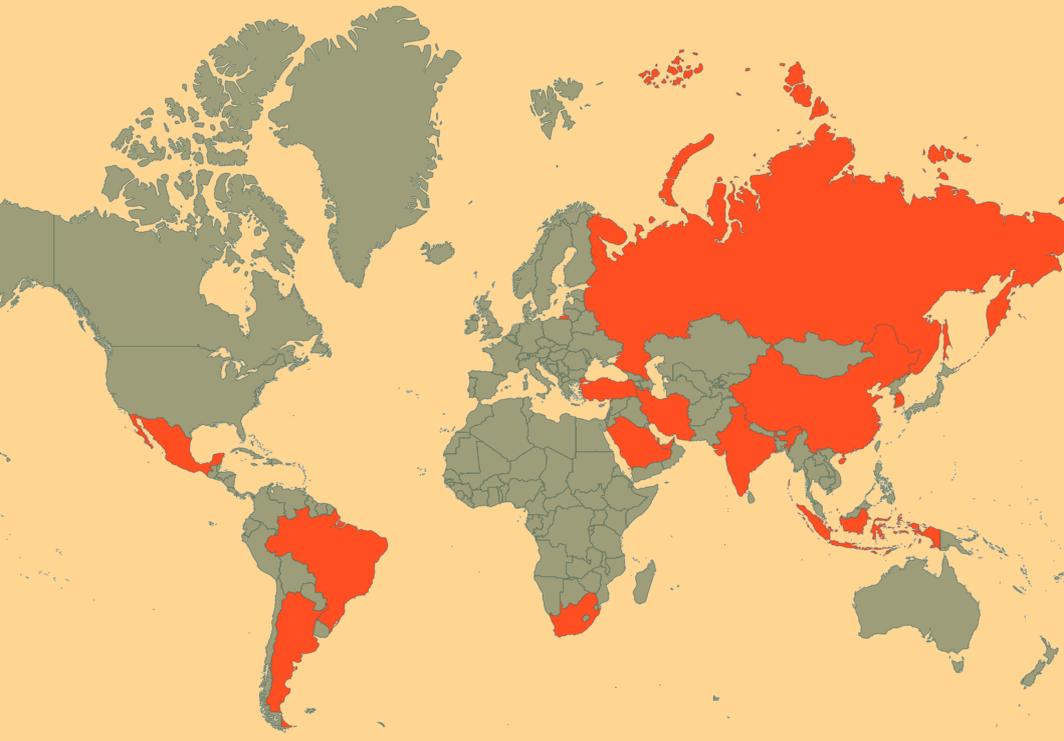


# On the Emergence of the New-Imperialist Countries

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*Stefan Engel*



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New-Imperialist Countries**

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# Contents

## On the Emergence of the New-Imperialist Countries

Preface .....	5
Introduction .....	6
<b>I. The emergence of new imperialist countries is an essential feature of the imperialist world system .....</b>	<b>8</b>
<b>II. The changes in the economy and class structure of the oppressed countries .....</b>	<b>10</b>
<b>III. The reorganization of international production and the emergence of new imperialist countries .....</b>	<b>13</b>
1. From one-sided dependence to interpenetration of domestic monopolies with international finance capital .....	18
2. The way from neocolonial dependence on imperialism to independence as new-imperialist countries .....	19
3. The crisis of neocolonialism undermines the old imperialists' sole rule .....	20

<b>IV. The world economic and financial crisis of 2008–2014 as driver of the emergence and rapid development of new-imperialist countries</b> .....	24
<b>V. Some especially aggressive new-imperialist countries</b> .....	31
1. China as strongest of the new-imperialist countries .....	31
2. Resurgence of new-imperialist Russia .....	38
3. India’s new-imperialist dominance on the Indian subcontinent .....	42
4. New-imperialist Turkey at the crossroads between Europe and Asia .....	46
<b>VI. Necessary struggle against social-chauvinism, opportunism and dogmatism</b> .....	52
<b>VII. The new quality of imperialism’s general crisis-proneness</b> .....	57
<b>Collection of important quotations from V.I. Lenin on the subject of “new-imperialist countries”</b> .....	63

## Preface

The analysis of the emergence and development of a number of new-imperialist countries became necessary because this new phenomenon dramatically calls into question the present fabric of the imperialist world system.

