

The New Imperialism of Globalized Monopoly-Finance Capital

By John Bellamy
Foster

It is now a universal belief on the left that the world has entered a new imperialist phase. ¹ That imperialism should evolve and take on novel forms is of course not surprising from a historical materialist perspective. Imperialism, like capitalism itself, is characterized by a constant process of change, passing through more or less concretely defined epochs. Already in the 1890s, when an intense debate over imperialism was taking place in England, the contemporary historical reality was commonly referred to as “the new imperialism,” to distinguish it from the earlier colonialist phase of the British Empire. ² It was the attempt to account for this new imperialism of 1875–1914 that inspired the early Marxian contributions to imperialism theory in the work of V.I. Lenin, Nikolai Bukharin, and Rosa Luxemburg (and, less successfully, Rudolf Hilferding and Karl Kautsky), introducing a set of propositions that were later modified by the dependency tradition.

In the current phase of capitalism-imperialism, it is clear that these classical theories are no longer directly applicable. Nevertheless, it is the morphology of imperialism as depicted in these early pioneering accounts that provides the indispensable key to present-day evolutionary forms. As Atilio Boron put it in 2005 in *Empire and Imperialism*, “the fundamental parameters of imperialism” delineated in the classical works remain central, even though the “phenomenology” of imperialism has changed. ³

The challenge for Marxian theories of the imperialist world system in our times is to capture the full depth and breadth of the classical accounts, while also addressing the historical specificity of the current global economy. It will be argued in this introduction (in line with the present issue as a whole) that what is widely referred to as neoliberal globalization in the twenty-first century is in fact a historical product of the shift to global monopoly-finance capital or what Samir Amin calls the imperialism of “generalized-monopoly capitalism.” ⁴ In the twenty-first century imperialism is thus taking on a new, more developed phase related to the globalization of production and finance. All of this, moreover, is occurring in the context of what top U.S. foreign policy strategists are calling a “New Thirty Years’ War” unleashed by Washington for strategic control of the Middle East and the surrounding regions: a new naked imperialism. ⁵

The Classical Marxian Analyses of Imperialism and Dependency

Raising the question of today’s imperialist world system requires that we briefly examine the legacy in this area of such Marxian theorists as Lenin, Bukharin, and Luxemburg—along with the later dependency/world-system tradition. ⁶ The classical analyses of the “new imperialism” of 1875–1914 were all deeply historical in character, concerned with what they saw as the distinguishing features of capitalism in the last quarter of the nineteenth century and the opening years of the twentieth century. A sense of the dialectical complexity of the interpretations of imperialism advanced by Lenin, Bukharin, and Luxemburg can be seen by looking at the constellation of categories they employed (allowing for considerable variation among these thinkers), including: (1) monopoly capital/finance capital; (2) surplus monopoly profits; (3) the international division of labor and internationalization of capital; (4) the division of the world among the great powers; (5) nation-states as promoters of the global interests of their monopolistic firms; (6) inter-capitalist competition; (7) currency and trade wars; (8) colonies, neo-colonies, and dependencies; (9) economic crisis and imperialist expansion; (10) export of capital; (11) the search for new markets; (12) the struggle to control key raw materials; (13) integration of non-capitalist areas; (14) international wage inequality; (15) labor aristocracy in the imperialist core; (16) militarism and war; and (17) international hegemony.

Naturally, the classical theorists differed considerably in their respective emphases. The theory of imperialism presented in Luxemburg’s *The Accumulation of Capital*, as distinct from Lenin’s *Imperialism, the Highest Stage of Capitalism* and Bukharin’s *Imperialism and the World Economy*, was based on a specific theory of economic crisis. The problem of the realization of surplus value and the relation of this to the incorporation of rapidly disappearing non-capitalist areas were thus central to Luxemburg’s analysis, but not Lenin’s and Bukharin’s. Lenin

and Bukharin placed heavy emphasis on the growth of monopoly capitalism, which was largely missing in Luxemburg's account. Bukharin's approach was distinguished by its focus on what he termed "the international division of labor" and the "internationalisation of capital." It was Bukharin who, going back to Marx, highlighted the surplus profits of monopoly capitalist firms derived from the much higher rate of exploitation of cheap labor in the periphery.⁷

The most influential of the classical theories of imperialism was that of Lenin, who contended that "imperialism, in its briefest possible definition is the monopoly stage of capitalism," thereby tying the new phase of imperialism in his day to changes in the accumulation process. Prefiguring many of the concerns of our own day, Lenin stated in his "Introduction" to Bukharin's *Imperialism and the World Economy*:

At the stage that was reached approximately at the end of the nineteenth and the beginning of the twentieth centuries, commodity exchange had created such an...internationalisation of capital, accompanied by such a vast increase in large-scale production, that free competition began to be replaced by monopoly. The prevailing types were no longer enterprises freely competing inside the country and through intercourse between countries, but monopoly alliances of entrepreneurs, trusts. The typical ruler of the world became finance capital, a power that is peculiarly mobile and flexible, peculiarly intertwined at home and internationally, peculiarly devoid of individuality and divorced from the immediate processes of production, peculiarly easy to concentrate, a power that has already made peculiarly long strides on the road to concentration, so that literally several hundred billionaires and millionaires hold in their hands the fate of the whole world.⁸

These classical analyses of imperialism were responses to a period of international instability, marked by the decline of Britain as the hegemonic power in the world economy and the rise of competing nations, particularly Germany and the United States, leading in the ensuing struggles to the First and Second World Wars. Lenin's theory was erected specifically on the hypothesis of the uneven development of monopoly capitalism and the rivalry of the various world powers for geopolitical "hegemony, i.e., for the conquest of [or ascendancy over] territory, not so much directly for themselves as to weaken the adversary and undermine his hegemony. (Belgium is chiefly necessary for Germany as a base for operations against England; England needs Bagdad as a base for operations against Germany, etc.)."⁹ In this view, individual countries, while remaining independent, were seen as subordinated to the great powers, functioning as intermediate actors within the larger empires.

For Lenin the struggle for hegemony over parts of the world economy was a historical product of the conflict between nation-states over the political, and even more importantly, economic partition of the globe—urged on by their respective monopolistic corporations. He therefore rejected on historical grounds Kautsky's abstract thesis of what he called the "next phase" of imperialism or "ultra-imperialism," which pointed to the development of a general world cartel, and thus a coming together of the great industrial powers for the common exploitation of the agrarian sectors of the globe. As Kautsky put it, this took the form of "the translation of cartelization into foreign-policy: a phase of *ultra-imperialism*."¹⁰ "Can one...deny," Lenin asked in response, "that in the abstract a new phase of capitalism to follow imperialism, namely, a phase of ultra-imperialism is 'thinkable'? No." Yet, to base socialist theory and practice on such abstract, distant prospects when the world was beset with "contradictions, conflicts, and convulsions—not only economical, but also political, national, etc."—was, for Lenin, the height of social-reformist "opportunism."¹¹

Here it is worth noting that the mere fact that Lenin's work has come down to us with the title *Imperialism, the Highest Stage of Capitalism*, has led generations of critics to assert that imperialism in Lenin's conception (1) did not extend to all stages of capitalism, and (2) that it was the end point of capitalist development. Nevertheless, both of these common interpretations, based primarily on the title to his work, are misguided. Lenin did not deny that imperialism could logically evolve into a new phase, such as Kautsky's "ultra-imperialism." The historical reality of the day, however, pointed to a moribund capitalism, subject to economic crises, world wars, and political revolutions, which he believed could well lead to the triumph of socialism, altering the nature of the global equation. This assessment proved extraordinarily prescient in its conception of the Great Crisis of capitalism in the first half of the twentieth century, associated with the decline of British hegemony, and punctuated by the two world wars, the Great Depression, and the Russian and Chinese Revolutions. Nor did Lenin deny the existence of earlier analogous forms of what he called the imperialist stage. In placing emphasis on imperialism as a stage his intention was not to question the presence of colonialism/imperialism throughout the history of capitalism, but

rather to oppose those, like the British anti-imperialist John Hobson and other liberal critics, who saw imperialism “as a deliberately chosen line of public policy” that could be picked up at one moment and discarded at another. As for the new imperialism of 1875–1914 constituting the “highest stage” of capitalism, it should be recalled that the original title of Lenin’s pamphlet when it was published in 1917, was *Imperialism, the Newest Stage of Capitalism*.¹²

