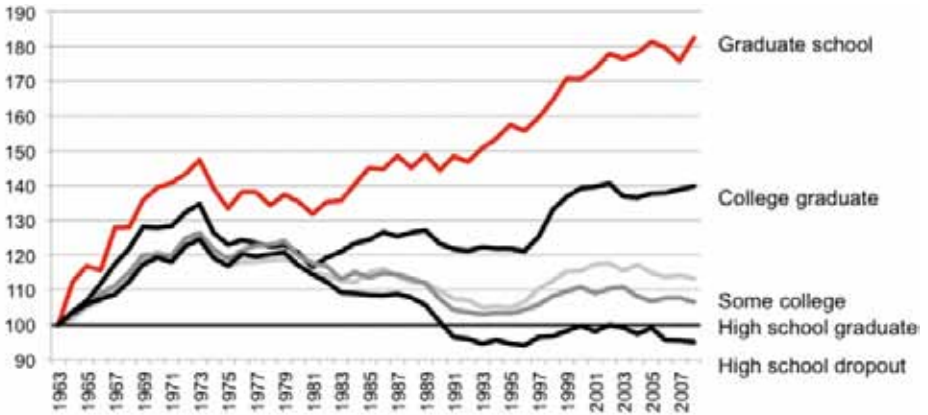
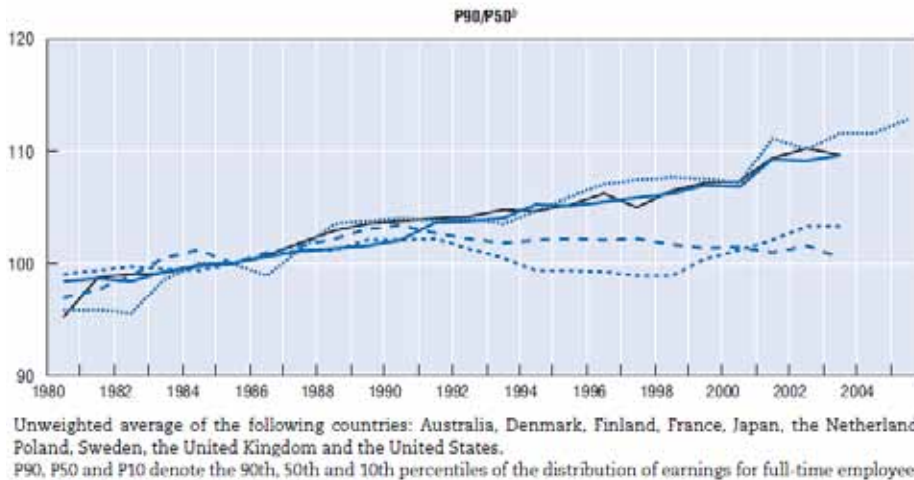


Figure 57: Increase of Wage Inequality in OECD countries, 1980-2005 (Ratio of Income between the top 10% and the middle fifth 10% of Wage Earners, Ratio Of Inequality in year 1985=100) ⁴⁸⁷



⁴⁸⁶ Derek Thompson: The 11 Figures That Allegedly Prove That the West Is Doomed, Aug 7 2012, <http://www.theatlantic.com/business/archive/2012/08/the-11-figures-that-allegedly-prove-that-the-west-is-doomed/260750>