On the firm foundation of the analysis of imperialism, starting from Lenin, since 1969 the MLPD has fundamentally and concretely analyzed new manifestations and essential changes using the dialectical-materialist method: state-monopoly capitalism in the Federal Republic of Germany, the restoration of capitalism in the Soviet Union and in China, the emergence of neocolonialism, the reorganization of international production and the development of the environmental crisis. This “Blue Supplement” builds upon this ideological-political line, worked out in programmatic documents and the system of MLPD’s theoretical organ, *Revolutionärer Weg*, and develops it further.

The book *Dawn of the International Socialist Revolution* advanced the thesis of the emergence and development of new-imperialist countries for the first time in 2011. The present analysis provides scientific proof of this well-founded thesis.

This analysis is a contribution to a consciousness-raising discussion among the masses of workers, women and youth. In addition, it sets out the position of the MLPD vis-à-vis the international revolutionary and working-class movement for the discussion on the 100th Anniversary of the Russian October Revolution.

July 2017, Stefan Engel

## **Introduction**

The world is swept by great unrest, dramatic conflicts, fierce mass struggles and unexpected turns. Many people are gravely concerned about the future: concerned about US President Trump, the establishment of a fascist dictatorship in Turkey, the unending war in Syria, the armed conflict in Ukraine, the provocations of the USA and China in the South China Sea, or the dramatic exacerbation of the contradictions on the Korean peninsula, where the USA and North Korea openly raise the threat of nuclear war. And people are concerned because the international monopolies willfully and irresponsibly accelerate the destruction of the unity of humanity and nature in order to increase their maximum profits.

Under pressure from the crisis of their bourgeois refugee policy since 2015, more and more governments in Europe manifestly have shifted or are shifting to the right. That goes for the Merkel/Gabriel government in Germany too. They justify this with a supposed “fight against terrorism.” On this basis, as never before since the Second World War openly reactionary, racist, nationalist to proto-fascist movements and parties have gained strength or are becoming stronger everywhere.

At the same time we witness the beginning of a progressive change of mood among the working class and broad masses. Even now this movement far surpasses the worldwide anti-Vietnam War protests of the 1970s in scope, diversity and content. A new youth movement, critical of society and transcending national boundaries, encompasses hundreds of thousands of people. It heralds a new upsurge of the international revolutionary and working-class movement. How come all this is happening? And how is it to be assessed?

The chief causes of social changes and upheavals are not to be found in the minds or programs of the ruling politicians or in the advent of new ideas or philosophies – dialectical and

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historical materialism proves as much. They have their material basis instead in the economic base of society, in the contradictory development of the mode of production. In this regard the emergence of a number of new-imperialist countries is a central question today. It is important to comprehend this fact along with its deeper causes and effects. Otherwise it is impossible to understand the current changes in the world situation and to draw the right conclusions for the class struggle and for the future of humankind.

In its analysis the Marxist-Leninist Party of Germany (MLPD) identifies mainly a group of 14 countries as new-imperialist; they differ in size, are in different stages of development, and have different socioeconomic structures and histories: the BRICS countries Brazil, Russia, India, China and South Africa; the MIST countries Mexico, Indonesia, South Korea and Turkey, as well as Argentina, Saudi Arabia, Qatar, the United Arab Emirates and Iran. These countries developed their new-imperialist character in a certain period and in connection with the most recent social developments. 3.7 billion people, more than half the world population, live in these 14 countries. The process of the formation of new-imperialist countries already is in evidence in a number of other countries. However, that is irrelevant for this analysis.

## **I. The emergence of new imperialist countries is an essential feature of the imperialist world system**

In his analysis of imperialism written in 1916, Lenin stated that a new epoch in the development of capitalism had begun: the *transition from capitalism of free competition to monopoly-capitalist imperialism*.