The broad dependency tradition—associated with such propositions as the development of underdevelopment, the extraction of economic surplus from the periphery, and the need for revolution and the delinking (in some sense) from the capitalist world economy—emerged soon after the First World War out of the broad framework provided by Lenin’s theory of imperialism. In 1919 Lenin referred in his “Address to the All-Russia Congress of Communist Organizations of the East” to the global struggle between “all dependent countries” and “international imperialism.” But the real foundations of the broad dependency perspective were first introduced within the Comintern, in its Second Congress in 1920, which included representatives from the periphery (particularly Asia). It was on this occasion that Lenin presented his “Draft Theses on the National and Colonial Questions,” to which the Comintern appended its “Supplementary Theses” on imperialism and underdevelopment.¹³ According to the “Supplementary Theses,”

Super-profit gained in the colonies is the mainstay of modern capitalism.... Foreign imperialism, imposed on the eastern peoples, prevented them from developing socially and economically side by side with their fellows in Europe and America. Owing to the imperialist policy of preventing industrial development in the colonies, a proletarian class, in the strict sense of the word, could not come into existence here [in the periphery and semi-periphery] until recently. The indigenous craft industries were destroyed to make room for the products of the centralized industries in the imperialistic countries—consequently a majority of the population was driven to the land to produce food grains and raw materials for export to foreign lands.... Foreign domination has obstructed the free development of the social forces, therefore its overthrow is the first step towards a revolution in the colonies.¹⁴

This theoretical perspective was later expanded upon by Mao Zedong in China in 1926, and in the Sixth Comintern Congress in 1928, which declared—as summarized by the Research Unit for Political Economy—that “colonial forms of capitalist exploitation transfer surplus value to the metropolis and hinder the development of productive forces.”¹⁵

Similar Third Worldist views were developed after the Second World War at the famous Bandung Conference of 1955, in Paul Baran’s *The Political Economy of Growth* (1957), and in the 1957 dissertation (later to be published as *Accumulation on a World Scale*) of Samir Amin, then a young Egyptian scholar studying in France. Dependency theory became closely identified with the Latin American left in the 1960s and ’70s, where there was already a long history of such analysis (notably the work of José Carlos Mariátegui in the 1920s), and where it was heavily influenced by the Cuban Revolution and the ideas of Che Guevara—as well as Andre Gunder Frank’s *Capitalism and Underdevelopment in Latin America* (1967). Hence, the dependency perspective can be seen as having developed in all three continents of the global South, building on Lenin’s early conceptions. It was a complex historical product of the classical Marxian theory of imperialism, the early Comintern, the launching of the Third World movement in Bandung, and the Chinese and Cuban Revolutions.¹⁶

Late-twentieth-century imperialism theory, associated primarily with the dependency perspective, pointed to the need for social revolution and the delinking, as Che put it, from the imperialist “law of value” imposed by “monopoly capital” with its system of “unequal exchange.”¹⁷ The entire analysis was organically connected to the successive waves of revolution in the periphery.¹⁸ Although the dependency perspective was occasionally presented in an oversimplified, mechanical, reductionist form, the historical reality of dependent development in the periphery was an undeniable fact. As Amin stressed, in the third world economies, disarticulated by centuries of imperialist penetration, enormous barriers had been erected to self-reliant or autocentric economic development.¹⁹ As a result, the countries of the global South were generally caught in a continuing state of development of underdevelopment. Many of these propositions were later taken up by Immanuel Wallerstein and the early world-system theorists, as dependency theory evolved into a more globally integrated frame of analysis in the late 1970s and ’80s.²⁰

The analysis of imperialism in this period focused in large part on the emergence of the giant multinational corporation, as explored in 1966 by Paul Baran and Paul Sweezy's *Monopoly Capital*. Examining data on foreign investments by U.S. firms between 1950 and 1963, Baran and Sweezy indicated that the *net outflow* of foreign direct investment from the United States was exceeded by the *inflow* of direct investment income (excluding management fees, royalties, and other kinds of hidden remittances) by \$12 billion. At the same time multinational corporations increased their foreign holdings (through reinvestment, borrowing from foreign banks, etc.) by \$29 billion. Much of this return flow came from higher returns obtained in the periphery where surplus monopoly profits could be obtained, even though U.S. foreign direct investment as a whole was primarily located in the developed world. As Baran and Sweezy observed: "One can only conclude that foreign investment, far from being an outlet for domestically generated surplus, is a most efficient device for transferring surplus generated abroad to the investing country."²¹ These empirical results were further developed in 1969, in Harry Magdoff's pathbreaking *The Age of Imperialism*, which showed that the return flow from U.S. foreign direct investments in the periphery was on the order of three times the foreign outlay.²²

The hegemonic role of the United States as a military and imperial power, Baran and Sweezy explained, was evident in its 275 major base complexes in thirty-one countries, encompassing 1,400 foreign military bases in all, operated and enforced by nearly a million troops. These bases served two purposes: (1) the projection of U.S. power and expansion of its empire, including that of its corporations and its main allies, and (2) the destabilizing of those countries linked to the Soviet Union and China. They also provided the launching pads for an endless stream of military interventions (both overt and covert), throughout the global South and in parts of Europe, including major regional wars as in Korea and Vietnam.²³

Magdoff was subsequently to play a key role, in his 1978 *Imperialism: From the Colonial Age to the Present*, in uniting the various strands of classical imperialism theory—bringing together within a single historical system the early Marxian contributions, dependency analysis, the critique of U.S. hegemony and militarism, and the investigation of multinational corporations.²⁴

Although inter-capitalist rivalry among the leading Western economies was submerged to a considerable extent in the post-Second World War period, most classical-Marxian imperialism theorists argued that the historical conditions of global capitalism were subject to change, with new fissures continually appearing, due to uneven development. In 1992, in *Globalization: To What End?*, Magdoff cautioned that:

Centrifugal and centripetal forces have always coexisted at the very core of the capitalist process, with sometimes one and sometimes the other predominating. As a result, periods of peace and harmony have alternated with periods of discord and violence. Generally the mechanism of this alternation involves both economic and military forms of struggle, with the strongest power emerging victorious and enforcing acquiescence on the losers. But uneven development soon takes over, and a period of renewed struggle for hegemony emerges.²⁵

The Left and the Emperor's New Clothes

The spectacular successes of the Marxian theory of imperialism in the twentieth century could be seen in its ability to grasp and synthesize such phenomena as: (1) the role of monopoly capital; (2) inter-capitalist competition leading up to the two world wars; (3) international hegemony as a stabilizing/destabilizing force; (4) the blocking of economic development in much of the global South; (5) the siphoning off of economic surplus from the periphery; (6) recurring military interventions; (7) the emergence of a labor aristocracy in the center of the system; (8) the rise of comprador elements allied with foreign capital in underdeveloped countries; and (9) global revolutionary waves in the periphery.