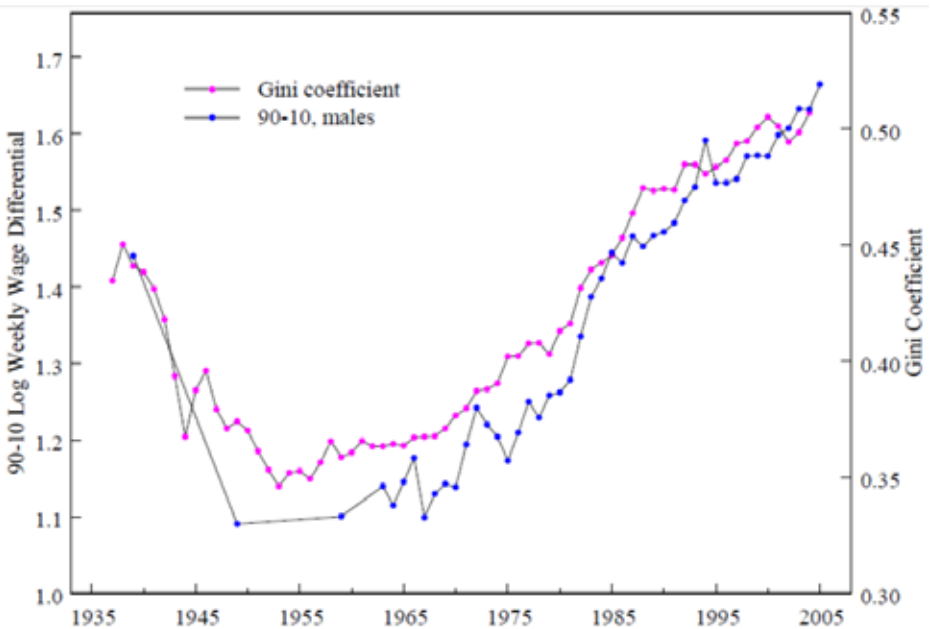
⁴⁸⁷ OECD: Employment Outlook (2007), p. 118

The rising wage inequality and the increasing share of the upper strata of the working class is indeed a historic tendency. Let us take the example of the United States where – after the depression and the war-related social upheavals – there has been a historic trend of such a polarization starting with the beginning of the Long Boom in the early 1950s up to today. Figure 58 demonstrates this by showing the ratio of the male wages of the upper 10% compared with the wages of the bottom 10% since 1935.

The relative privileges of the labor aristocracy and its basis amongst the high-skilled workers has also been confirmed by the findings of an ILO report published in 2011. Analysing the wage developments in the imperialist countries, it comes to the following conclusion:

*“There has also been an important price effect, i.e. the earnings of high-skilled workers have increased significantly relative to earnings of low-skilled workers. In fact, the ratio high-skilled wages to low-skilled wages increased by 72 percentage points.”*⁴⁸⁸

Figure 58: US Male Wage Inequality, 1937-2005 (Ratio of Income between the top 10% and the bottom 10% of Wage Earners)⁴⁸⁹



⁴⁸⁸ ILO: World of Work Report 2011, p. 59

⁴⁸⁹ John Van Reenen: Wage Inequality, Technology and Trade: 21st Century Evidence (2011), Centre for Economic Performance, p. 26

An argument often used by bourgeois (including reformist) economists to justify the rising wage inequality is that those workers whose wages are declining have the problem of insufficient education. Hence their “solution” for the lower strata of the workers to get out of poverty: work harder, spend less time for yourself and spend more time to enhance your education. So they cynically put the responsibility for the increasing poverty away from the capitalists and their system and on the shoulders of the lower strata workers. In doing this they often try to create the impression that this is only a problem for a small minority of the lowest strata of wage earners. In reality – as we show in Tables 50 and 51 – the so-called low-skilled workers constitute on *all* continents (including the imperialist states, the so-called “High-income countries”) the majority amongst all wage earners. According to a World Bank Report from 2007, the low-skilled workers represent 86.9% of the global labor force, 68% in the imperialist countries and 90.4% in the semi-colonial world and emerging imperialist China. Their share is even bigger than figures shown in these tables suggest because – as we have said before – a minority of the wage earners are not part of the working class but of the middle class. We can be pretty sure that there are very few middle class wage earners amongst the low-skilled wage earners mentioned here.