However, in the last few decades many of these phenomena have seemingly receded or taken on new forms. Inter-capitalist competition often seems a thing of the past in the new globalized, "transnational" reality. A handful of emerging economies are demonstrating that rapid economic development within the global South, even catching up to some degree with the North, is possible, at least for a time—though seldom taking the form of truly self-reliant or autocentric development based on internal markets. Military interventions by the United States and its allies, masquerading as a community of nations, are often now (mistakenly) seen as manifestations of globalization, anti-terrorism, and humanitarianism. Revolutions aimed at delinking from the imperialist world system no longer appear feasible, following the demise of the Soviet-type societies and China's reintegration into

the world market. The U.S. colossus is reasserting itself politically, economically, and militarily on the world stage, taking the lead in forging a new neoliberal world order—raising questions about the previously heralded decline of U.S. hegemony. The result of all of this has been to throw doubt on the inherited framework of the classical Marxian theory of imperialism. This has given rise in recent years to a whole set of grand substitutions for the classical theory, such as postmodern Empire, super-imperialism, transnational capitalism, and neoliberal “new imperialism” versus “New Deal imperialism.”

Michael Hardt and Antonio Negri’s *Empire* advances the postmodern thesis that imperialism has been replaced by an amorphous new entity, dubbed “Empire.” In their words, “*The United States does not, and indeed no nation-state can today, form the center of an imperialist project.* Imperialism is over. No nation will be world leader in the way modern European nations were.” This view does not keep them from pointing to the continuing significance of Washington’s role since the United States is said to be the only power able to manage international justice. But it does so, we are told, “not as a function of its own national motives but in the name of global right.” Empire is depicted as an imperial sea without definite boundaries, a stateless sovereignty propelled by neoliberal globalization and U.S. constitutionalism writ large. It is devoid of centralization and occupies a “non-place,” while still conforming in some sense to a capitalist logic.

“*Imperialism*,” Hardt and Negri boldly contend, “*would have been the death of capital had it not been overcome.* The full realization of the world market is necessarily the end of imperialism.” In effect, the world has been reshaped in the image of the United States. Hardt and Negri’s analysis thus takes on a distinctively postmodern formlessness, in which even the U.S. nation-state is subordinated to the “deterritorialized” processes of globalization, the expansion of the U.S. Constitution “on an unbounded terrain,” and unrestricted free markets. This amorphous Empire has its postmodern dialectical counterpart in an equally amorphous Multitude engaged in an uncertain quest for a nebulous Commonwealth.²⁶

“Super-imperialism” was first outlined as a scenario by Ernest Mandel in his *Late Capitalism* in the 1970s, where he raised the possibility of the autonomy of the political at the global level, allowing one great empire to gain ascendancy over all others.²⁷ However, super-imperialism theory owes its current significance to the work of thinkers such as Michael Hudson, Peter Gowan, Leo Panitch, and Sam Gindin. Here the emphasis is on an all-powerful U.S. imperium, in which the United States has absorbed its main competitors in Europe as well as Japan within the “American Empire,” by a variety of political, military, and particularly financial means. In Panitch and Gindin’s 2013 *The Making of Global Capitalism: The Political Economy of American Empire* the focus is on “the success of the US in creating ‘a world after its own image’ by the beginning of the twenty-first century.” Yet, unlike Hardt and Negri, these thinkers see “global capitalism” as rooted in “American Empire,” not stateless Empire.²⁸

William Robinson and Leslie Sklair have taken the lead in presenting the ultra-imperialist view that the world is now dominated by transnational capital, including a “transnational state” and a “transnational capitalist class.” Here the nation-state and the national bourgeoisie—even in the case of the United States—are seen to be of rapidly diminishing significance, due to economic globalization. Imperialism in the classical sense is no longer a meaningful category, as it is being displaced by the transnationalization of capitalism on every level. “Globalization,” Robinson writes, “involves a supersession of the nation-state as the organizing principle of social life under capitalism.” It is this transnational capital approach, Ernesto Screpanti observes in *Global Imperialism and the Great Crisis*, that today most nearly replicates the outlook of Kautsky’s ultra-imperialism.²⁹

Harvey’s *New Imperialism* differs from all of the above perspectives in that it sees today’s global political economy as offering a policy choice between the neoliberal “new imperialism” of today and a much preferable “New Deal imperialism.” The core of his argument is directed against neoliberal globalization, viewed as a force restructuring the world economy and social existence as a whole to fit the commodified, privatized ends of deregulated capital. The central contradiction of accumulation today, he contends (borrowing his terminology from Baran and Sweezy), is a tendency to a crisis of “overaccumulation” associated with “a lack of opportunities for profitable investment” or the “surplus absorption problem.” Capital’s creative answer to such overaccumulation, he argues in a neo-Luxemburgian vein, is the discovery of a new, more universal “outside” (filling in for Luxemburg’s non-capitalist areas)—a vast array of not-yet-commodified sectors that can be subjected to expropriation: a process he labels “accumulation by dispossession.” Here Marx’s original notion of primary accumulation, designed to explain the early development of capitalism in Western Europe, is generalized to all forms of expropriation—within any spatio-

temporal frame—which involve “force, fraud, predation, and the looting of assets.”³⁰

Yet accumulation by dispossession, understood as the logic of expropriation of all of reality in the interest of capital accumulation, is, by Harvey’s own definition, of such an abstract character that it can be applied equally well to phenomena as distinct as the looting of state pensions, privatization of schools, bailouts of financial capital, global land grabs, the commodification of social media, or destruction and marketization of the atmospheric commons. It is therefore easily divorced from many of the concrete, historical concerns of imperialism theory as such, and is even removed from traditional Marxian theories of exploitation.

The question of the “new imperialism” is, then, in these terms, reduced to the question of neoliberalism, or of an especially vicious incarnation of capitalism that resorts to novel forms of expropriation. The historical alternative to neoliberal imperialism’s accumulation by dispossession within capitalist bounds, Harvey tells us, is “a return to a more benevolent ‘New Deal’ imperialism, preferably arrived at through the sort of coalition of capitalist powers that Kautsky long ago envisioned.” Here he declares:

The construction of a new “New Deal” led by the United States and Europe, both domestically and internationally...is surely enough to fight for in the present conjuncture.... And the thought that it might, by adequate pursuit of some long-term spatio-temporal fix, actually assuage the problems of overaccumulation for at least a few years and diminish the need to accumulate by dispossession might encourage democratic, progressive, and humane forces to align behind it and turn it into some kind of practical reality. This does seem to propose a far less violent and far more benevolent imperial trajectory than the raw militaristic imperialism currently offered up by the neoconservative movement in the United States.³¹

But the reasons why a new “collective imperialism” led by the United States under the banner of a new New Deal should prove to be a more “benevolent imperial trajectory,” particularly from the standpoint of the global South, than the neoliberal imperialism of today’s Washington is left unexplained.³² From a socialist perspective it is certainly questionable whether any particular imperialist policy is something “to fight for.”

The Imperialism of Monopoly-Finance Capital

A more realistic and thoroughgoing Marxian approach to the question of imperialism in our age, drawing on the fundamental parameters of classical imperialism theory while taking into consideration changing historical conditions, needs to center on capital accumulation. Here the crucial fact is the shift of manufacturing industry in recent decades from the global North to the global South. In 1980 the share of world industrial employment of developing countries had risen to 52 percent; by 2012 this had increased to 83 percent.³³ In 2013, 61 percent of the total worldwide inward flow of foreign direct investment was in developing and transitional economies, up from 33 percent in 2006 and 51 percent in 2010.³⁴

What needs to be explained, however, is that despite this tectonic shift of industry to the periphery, the basic conditions of center and periphery continue in most cases to hold. This is manifested in the seeming inability of countries in the global South, taken as a whole—and leaving out Greater China (including Hong Kong, Macao, and Taiwan Province)—to catch up economically with the nations at the center of the system. From 1970 to 1989 the average annual per capita GDP of the developing countries, excluding Greater China, was a mere 6.0 percent of the per capita GDP of the G7 countries (the United States, Japan, Germany, France, the United Kingdom, Italy, and Canada). For the period of 1990 to 2013, this had dropped to only 5.6 percent. Meanwhile, for the forty-eight Least Developed Countries, average annual per capita GDP as a share of that of the G7 declined over the same periods from 1.5 percent to a mere 1.1 percent. (China, the leading emerging economy, is the most important exception to this overall tendency. If Greater China is included among the developing countries, average annual per capita income of developing countries as a percentage of that of G7 countries rises from 4.7 percent in 1970–1989 to 5.5 percent in 1990–2013.)³⁵

In 2014 *The Economist* magazine declared that the signs in the opening decade of this century that emerging economies, excluding China, were catching up with the rich countries of the developed capitalist world, turned out to be “an aberration.” Referring to a 1997 statement by World Bank senior economist Lant Pritchett, that the widening income gap between rich and poor nations was “the dominant feature of modern economic history,” *The Economist* announced that this trend has now reasserted itself. At the present rate of growth in the developing

world, *The Economist* insisted, it would take developing/emerging countries as a group (outside of China) more than a century—and even possibly as long as three centuries—to catch up with the income levels of the rich countries of the center.³⁶

The reasons for this seeming reversal of the fortunes of developing/emerging economies, which for a decade were widely thought to be making large gains, can be traced (apart from the effects of the Great Financial Crisis itself) to the contradictory effects of the growing outsourcing of industrial production by multinational corporations—aimed at exploiting inequalities in the world economy, particularly with respect to labor. This is known variously in corporate financial circles as “outsourcing” labor costs, the “global labor arbitrage,” “low-cost labor arbitrage,” or simply as the Low-Cost Country Strategy (LCCS). Lowell Bryan, director of the New York office of the investor’s publication *McKinsey Quarterly*, wrote in 2010 that:

Any company sourcing its production or service operations in a lower-wage emerging-market country...can save enormously on labor costs.... Even today, the cost of labor in China or India is still only a fraction (often less than a third) of the equivalent labor in the developed world. Yet the productivity of Chinese and Indian labor is rapidly rising and, in specialized areas (such as high-tech assembly in China or software development in India), may equal or exceed the productivity of workers in wealthier nations.³⁷

This means that not only overall unit labor costs are far lower, but also that in areas of increasing productivity they can be expected *to fall even further*. Such cheap, high-productivity labor in emerging/developing countries, the *McKinsey Quarterly* told its investment clientele, is available in the hundreds of millions, even billions—while the entire U.S. labor force is 150 million.

Behind such dirt wages in the periphery lies the whole history of imperialism and the fact that in 2011 the global reserve army of labor (adding up the unemployed, vulnerably employed, and economically inactive population) numbered some 2.4 billion people, compared to a global active labor army of only 1.4 billion. It is this global reserve army—predominantly in the global South, but also growing in the global North—which holds down the labor income in both center and periphery, keeping wages in the periphery well below the average value of labor power worldwide.³⁸

The analysis of management strategist Pankaj Ghemawat, in his 2007 book, *Redefining Global Strategy*, suggests that the wage savings to Walmart from labor-arbitrage in China may be well over 15 percent and conceivably on the order of 30–45 percent of Walmart’s total 2006 operating profit (also known as operating income—defined as revenue net of operating cost before interest charges and taxes). The Low-Cost Country Strategy is particularly important for the assembly stage of manufactured goods, which is the most labor-intensive phase of global production. Most production for export via multinational corporations in China is assembly work, with Chinese factories relying heavily on cheap migrant labor from the countryside (the “floating population”) to assemble products, the main technological components of which are manufactured elsewhere and imported into China for final assembly. The assembled products are then primarily exported to the countries in the capitalist core (although China has an expanding internal market for such goods).

Chinese companies get a cut from these exports; but the big winners are the multinational corporations. Apple subcontracts the production of the component parts of its iPhones in a number of countries with the final assembly in China subcontracted to Foxconn. Due in large part to low-end wages paid for labor-intensive assembly operations, Apple’s profits on its iPhone 4 in 2010 were found to be 59 percent of the final sales price. The share of the final sales price actually going to labor in mainland China itself, where production assembly takes place, is only a tiny fraction of the whole. For each iPhone 4 imported from China to the United States in 2010, retailing at \$549, about \$10 went to labor costs for production of components and assembly in China, amounting to 1.8 percent of the final sales price.³⁹

As an expression of this general trend, subcontracting (also known in financial circles as Non-Equity Modes of International Production) is increasingly common among multinationals in such areas of production as toys and sporting goods, consumer electronics, automotive components, footwear, and garments. Such subcontracting on the terms and conditions set by multinational corporations also applies to services. Call centers that chose to move from Ireland to India in 2002 were reportedly in a position to reduce the wage rates paid to workers by 90 percent.⁴⁰

In the international garment industry, in which production takes place almost exclusively in the global South, direct labor cost per garment is typically around 1–3 percent of the final retail price, according to senior World Bank economist Zahid Hussain. Wage costs for an embroidered logo sweatshirt produced in the Dominican Republic run at around 1.3 percent of the final retail price in the United States, while the labor cost (including the wages of floor supervisors) of a knit shirt produced in the Philippines is 1.6 percent. Labor costs in countries such as China, India, Indonesia, Vietnam, Cambodia, and Bangladesh were considerably lower than in the above cases.⁴¹ The surplus value captured from such workers is thus enormous, while being disguised by the fact that the lion's share of so-called “value added” is attributed to activities (marketing, distribution, corporate salaries) in the wealthy importing country, removed from direct production costs. In 2010, the Swedish retailer Hennes & Mauritz was purchasing T-shirts from subcontractors in Bangladesh, paying the workers on the order of 2–5 cents (euro) per shirt produced.⁴²

Nike, a pioneer in Non-Equity Modes of International Production, outsources all of its production to subcontractors in countries such as South Korea, China, Indonesia, Thailand, and Vietnam. In 1996, a single Nike shoe consisting of fifty-two components was manufactured by subcontractors in five different countries. The entire direct labor cost for the production of a pair of Nike basketball shoes retailing for \$149.50 in the United States in the late 1990s was 1 percent, or \$1.50.⁴³

Imperialism also involves the race for resources, particularly strategic energy sources, such as hydrocarbons, but extending to all key minerals, as well as vital germplasm, foods, forests, land, and even water. For the core capitalist countries the issue of environmental limits has signaled—if anything—the need to control resources in the global South. The most extreme case of ecological imperialism is what Richard Haass (president for the past twelve years of the Council of Foreign Relations, and before that director of policy planning in the State Department under Colin Powell during the 2003 invasion of Iraq) is calling The New Thirty Years' War in the Middle East, aimed at the control of a significant portion of world oil supplies. Moreover, this New Thirty Years' War is only part of the U.S.-led NATO alliance's grand strategy to bring the whole vast geopolitical arc, now known as the “arc of instability,” from Eastern Europe and the Balkans to the Middle East and North Africa to Central Asia, within the triad's sphere of influence—viewing it all as up for grabs following the Soviet Union's departure from the historical stage in the early 1990s.⁴⁴ So aggressive has this imperial advance been in the not quite quarter-century since the demise of the USSR that what is now being called a Second Cold War with Russia appears to be developing.

The growing race for resources behind the current geopolitical struggle is feeding a new extractivism, extending to every corner of the earth, and increasingly to the Arctic—where melting sea ice from climate change is opening up new realms for oil exploration. According to energy analyst Michael Klare this scramble for global resources can only point in one direction:

The accumulation of aggravations and resentments among the Great Powers stemming from the competitive pursuit of energy has not yet reached the point where a violent clash between any pair or group of them can be considered likely.... Nevertheless, the conflation of two key trends—the rise of energy nationalism and accumulating ill will between the Sino-Russian and U.S.-Japanese proto-blocs—should be taken as a dangerous sign for the future. Each of these phenomena may have its own roots, but the way they are beginning to intertwine in competitive struggles over prime energy-producing areas in the Caspian Sea basin, the Persian Gulf, and the East China Sea is ominous.... [I]f national leaders fear the loss of a major field to a rival state and are convinced that global energy supplies may be inadequate in a “tough oil” era, they may act irrationally and order a muscular show of force—setting in motion a chain of events whose ultimate course no one may be able to control.