To conclude we can see that a small minority amongst the working class (and the wage-earning middle class) could increase their position compared with the mass of the working class. The monopoly capitalists could bribe them by giving them higher wages because they could increase their extra-profits via the super-exploitation of the semi-colonial world. Of course for this small aristocratic layer life under capitalist imperialism is not so hard. Hence they are an important social basis for the bourgeois system and class collaboration to ensure a certain social and political stability in the imperialist countries. They are also an important social basis for the reformist labour bureaucracy which controls the workers movement. All this demonstrates again how right Lenin was when he warned against the backward influence of the labour bureaucracy and aristocracy:

“Against Liebknecht are the Scheidemanns, the Südekums and the whole gang of despicable lackeys of the Kaiser and the bourgeoisie. They are just as much traitors to socialism as the Gomperses and Victor Bergers, the Hendersons and Webbs, the Renaudels and Vanderveldes. They represent that top section of workers who have been bribed by the bourgeoisie, those whom we Bolsheviks called (applying the name to the Russian Südekums, the Mensheviks) “agents of the bourgeoisie in the working-class movement”, and to whom the best socialists in America gave the magnificently expressive and very fitting title: “labour lieutenants of the capitalist class”. They represent the latest, “modern”, type of socialist treachery, for in all the civilised, advanced countries the bourgeoisie rob—either by colonial oppression or by financially extracting “gain” from formally independent weak countries—they rob a population many times larger than that of “their own” country. This is the economic factor that enables the imperialist

bourgeoisie to obtain superprofits, part of which is used to bribe the top section of the proletariat and convert it into a reformist, opportunist petty bourgeoisie that fears revolution."⁴⁹⁰

Nikolai Bukharin, another Bolshevik theoretician, wrote in his book *'Imperialism and World Economy'* about the enormous possibilities for imperialism to bribe a sector of the working class:

Table 50: Share of low-skilled Workers, 1995 (in % of Total Labor Supply)⁴⁹¹

<i>Region</i>	<i>1995</i>
OECD	63.9%
Eastern Europe & ex-USSR	63.9%
Latin America	82.5%
Asia	85.2%
Global	81.2%

Table 51: Unskilled and Skilled Workers, 2001 (in Millions)⁴⁹²

<i>World region</i>	<i>All</i>	<i>Unskilled</i>	<i>Skilled</i>
World total	3.077	2.674	403
High-income countries	481	327	154
Developing countries	2.596	2.347	249
East Asia & the Pacific	1.060	988	71
China	773	740	33
South Asia	632	589	42
India	473	441	32
Europe & Central Asia	236	195	41
Middle East & North Africa	119	87	32
Sub-Saharan Africa	313	293	20
Latin America & the Caribbean	236	194	42

⁴⁹⁰ V. I. Lenin: Letter to the Workers of Europe and America (1919); in: LCW 28, p. 433

⁴⁹¹ Arjan M. Lejour and Paul J.G. Tang: Globalisation and wage inequality (1999), CPB Netherlands Bureau of Economic policy Analysis, p. 21; <https://www.gtap.agecon.purdue.edu/resources/download/1260.pdf>. According to the authors, workers are labeled as high-skill when they have completed at least secondary education.

⁴⁹² World Bank: Global Economic Prospects 2007. Managing the Next Wave of Globalization, p. 110

*“From this angle we must first of all view the colonial policy of the imperialist states. There is an opinion current among many moderate internationalists to the effect that the colonial policy brings nothing but harm to the working class and that therefore it must be rejected. Hence the natural desire to prove that colonies yield no profit at all, that they represent a liability even from the point of view of the bourgeoisie, etc. Such a point of view is being propounded, for instance, by Kautsky. The theory unfortunately suffers from one shortcoming, namely, it is out and out incorrect. The colonial policy yields a colossal income to the great powers, i.e., to their ruling classes, to the ‘state capitalist trust.’ This is why the bourgeoisie pursues a colonial policy. This being the case, there is a possibility for raising the workers’ wages at the expense of the exploited colonial savages and conquered peoples. Such are exactly the results of the great powers’ colonial policy. The bill for this policy is paid, not by the continental workers, and not by the workers of England, but by the little peoples of the colonies. It is in the colonies that all the blood and the filth, all the horror and the shame of capitalism, all the cynicism, greed and bestiality of modern democracy are concentrated. The European workers, considered from the point of view of the moment, are the winners, because they receive increments to their wages due to ‘industrial prosperity.’”*⁴⁹³