The Cuban Missile Crisis of 1962, and other more recent events, have given national leaders some experience in managing such inherently perilous encounters. But no one in recent times has had to contend with a world of many aggressive powers competing for increasingly scarce and valuable resources on a global basis—often in regions that are inherently unstable and already on the edge of conflict. Preventing a complex struggle of this sort from erupting into unimaginable slaughter calls for cool heads at the best of times; doing so when conditions begin to deteriorate may exceed the capabilities of even the most lucid and accomplished leaders.⁴⁵

The rise of various unconventional sources of fossil fuels in recent years is part of the feverish search for

hydrocarbons worldwide, and while temporarily easing supply concerns (especially due to fracking), it has not materially altered the frantic global scramble for fossil fuels.

Economically, the outward movement of generalized-monopoly capitalism is propelled primarily by the competitive struggle for low cost position via global sourcing of labor and increasingly scarce raw materials, and the monopoly rents that all of this generates. The result, as we have seen, is enormous cost savings in production for individual monopolistic enterprises, generating widening profit margins, which, coupled with more traditional forms of tribute, leads to a continual inflow of imperial rent to the center of the system. The full extent of extracted surplus is disguised by the enormous complexity of global value chains, exchange ratios, hidden accounts, and above all by the nature of capitalist GDP accounting itself.⁴⁶ A part of the imperialist rent remains in the peripheral country and is not transferred to the center, but constitutes rather a payment to local ruling classes for their roles in the globalization game. About \$21 trillion of this global tribute, meanwhile, is currently parked abroad in tax-haven islands, “the fortified refuge of Big Finance.”⁴⁷

At the center of the capitalist economy the tendency to economic stagnation has been increasingly asserting itself since the mid-1970s. This induced repeated attempts to stimulate the system through military spending, with the United States as the engine.⁴⁸ This strategy proved to be limited, however, since a big enough boost to the capitalist economy by these means in today’s environment would need to assume the dimension of a world war.

Under these circumstances, as corporations in the 1970s and ’80s sought to hold onto and expand their growing economic surplus in the face of diminishing investment opportunities, they poured their massive surpluses into the financial structure, seeking and obtaining rapid returns from the securitization of all conceivably ascertainable future income streams. Increased concentration (“mergers and acquisitions”) and its attendant new debt, securitizations representing the income stream of already-existing mortgages and consumer debt that piled new debt on old, and new issues of debt and equity that capitalized the potential future monopoly income of patent, copyright, and other intellectual property rights, all followed one another. The financial sector provided every sort of financial instrument that could arguably be serviced by a putative income stream, including from the trading in financial instruments themselves. The result, as Magdoff and Sweezy already documented in the early stages of the process from the late 1970s to the ’90s, was a vast increase in the financial superstructure of the capitalist economy.

This financialization of the economy had three major effects. First, it served to further uncouple in space and time—though a complete uncoupling is impossible—the amassing of financial claims of wealth or “asset accumulation” from actual investment, i.e., capital accumulation. This meant that the leading capitalist economies became characterized by a long-term amassing of financial wealth that exceeded the growth of the underlying economy (a phenomenon recently emphasized in a neoclassical vein by Thomas Piketty)—creating a more destabilized capitalist order in the center, manifested in the dramatic rise of debt as a share of GDP. Second, the financialization process became the major basis (together with the revolution in communications and digitalized technology) for a deepening and broadening of commodification throughout the globe, with the center economies no longer constituting to the same extent as before the global centers of industrial production and capital accumulation, but rather relying more and more on their role as the centers of financial control and asset accumulation. This was dependent on the capture of streams of commodity income throughout the world economy, including the increased commodification of other sectors—primarily services that were only partially commodified previously, such as communications, education, and health services. Third, “the financialization of the capital accumulation process,” as Sweezy called it, led to an enormous increase in the fragility of the entire capitalist world economy, which became dependent on the growth of the financial superstructure relative to its productive base, with the result that the system was increasingly prone to asset bubbles that periodically burst, threatening the stability of global capitalism as a whole—most recently in the Great Financial Crisis of 2007–2009. Given its financial ascendancy, the United States is uniquely able to externalize its economic crises on other economies, particularly those of the global South. As Yanis Varoufakis notes in *The Global Minotaur*, “To this day, whenever a crisis looms, capital flees to the greenback. This is exactly why the Crash of 2008 led to a mass inflow of foreign capital to the dollar, even though the crisis had begun on Wall Street.”⁴⁹

The phase of global monopoly-finance capital, tied to the globalization of production and the systematization of imperial rent, has generated a financial oligarchy and a return to dynastic wealth, mostly in the core nations,

confronting an increasingly generalized (but also highly segmented) working class worldwide. The leading section of the capitalist class in the core countries now consists of what could be called global rentiers, dependent on the growth of global monopoly-finance capital, and its increasing concentration and centralization.⁵⁰ The reproduction of this new imperialist system, as Amin explains in *Capitalism in the Age of Globalization*, rests on the perpetuation of five monopolies: (1) technological monopoly; (2) financial control of worldwide markets; (3) monopolistic access to the planet's natural resources; (4) media and communication monopolies; and (5) monopolies over weapons of mass destruction.⁵¹ Behind all of this lie the giant monopolistic firms themselves, with the revenue of the top 500 global private firms currently equal to about 30 percent of world revenue, funneled primarily through the centers of the capitalist system and the core financial markets.⁵² As Boron points out with respect to the world's 200 largest multinational corporations, "96 percent...have their headquarters in only eight countries, are legally registered as incorporated companies of eight countries; and their boards of directors sit in eight countries of metropolitan capital. Less than 2 percent of their boards of directors' members are non-nationals.... Their reach is global, but their property and their owners have a clear national base."⁵³

The internationalization of production under the regime of giant, multinational corporations thus follows a pattern first explained by Stephen Hymer, and recently underscored by Ernesto Screpatini, who writes that "the great multinational companies" are characterized by "decentralized production but centralized control.... As a consequence the process of expansion of foreign direct investments involves a constant flow of profits from the South to the North, that is, from the Periphery to the Center of the imperial power of multinational capital."⁵⁴

Today the threatened implosion of this system is everywhere apparent. U.S. hegemony in the military sphere—in which it retains the power to unleash untold destruction but has a diminishing power to control geopolitical events—is receding along with its economic hegemony. This is so well understood today within U.S. foreign policy circles that some of the sharpest establishment thinkers emphasize that U.S. global preeminence is giving way to an imperium based on the combined force (military, economic, and political) of the triad of the United States/Canada, Western Europe, and Japan. The United States, although still retaining global preeminence, is increasingly able to exercise its power as a "sheriff" only when backed up by the "posse" (represented by Western Europe and Japan)—as famously articulated by Haass in *The Reluctant Sheriff* and subsequent works.⁵⁵ It is thus the U.S.-led triad, and not Washington itself directly, which increasingly seeks to establish itself as the new governing power, through such institutions as the G7 and NATO. The goal is to promote the interests of the old imperial powers of the capitalist core through political, economic, and military means, while containing threats to its rule by a rising China, a recovering Russia, emerging economies generally, and the global anti-neoliberal revolt based in Latin America's movement toward socialism.










Haass describes the current world situation as "The Unraveling." As evidence he points to the U.S. role in destabilizing the Middle East and North Africa, the rise of the Islamic State of Iraq and al-Sham (ISIS), the growing conflicts of the United States with China over the South China Sea and Africa, the return of Russia as a world power (manifested in the dispute over the Crimea and the Ukraine), the misdirection (in his terms) of states such as "Brazil, Chile, Cuba, and Venezuela," as well as a whole failed set of regime changes initiated by Washington. He concludes: "The question is not whether the world will continue to unravel but how fast and how far."⁵⁶

All of this highlights, as István Mészáros tells us, "the potentially deadliest phase of imperialism."⁵⁷ It is perhaps a reminder of the seriousness of the world situation today that Soviet and U.S. climatologists alerted the world in the 1980s to the fact that a full-scale nuclear war would generate a nuclear winter, reducing the temperatures of whole continents by several degrees and possibly several tens of degrees, destroying much of the biosphere itself and with it humanity. It was this type of scenario that E.P. Thompson had in mind in his "Notes on Exterminism, the Last Stage of Civilization."⁵⁸ A war between the great powers does not appear to be an imminent danger at present. However, the instability generated by the hyper-exploitative and expansionist imperialist world system of today, led by the United States, which is now engaged in simultaneous military interventions and drone warfare in a half dozen countries (and which is planning to spend \$200 billion dollars in the next decade modernizing its massive nuclear arsenal), suggests any number of ways in which a deadly confrontation could emerge. Climate change itself, with the continuation of business as usual, is expected to destabilize civilization, heightening the threat of a world war, which would quickly lead to a planetary level of destruction.⁵⁹











The responsibility of the left under these circumstances is to confront, in Lenin's terms, the "contradictions,

conflicts, and convulsions—not only economical, but also political, national, etc.”—that increasingly characterize our era. This means fostering a more “audacious” global movement from below in which the key challenge will be the dismantling of imperialism, understood as *the entire basis of capitalism in our time*—with the object of creating a more horizontal, egalitarian, peaceful, and sustainable social-metabolic order controlled by the associated producers.⁶⁰

Notes














1. See, for example, Samir Amin, *The Law of Worldwide Value* (New York: Monthly Review Press, 2010); David Harvey, *The New Imperialism* (Oxford: Oxford University Press, 2003); Michael Hardt and Antonio Negri, *Empire* (Cambridge, MA: Harvard University Press, 2000); John Bellamy Foster, *Naked Imperialism* (New York: Monthly Review Press, 2006); Leo Panitch and Sam Gindin, *The Making of Global Capitalism: The Political Economy of Global Empire* (London: Verso, 2013). 
2. R. Koebner and H.D. Schmidt, *Imperialism: The Story and Significance of a Political Word, 1840–1960* (Cambridge: Cambridge University Press, 1965), 175. 
3. Atilio A. Boron, *Empire and Imperialism* (London: Zed Press, 2005), 2–4. 
4. Samir Amin, *Capitalism in the Age of Globalisation* (London: Zed Press, 2014), vii–viii, *The Implosion of Contemporary Capitalism* (New York: Monthly Review Press, 2013), 17. 
5. Foster, *Naked Imperialism*; Richard N. Haas, “*The New Thirty Years’ War*,” *Foreign Affairs*, July 21, 2014, <http://cfr.org>. 
6. V.I. Lenin, *Imperialism, the Highest Stage of Capitalism: A Popular Outline* (New York: International Publishers, 1939); Nikolai Bukharin, *Imperialism and the World Economy* (New York: Monthly Review Press, 1973); Rosa Luxemburg, *The Accumulation of Capital* (New York: Monthly Review Press, 1951); Karl Kautsky, “Ultra-imperialism,” *New Left Review* I, no. 59 (January–February 1970): 41–46; Hilferding, *Finance Capital* (London: Routledge 2006; first German edition, 1910). Marx wrote extensively on colonialism in his day and his work in this area went through a number of stages, ultimately focusing on issues of conditions of inequality, exploitation, and underdevelopment arising from imperialism. Engels too had important observations. The present introduction, however, concentrates on what can rightly be viewed as the classical period of systematic theorizing of imperialism within Marxism in the second decade of the twentieth century, later extended through the development of dependency theory and world-system analysis. However, Marx’s views from the 1860s on were roughly in accord with the main lines of classical Marxian theories of imperialism articulated below, including Lenin, Mao, and the broad dependency tradition. On this see Kenzo Mohri, “Marx and Underdevelopment,” *Annals of the Institute of Social Science* 19 (1978): 35–61; Sunti Kumar Ghosh, “*Marx on India*,” *Monthly Review* 35, no. 8 (January 1984): 39–53; John Bellamy Foster, “*Marx and Internationalism*,” *Monthly Review* 52, no. 3 (July–August 2000): 11–22. This approach to the interpretation of the classical Marxian theory of imperialism was juxtaposed to the view expressed in works such as Bill Warren, *Imperialism, Pioneer of Capitalism* (London: Verso, 1980). 
7. Bukharin, *Imperialism and the World Economy*, 17–19, 41, 80–84. The brilliance of Bukharin’s analysis was a product of its formal dialectic: Part I: “World Economy and the Process of Internationalisation of Capital”; Part Two: “World Economy and the Process of Nationalisation of Capital”; Part Three: “Imperialism as the Reproduction of Capitalist Competition on a World Scale.” On the fact that Lenin, unlike Luxemburg, did not build his analysis of imperialism on an analysis of economic crisis (which would have been completely superfluous from his standpoint), as well as the differences between Lenin and Luxemburg on monopoly and imperialism, see the discussions in Harry Magdoff, *Imperialism; From the Colonial Stage to the Present* (New York: Monthly Review Press, 1978), 263–73, and Prabhat Patnaik, *What Ever Happened to Imperialism and Other Essays* (New Delhi: Tulika, 1995), 80–101. 
8. V.I. Lenin, *Imperialism, the Highest Stage of Capitalism*, 88, and “Introduction,” in Bukharin, *Imperialism and the World Economy*, 10–11. 
9. Lenin, *Imperialism, the Highest Stage of Capitalism*, 91–92. 
10. Kautsky, “Ultra-imperialism,” 46.
11. Lenin, “Introduction,” in Bukharin, *Imperialism and the World Economy*, 13–14.