Bukharin touches here an important issue: Should we say that the monopoly capitalists bribe the labor aristocracy or that they bribe the whole working class in the imperialist countries? We want to deal briefly with this issue because there are various left-wing strands – particularly Maoists (like the former *Maoist Internationalist Movement* in the USA) – who believe that the whole white working class in the USA is bribed by imperialism.⁴⁹⁴

Of course one has to take into account that Bukharin wrote these lines when the Bolsheviks just began to develop their theory of imperialism – in fact his book was the very first contribution, to which Lenin wrote the preface and which certainly influenced him. However, we think that Lenin was much clearer and more correct to stress that monopoly capitalists bribe the aristocratic upper stratum of the proletariat and not the whole working class.

Does this mean that the mass of the workers in the imperialist countries do not profit at all from the super-exploitation of the semi-colonial world? No, this would be a wrong and superficial conclusion. *To a certain degree* the mass of the workers in the imperialist countries gain, for example from the import of cheap consumer commodities like clothes, television or mobile telephones. This was not the first time in capitalism’s history. For example, as a result of

⁴⁹³ Nikolai Bukharin: *Imperialismus und Weltwirtschaft* (1915), Wien 1929, p. 185; in English: Nikolai Bukharin: *Imperialism and World Economy* (1915), London, Martin Lawrence Limited, pp. 164-165

⁴⁹⁴ See for example the following publications of the Maoist Internationalist Movement (MIM): *Coming to grips with the Labor Aristocracy*, in: MIM THEORY No. 10 (1996); MIM: *Imperialism and Its Class Structure* in 1997 (1997). While we strongly disagree with the ultra-left line and conclusions expressed in these documents, one cannot fail to remark that the attempt of these Maoist comrades to analyze the relationship of the proletariat and imperialism is certainly more serious than many writings of so-called Trotskyists who prefer to simply ignore the question of the labor aristocracy.

its world hegemonic role as a colonial power British capitalism enjoyed price deflation in the last quarter of the 19th century. Theodore Rothstein – a Russian-Jewish publicist living in Britain who was a supporter of the Bolsheviks and a leader of the left wing of the British Socialist Party – elaborated in his book on the history of the workers movement in Britain the important role of price deflation in strengthening reformism and the politics of class collaborationism in the working class and hence the labor bureaucracy.⁴⁹⁵

But this must be qualified against the disadvantages of capitalist globalization for the mass of the workers in the imperialist countries. The outsourcing of production, the depression of wages because of the international trade and migration etc. – all this is to the disadvantage of the lower and middle strata of the proletariat in the imperialist countries. This has to be acknowledged sometimes even by the bourgeois economists. The OECD for example admitted – of course in cautious and algebraic words necessary for intellectuals paid by the bourgeoisie:

*“Trade theory suggests that growing trade with developing countries could have played a role in causing earnings inequality to rise in OECD countries, by depressing the wages of low-skill workers. Although it is very difficult to single out the effect of trade, the data suggest that globalisation through increased offshoring has contributed to shifting labour demand away from less skilled workers and hence to rising earnings inequality”*⁴⁹⁶

For us in the RCIT it is clear that while the labor aristocracy has some short-term (but not fundamental, historic) interests in keeping capitalism, this is not the case for the mass of the workers in the old imperialist countries. They have no interest whatsoever in defending the capitalist system. Their interest is to join the big majority of the world proletariat which is living in the semi-colonial and emerging imperialist countries and to fight together for the permanent revolution to build world –wide socialism.

LFI: A formal Defense of Lenin’s Theory which disembowels its revolutionary Content

Another revisionist deviation of the Leninist theory of the Labor Aristocracy has been undertaken by the *League for the Fifth International* (LFI) when it degenerated from authentic Marxism to centrism in the early 2010s. While it still upholds the position of the existence of a Labor Aristocracy, its leaders downplay or even refuse the fact that it is bribed by monopoly capital. Instead the comrades reduce the Labor Aristocracy’s essence to its higher wages. This is supposedly not the result of the corrupting efforts by the bourgeoisie but rather the result of the high level of organization and militant class struggle of the

⁴⁹⁵ See Theodore Rothstein: Beiträge zur Geschichte der Arbeiterbewegung in England, Wien 1929, Chapter “Die Periode des Trade Unionismus“

⁴⁹⁶ OECD: Globalisation, Jobs and Wages (2007), OECD Observer policy Brief, p. 4

Labor Aristocracy. Related to this, the LFI leaders overestimate the size of the Labor Aristocracy and tend to view them as a key sector for the class struggle. Their mode of thinking is a weak copy of the arguments which Eric Hobsbawm – an excellent historian but a revisionist Stalinist in the field of politics – put forward in 1970 in his article “*Lenin and the “Aristocracy of Labor”*”.⁴⁹⁷

This understanding is reflected in the last issue of the LFI’s theoretical journal (published in summer 2010) in which it dealt with the question of Labor Aristocracy. It is telling that the bribery by the capitalists is not mentioned at all. The article argues that the high wages of the labour aristocracy are only a product of their better union organisation and militant strength. We don’t deny that this can play a role too but this is neither the cause of the existence of the labour aristocracy nor the main reason for their privileges. As a result the article does not mention the narrow, short-term and petty-bourgeois interests of the labour aristocracy. So the LFI reduces Lenin’s concept of the labour aristocracy to a simple description of the social stratification inside the proletariat: “*At the core of the concept of the ‘labour aristocracy’, as used by Lenin, then, is the simple idea that the working class is socially differentiated and stratified economically.*”⁴⁹⁸

The LFI’s new theory of the Labour Aristocracy is wrong in principle but it is particularly wrong given the actual development of the world proletariat. In fact it runs in complete contradiction to the real development and re-composition of the proletariat. First, after the crisis-ridden development of capitalism in the decades since the 1970’s and the numerous attacks of the bourgeoisie under the pre-text of neo-liberalism, the Labour Aristocracy has shrunk in size. Of course it still exists and new labour aristocratic layers have emerged (e.g. in the IT industry). But the general course of development in the period of capitalist decline is not one of a rising importance of the Labour Aristocracy but one of shrinking importance.

Secondly, as we have also shown in this book, an essential feature of the development of the world proletariat is that it is shifting more and more towards the South and the East, i.e. to the semi-colonial world and relatively poorer, new emerging imperialist powers like China. (See the various tables in the sub-chapter “*Capitalist value production and the working class move to the South*” in Chapter 4). Today only 16.5% of all industrial workers live in the rich imperialist countries while 83.5% of them work in the semi-colonial and poorer emerging imperialist countries like China. All in all one can see that today roughly $\frac{3}{4}$ of the world proletariat live in the semi-colonial and poorer emerging imperialist countries like China. This is an additional factor which shows the globally declining economic weight of the Labour Aristocracy in the

⁴⁹⁷ See Eric Hobsbawm: *Lenin and the “Aristocracy of Labor”* (1970), republished in *Monthly Review* 2012, Volume 64, Issue 07 (December), <http://monthlyreview.org/2012/12/01/lenin-and-the-aristocracy-of-labor>

⁴⁹⁸ Luke Cooper, “*Theories of late capitalist development: Harvey and Callinicos on contemporary imperialism*”, in: *Fifth International* Volume 3 Issue 4, Autumn 2010, p. 21, <http://www.fifthinternational.org/content/theories-late-capitalist-development-harvey-and-callinicos-contemporary-imperialism>

imperialist metropolises.