12. V.I. Lenin, *Collected Works*, vol. 22 (Moscow: Progress Publishers, no date, 1974 printing), 193; John Bellamy Foster and Henryk Szlajfer, "Introduction," in Foster and Szlajfer, eds., *The Faltering Economy* (New York: Monthly Review Press, 1984), 21; Lenin, "Introduction," in Bukharin, *Imperialism and the World Economy*, 13–14; Lenin, *Imperialism, the Highest Stage of Capitalism*, 15; John A. Hobson, *Imperialism: A Study* (Ann Arbor: University of Michigan Press, 1972), 356. 
13. See Research Unit for Political Economy, "On the History of Imperialism Theory," *Monthly Review* (December 2007): 42–50; V.I. Lenin, *On the National and Colonial Questions: Three Articles* (Peking: Foreign Languages Press, 1967), 20–29, "Address to the All Russia Congress of Communist Organizations of the East," November 22, 1919, <https://marxists.org>; Comintern, "Supplementary Theses" (Attached to Lenin's "Preliminary Draft Theses on the National and Colonial Questions"), July–August, 1920, <http://revolutionarydemocracy.org>. 
14. Comintern, "Supplementary Theses." 
15. Research Unity for Political Economy, "On the History of Imperialism Theory," 45–47; Jane Degras, ed., *The Communist International: Documents, 1919–1943* (Oxford: Oxford University Press, 1965), vol. 2, 534–46. 
16. Paul A. Baran, *The Political Economy of Growth* (New York: Monthly Review Press, 1957); José Carlos Mariátegui, *An Anthology* (New York: Monthly Review Press, 2011); Andre Gunder Frank, *Capitalism and Underdevelopment in Latin America* (New York: Monthly Review Press, 1967); Vijay Prashad, *The Darker Nations: A People's History of the Third World* (New York: The New Press, 2007); Samir Amin, *Accumulation on a World Scale* (New York: Monthly Review Press, 1974); "Samir Amin (born 1931)" (autobiography), in Philip Arestis and Malcolm Sawyer, *A Biographical Dictionary of Dissenting Economists* (Northampton, MA: Edward Elgar, 2000), 1–6; Che Guevara, *Che Guevara and the Cuban Revolution: Writings and Speeches* (Sydney: Pathfinder/Pacific and Asia, 1987). 
17. Che Guevara, *Che Guevara and the Cuban Revolution*, 337–39. 
18. For a history of the revolutionary waves in the twentieth century see L.S. Stavrianos, *Global Rift* (New York: William Morrow, 1981). 
19. Samir Amin, *Accumulation on a World Scale*, 18–20, *Unequal Development* (New York: Monthly Review Press, 1977), 72–78, *Delinking* (London: Zed Press, 1985), 116–20, "Self-Reliance and the New International Economic Order," *Monthly Review* 29, no. 3 (July–August 1977): 1–21. The existence of imperialism indicates, as Amin stresses, that the center economies are not, in fact, fully autocratic or self-reliant. Yet it is possible to see the accumulation structures of the advanced capitalist economies as self-referential and self-reproducing in the sense of Marx's reproduction schemes (so much so that it makes sense to erect theoretical models on this basis). It is quite different with peripheral economies, which are typically disarticulated—so constituted from outside by the imperial/dependent relation that a national project of development is hindered at every point. A "delinking" in some way and to some degree *from the external logic of imperialism*, providing states with autonomous space in which to operate and to generate a self-reliant pattern of development, is thus needed. Although Amin's thinking on this has changed over the years in response to changes in the system and in the conditions facing peripheral economies and their states, the basic dialectic remains. 
20. See, in particular, Immanuel Wallerstein, *The Capitalist World-Economy* (Cambridge: Cambridge University Press, 1979). Other thinkers who played roles in the turn to world-system analysis included Amin, Frank, and Giovanni Arrighi. 
21. Paul A. Baran and Paul M. Sweezy, *Monopoly Capital* (New York: Monthly Review Press, 1966), 107–8; Paul M. Sweezy, "Obstacles to Economic Development," in C.H. Feinstein, *Socialism, Capitalism, and Economic Growth* (Cambridge: Cambridge University Press, 1967), 194–95. 
22. Harry Magdoff, *The Age of Imperialism* (New York: Monthly Review Press, 1969), 198. 
23. Baran and Sweezy, *Monopoly Capital*, 183–84, 191–202. The military-base approach to empire was to be developed further in subsequent works, up to the present. See Foster, *Naked Imperialism*, 55–66. 

24. Magdoff, *Imperialism: From the Colonial Age to the Present*. 
25. Harry Magdoff, *Globalization: To What End?* (New York: Monthly Review Press, 1992), 4–5.
26. Hardt and Negri, *Empire*, xii–xiv, 9–10, 165, 178–82, 188–90, 333–35, *Multitude* (London: Penguin Books, 2004), xiii–xiv, and *Commonwealth* (Cambridge, MA: Harvard University Press, 2009). For critique of Hardt and Negri, see Boron, *Empire and Imperialism*. See also Ellen Meiksins Wood, *Empire of Capital* (London: Verso, 2003), 6, 137–42. 

27. Ernest Mandel, *Late Capitalism* (London: Verso, 1975), 332–42; Ernesto Screpanti, *Global Imperialism and the Great Crisis* (New York: Monthly Review Press, 2014), 51–53. Mandel pointed to Baran and Sweezy's *Monopoly Capital* and Magdoff's *The Age of Imperialism* as his examples of the super-imperialism argument. Yet this was far from being true in either case. Baran and Sweezy included only a single European nation (Greece) among the countries in the “American Empire” (and excluded Japan in Asia), while Magdoff was famous for his insistence, throughout his writings, on the continuing significance of inter-capitalist competition. See Baran and Sweezy, *Monopoly Capital*, 183–84; Magdoff, *Globalization*, 7–8. 
28. Panitch and Gindin, *The Making of Global Capitalism*, 275; Michael Hudson, *Super Imperialism: The Origin and Fundamentals of US World Dominance* (London: Pluto, 2003); Peter Gowan, *The Global Gamble* (London: Verso, 1999). 
29. William I. Robinson, *A Theory of Global Capital* (Baltimore: Johns Hopkins University Press, 2004), 44–49; Leslie Sklair, *The Transnational Capitalist Class* (Oxford: Blackwell, 2001); William Carroll, *The Making of a Transnational Capitalist Class* (London: Zed Books, 2010). For a critique see Samir Amin, “[Transnational Capitalism or Collective Imperialism](#),” *Pambazuka News*, March 23, 2011, <http://pambazuka.net>; Screpanti, *Global Imperialism and the Great Crisis*, 57–58. 
30. Harvey, *The New Imperialism*, 87–89, 109, 138–69; David Harvey, *The Limits to Capital* (London: Verso, 2006), xvi, xxiii–xxiv. The use of the term “overaccumulation” to refer to the general contradictions of monopoly capitalism was introduced by Sweezy in the 1950s and strongly emphasized in the 1970s and '80s. The “problem of surplus absorption” was the central hypothesis introduced by Baran and Sweezy in *Monopoly Capital*. These categories, including the problem of overcapacity, are now utilized by Harvey, along with others, to account for contemporary accumulation crises. See David Harvey, *The Enigma of Capital* (Oxford: Oxford University Press, 2010), 31–32, 94–101; John Bellamy Foster, *The Theory of Monopoly Capitalism (New Edition)* (New York: Monthly Review Press, 2014), 83–101. 
31. Harvey, *The New Imperialism*, 208–11. 
32. Harvey, *The New Imperialism*, 210.
33. International Labour Organization (ILO), “Table 4a. Employment by aggregate sector (by sex),” in *Key Indicators of the Labour Market (KILM)*, 8th Edition (software package, extracted May 2015); “[Economic Groupings and Composition](#)” United Nations Conference on Trade and Development (UNCTAD), <http://unctadstat.unctad.org>. 


Every country exported from the KILM database was assigned an economic grouping using UNCTAD's classification scheme (most importantly, its listing of “Developing Economies”). ILO-KILM data is incomplete for any given year due to availability (most notably for India, for which only five years of data exist). For the 2006–2012 period, estimates were made—using linear interpolation or growth/decline rates of nearby years—where data was missing for any of the top five (2010) countries in each economic category. These included: China (2012), India (2006–2009, 2011), Indonesia (2012), Mexico (2010), United States (2011–2012), and Japan (2011–2012). Otherwise, the data is reported as is and should therefore be taken as conservative with respect to industrial employment in the global South where data availability issues are much more prominent.

The above data was compiled by R. Jamil Jonna. For an earlier version see John Bellamy Foster, Robert W. McChesney, and R. Jamil Jonna, “[The Global Reserve Army of Labor and the New Imperialism](#),” *Monthly Review* 63, no. 6 (November 2011): 4.