However at the same time, the Labor Aristocracy – together with the progressive petty-bourgeois intelligentsia – retains a strong influence inside the workers movement and the left in the West through its dominance at the top of the trade unions and reformist parties. This is also reflected by what we label as “*aristocratism*”, i.e. the various backward prejudices of the labour aristocracy and the progressive intelligentsia which finds its way in the politics and the whole political culture of the workers movement in the West. This leads to the marginalization of the oppressed and the lower strata of the working class from the workers movement. It leads to the ignorance of important issues and struggles of these layers by the workers movement in the imperialist countries. (e.g. the anti-imperialist struggles in the South or the migrants struggle for democratic rights). A practical example of this *Aristocratism* was the shameful ignorance or even condemnation by the centrist left of the August Uprising of the Poor, Black and Migrants in Britain in 2011 after the racist police shot Mark Duggan.⁴⁹⁹

The continuing dominance of *Aristocratism* helps the labor bureaucracy to keep its control over the workers movement. As we stated in our program, the problem of *Aristocratism* therefore must be tackled in order to successfully fight against the reformist bureaucrats control over the workers movement:

*“Hence we see the growing central importance of the lower and middle strata of the proletariat (including many immigrants, national minorities, women, youth) for advancing the class struggle and the renewal of the labour movement. (...) It follows that the struggle for political and organisational independence of the working class focuses particularly on the broad mass of the working class – i.e. its lower and middle classes.”*⁵⁰⁰

Usually such an opportunistically overstatement of the progressive character of the labour aristocracy is combined with an underestimation of the importance of the middle and lower strata of the working class and of the national oppressed layers. To use again the LFI as a left-centrist example for this *Aristocratism*, it can lead to a denial of the systematic nature of national oppression and economic

⁴⁹⁹ Our analysis, perspectives and tactics of the August Uprising in Britain 2011 have been published in our journal Revolutionary Communism No. 1, pp. 17-41 (September 2011). They can also be read on our website. See: Nina Gunić and Michael Pröbsting: *The strategic task: From the uprising to the revolution! These are not “riots” – this is an uprising of the poor in the cities of Britain!*, <http://www.thecommunists.net/worldwide/europe/britain-uprising-of-the-poor>; RKOB: *The August Uprising in Britain - A Report of the RKOB delegation on its visit in London in August 2011*, <http://www.thecommunists.net/worldwide/europe/britain-report-from-uprising>; Michael Pröbsting: *What would a revolutionary organisation have done? August uprising of the poor, the nationally and racially oppressed in Britain*, <http://www.thecommunists.net/worldwide/europe/britain-august-uprising/>; Michael Pröbsting: *Five days that shook Britain but didn't wake up the left. The bankruptcy of the left during the August uprising of the oppressed in Britain: Its features, its roots and the way forward*, <http://www.thecommunists.net/theory/britain-left-and-the-uprising/>

⁵⁰⁰ Revolutionary Communist International Tendency (RCIT): *The Revolutionary Communist Manifesto*, published in 2012, p. 30; online on the RCIT website at www.thecommunists.net/rcit-manifesto

super-exploitation of the migrants in the imperialist countries. This is why the LFI denies the nature of migrants as “*oppressed national minorities*” – in opposite to leading Marxists like James P. Cannon, the historic leader of the US Trotskyists, who said that “*foreign-language immigrant workers occupy the position of a national minority*”⁵⁰¹. This is why the LFI rejects our analyses of migrants in imperialist countries as “*in their huge majority nationally oppressed and super-exploited layers of the working class.*” At the same time they tend to welcome assimilation of migrants into the majority nation as progressive.

A much more reactionary conclusion from a wrong understanding of the questions of the labor aristocracy and the character of the migrant’s oppression was the shameful support of many British left-reformists and centrists – like the Stalinist CPB, the CWI, IMT etc. – for the chauvinist strike “*British Jobs for British Workers*” in 2009. At that time British workers at the Lindsey Oil Refinery wanted to stop the hiring of migrant workers – a social-chauvinist campaign which Marxist revolutionaries correctly condemned sharply.⁵⁰²

These centrists ignore the fundamental idea of Marxism that the consistent struggle against chauvinism is of highest importance for the liberation of the working class of the oppressor nation. As long as the working class of the oppressor nation is full of chauvinist prejudices against its class brothers and sisters of an oppressed nation, it is ideologically bound to its ruling class. That’s why Friedrich Engels made his famous statement:

“*A nation cannot become free and at the same time continue to oppress other nations.*”⁵⁰³

We in the RCIT on the other hand emphasize the inherent character of national oppression and super-exploitation to the migrants in the imperialist countries. We stress that, to produce the greatest possible unity of the multinational working class, the workers’ movement must consistently fight against all forms of national oppression and super-exploitation of the migrants as well as against racist prejudices. By this they can undermine the ground for nationalist isolation trends, promoted by (petty) bourgeois leaders of the migrant communities. The Bolsheviks-Communists advocate therefore the complete equality of all national groups in a country. This means full citizenship rights, equal wages, equal treatment of languages of migrants in schools and all public institutions, local self-government of areas with a high proportion of migrants etc.

⁵⁰¹ James P. Cannon: The History of American Trotskyism (1942), New York 1972, p. 7

⁵⁰² For our position on these reactionary strikes we refer to the resolution of the statement of the at that time still revolutionary organisation Workers Power: No to the nationalist strikes, 1st February 2009, <http://www.workerspower.com/index.php?id=47,1821,0,0,1,0> and an article which Michael Pröbsting wrote in German-language: Einleitung der Liga der Sozialistischen Revolution zur Stellungnahme Britannien: Nein zu den nationalistischen Streiks!, 5.2.2009, <http://arbeiterinnenstandpunkt.net/phpwcms/index.php?id=25,579,0,0,1,0>

⁵⁰³ Friedrich Engels: Reden über Polen (1847); in: MEW 4, p. 417; in English: Friedrich Engels: Speech on Poland (1847), Speeches at the International Meeting held in London on November 29, 1847 to mark the 17th Anniversary of the Polish Uprising of 1830, <http://www.marxists.org/archive/marx/works/1847/12/09.htm#engels>

Our goal is *revolutionary integration*, not “assimilation”. Revolutionary integration means the establishment of the international unity of the working class of all countries and the internationalist unity of the multinational working class in each country. This unity can never be achieved by pressure and force, but solely on the basis of voluntariness and equality.

Such a unity can only be achieved in common class struggle, through the common class struggle, and through the joint revolutionary organization. The RCIT therefore calls for a revolutionary movement of the migrants as part of the 5th Workers International and for the right of caucus for migrants in the unions and the organizations of the workers’ movement! A revolutionary organization which wants to build a revolutionary party – i.e. a party that has the goal to free the working class and all oppressed – should be led and dominated in its composition by workers, women, migrants, oppressed nations, etc.⁵⁰⁴

The centrists fail to see the close connection between imperialism and the divisions inside the proletariat between the labor aristocracy and the lower and middle strata – amongst whom the migrants play a major role. Hence the indispensable necessity to fight against all forms of “aristocratism” inside the workers movement and in favour of complete internationalist solidarity with the liberation struggles of the oppressed peoples. It is in this spirit that Lenin stated:

*“The important thing is not whether one-fiftieth or one-hundredth of the small nations are liberated before the socialist revolution, but the fact that in the epoch of imperialism, owing to objective causes, the proletariat has been split into two international camps, one of which has been corrupted by the crumbs that fall from the table of the dominant-nation bourgeoisie—obtained, among other things, from the double or triple exploitation of small nations—while the other cannot liberate itself without liberating the small nations, without educating the masses in an anti-chauvinist, i.e., anti-annexationist, i.e., “selfdeterminationist”, spirit.”*⁵⁰⁵

⁵⁰⁴ See on this Michael Pröbsting: *Marxismus, Migration und revolutionäre Integration* (2010); in: *Der Weg des Revolutionären Kommunismus*, Nr. 7, <http://www.thecommunists.net/publications/werk-7>; in English: Michael Pröbsting: *Marxism, Migration and revolutionary Integration*, in: *Revolutionary Communism*, No. 1 (English-language Journal of the RCIT), <http://www.thecommunists.net/oppressed/revolutionary-integration/>; RCIT: *The Revolutionary Communist Manifesto* (2012), p. 51, <http://www.thecommunists.net/rcit-manifesto/fight-against-oppression-of-migrants>

⁵⁰⁵ V. I. Lenin: *The Discussion on Self-Determination Summed Up* (1916) ; in: *LCW Vol. 22*, p. 343