34. "Inward and outward foreign direct investment flows, annual, 1970-2013 – Percentage of total world," UNCTAD, <http://unctadstat.unctad.org>. See also Martin Hart-Landsberg, *Capitalist Globalization* (New York: Monthly Review Press, 2013), 19. 
 35. "Nominal and real GDP, total and per capita, annual, 1970–2013: US Dollars at constant prices (2005) and constant exchange rates (2005) per capita; and "Total population, annual, 1950–2050 (thousands)," UNCTAD, <http://unctadstat.unctad.org>. 
- Since UNCTADstat does not have a category for G7 countries, Real GDP per capita was calculated manually using Real GDP and Population by country. "Least Developed Economies" are a subset of "Developing Economies excluding China." Note that the latter category includes "Greater China": "Hong Kong SAR," "Taiwan Province," and "Macao SAR." UNCTAD's designations of "Economic Groupings and Composition" can be found at <http://unctadstat.unctad.org>.
- I am indebted to R. Jamil Jonna for the analysis and compilation of this data.
36. "The Headwinds Return," The *Economist*, September 13, 2014, <http://economist.com>. 
 37. "Globalization's Critical Imbalances," *McKinsey Quarterly*, June 2010, <http://mckinsey.com>. 
 38. Foster, McChesney, and Jonna, "The Global Reserve Army of Labor and the New Imperialism," 19–26. 
 39. Pankaj Ghemawat, *Redefining Global Strategy* (Boston: Harvard Business School Press, 2007), 169–96; Kenneth L. Kraemer, Greg Lindinen, and Jason Dedrick, "Capturing Value in Global Networks: Apple's iPad and iPhone," Paul Merage School of Business, University of California, Irvine, July 2011, <http://pcic.merage.uci.edu>, 5, 11. On the structure of Chinese manufacturing imports and exports see Hart-Landsberg, *Capitalist Globalization*, 16–22, 31–36. On the role of migrant labor in China see Foster and McChesney, *The Endless Crisis*, 174–76. 
 40. Nir Kshetri and Nikhilesh Dholakia, "Offshoring High Value Functions," in Farok J. Contractor, et al., eds., *Global Outsourcing and Offshoring* (Cambridge: Cambridge University Press, 2011), 336. Examples of Non-Equity Modes of International Production given by UNCTAD include "contract manufacturing, services outsourcing, contract farming, franchising, licensing and management contracts"; see *World Investment Report, 2011*, <http://unctad.org>, 123. 
 41. Zahid Hussain, "Financing Living Wage in Bangladesh's Garment Industry," End Poverty in South Asia, South Asian Region of the World Bank, August 3, 2010, <http://blogs.worldbank.org>; Worker Rights Consortium, "The Impact of Substantial Labor Cost Increases on Apparel Retail Prices," accessed May 14, 2015, <http://senate.columbia.edu>. 
 42. Tony Norfield, "What the 'China Price' Really Means," *Economics of Imperialism*, June 4, 2011 (updated September 25, 2014), <http://economicsofimperialism.blogspot.com>, and "T-Shirt Economics Update," September 24, 2014, <http://economicsofimperialism.blogspot.com>; Hussain, "Financing Living Wage in Bangladesh's Garment Industry." On the issue of value added see John Smith, "The GDP Illusion: Value Added versus Value Capture," *Monthly Review* 64, no. 3 (July–August 2012): 86–102. 
 43. Walter LaFeber, *Michael Jordan and the New Global Capitalism* (New York: W.W. Norton, 2002), 107, 126, 147–49; Jeff Ballinger, "Nike Does It to Vietnam," *Multinational Monitor* 18, no. 3 (March 1997), <http://multinationalmonitor.org>. 
 44. Haass, "The New Thirty Years' War," and "The Unraveling," *Foreign Affairs*, November–December 2014, <https://foreignaffairs.com>; Foster, *Naked Imperialism*, 97–106; National Intelligence Council, *Global Trends 2005* (Washington, DC, 2008), 60–61; "Obama Contends with Arc of Instability Unseen Since '70s," *Wall Street Journal*, July 17, 2014, <http://wsj.com>. 
 45. Michael Klare, *Rising Powers, Shrinking Planet* (New York: Henry Holt, 2008), 236–37. 
 46. Smith, "The GDP Illusion"; Samir Amin, *The Implosion of Contemporary Capitalism* (New York: Monthly Review Press, 2013), 21. 

47. “£13tn Hoard Hidden from Taxman by Global Elite,” *Guardian*, July 21, 2012, <http://theguardian.com>; Nicholas Shaxson, *Treasure Islands* (London: Palgrave Macmillan, 2011), 7.
48. See John Bellamy Foster, Hannah Holleman, and Robert W. McChesney, “The U.S. Imperial Triangle and Military Spending,” *Monthly Review* 60, no. 5 (2008): 1–19.
49. On the relation of stagnation to the financialization of accumulation see John Bellamy Foster and Robert W. McChesney, *The Endless Crisis* (New York: Monthly Review Press, 2012), 49–64; Fred Magdoff and John Bellamy Foster, “Stagnation and Financialization,” *Monthly Review* 66, no. 1 (May 2014): 1–23; and Harry Magdoff and Paul M. Sweezy, *Stagnation and the Financial Explosion* (New York: Monthly Review Press, 1987). On Piketty see John Bellamy Foster and Michael D. Yates, “Piketty and the Crisis of Neoclassical Economics,” *Monthly Review* 66, no. 6 (November 2014): 1–24; Paul M. Sweezy, “More (or Less) on Globalization,” *Monthly Review* 49, no. 4 (September 1997): 1–4; Yanis Varoufakis, *The Global Minotaur* (London: Zed, 2011), 100–102.
50. On the growing role of dynastic wealth see Thomas Piketty, *Capital in the Twenty-First Century* (Cambridge, MA: Harvard University Press, 2014), 439–43.
51. Amin, *Capitalism in the Age of Globalization*, 4–5.
52. “Compustat North America, Fundamentals Annual,” Wharton Research Data Services (Standard & Poor, 2015), <http://wrds-web.wharton.upenn.edu>; “Nominal and real GDP, total and per capita, annual, 1970–2013: US Dollars at current prices and current exchange rates in millions,” UNCTAD, <http://unctadstat.unctad.org>; “GLOBAL 500 2014,” *Fortune*, <http://fortune.com> (data is for fiscal year 2013).

To get a rough estimate of the number of global firms missing from the Compustat database for 2013, the top 500 firms by revenue were compared with Fortune Global 500 data (also ranked by revenue). *Fortune* had nine firms that were not included in the Compustat database, five of which were state owned and four of which were located in China. The total revenue of the missing firms came to \$1.48 trillion, increasing the share of the global 500 by about 2 percent for 2013. Based on totals of Fortune Global 500 data for earlier years, if all of the missing firms were included the share of world income for the top 500 global firms would increase by about 7 percent on average for a given year.

This data was analyzed and compiled by R. Jamil Jonna. For an earlier version see John Bellamy Foster, Robert W. McChesney, and R. Jamil Jonna, “Monopoly and Competition in the Twenty-First Century,” *Monthly Review* 62, no. 11 (April 2011): 12.

53. Boron, *Empire and Imperialism*, 46.
54. Screpanti, *Global Imperialism and the Great Crisis*, 18–19; Stephen Hymer, *The Multinational Corporation* (Cambridge: Cambridge University Press, 1979), 64.
55. Richard N. Haass, *The Reluctant Sheriff* (Washington, DC: Brookings Institution Press, 1997), *Intervention* (Washington, DC: Carnegie Endowment for World Peace, 1999).
56. Haass, “The Unraveling.”
57. Istvan Mészáros, *Socialism or Barbarism* (New York: Monthly Review Press, 2001), 23–56.
58. See M.I. Budyko, G.S. Golitsyn, and Y.A. Izrael, *Global Climatic Catastrophes* (New York: Springer-Verlag, 1988); John Bellamy Foster, “Late Soviet Ecology and the Planetary Crisis,” *Monthly Review* 67, no. 2 (June 2015): 1–20; E.P. Thompson, *Beyond the Cold War* (New York: Pantheon, 1982), 41–80.
59. On U.S. nuclear spending see “U.S. Nuclear Forces, 2014,” *Bulletin of Atomic Scientists*, January 7, 2014, <http://thebulletin.org>.
60. Amin, *The Implosion of Contemporary Capitalism*, 133–43.