In the last third of the nineteenth century a process of the emergence of several imperialist countries like Britain or France began. Already in the middle of the nineteenth century “at least *two* major distinguishing features of imperialism”<sup>1</sup> existed in Britain. But Lenin pointed out that capitalist imperialism “finally matured”<sup>2</sup> only at the beginning of the twentieth century.

When he analyzed imperialism in 1916 he was primarily interested in new-imperialist Germany. Germany had only few colonies; the more clearly its new imperialist character stood out: the *domination of finance capital as the decisive economic and political foundation*.

Britain was a country which had created its wealth primarily “by the exploitation of innumerable colonies, by the vast power of its banks....”<sup>3</sup> *Germany*, on the other hand, developed very quickly since 1871, and much more dynamically than Britain, into a new capitalist Great Power. Industrial production rose rapidly; large-scale enterprises with thousands of employees were established, and there was great hunger for raw material sources and markets.

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<sup>1</sup> Lenin, “Imperialism and the Split in Socialism,” *Collected Works*, Vol. 23, p. 112

<sup>2</sup> Lenin, “The Proletarian Revolution and the Renegade Kautsky,” *Collected Works*, Vol. 28, p. 239

<sup>3</sup> Lenin, “War and Revolution,” *Collected Works*, Vol. 24, p. 403

Besides Germany, the USA and Japan belonged to the new-imperialist group. Their superiority over the group of old imperialist countries was based on an *advanced capitalist mode of production*; they introduced “into the struggle new methods for developing capitalist production, improved techniques, and superior organisation.”<sup>4</sup> Their disadvantage: the colonies, indispensable for them as sources of raw material and markets, were already divided among the old imperialists. This produced a striving for the redivision of the world and made them especially aggressive.

In his famous work, *Imperialism, the Highest Stage of Capitalism*, Lenin generalized: “If it were necessary to give the briefest possible definition of imperialism we should have to say that *imperialism is the monopoly stage of capitalism*.”<sup>5</sup>

By monopoly Lenin means both finance capital as “bank capital of a few very big monopolist banks, merged with the capital of the monopolist associations of industrialists” and “the division of the world ... to a colonial policy of monopolist possession of the territory of the world, which has been completely divided up.”<sup>6</sup>

So imperialist countries are countries whose economy is determined by monopolies, where the monopolies have increasingly subordinated the state, and that strive for the domination of other territories and countries.

The *export of capital* became typical for this “latest stage of capitalism.” It is the decisive economic foundation for the exploitation and oppression of other countries by imperialism. In capitalism of free competition the *export of goods* was still predominant.

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<sup>4</sup> Lenin, “War and Revolution,” *Collected Works*, Vol. 24, p. 403

<sup>5</sup> Lenin, “Imperialism...,” *Collected Works*, Vol. 22, p. 266; emphasis added

<sup>6</sup> *Ibid.*

In the history of imperialism, under certain conditions again and again new imperialist countries have developed from former colonies, like the USA, Canada or Australia. It would be dogmatic, therefore, to classify countries once and for all into oppressor and oppressed countries.

## **II. The changes in the economy and class structure of the oppressed countries**

There were roughly 20 capitalist countries at the time of Lenin. Today the capitalist mode of production is predominant in almost all countries of the world. This is the law-governed result of the triumph of capitalism over feudalism.

Capitalist-imperialist colonial politics was connected with an inflation of the power apparatus and tremendous growth of arms production. With that the *state* became more and more important. Its role changed from that of representative of the interests of capital in general to *representative of the interests of a handful of monopoly capitalists*. In view of the imperialist war economy Lenin observed already in 1917 the beginning transition of monopoly capitalism to state-monopoly capitalism:

“monopoly capitalism is developing into *state monopoly capitalism*. In a number of countries regulation of production and distribution by society is being introduced by force of circumstances. Some countries are introducing universal labour conscription.” Before the war we had the monopoly of trusts and syndicates; since the war we have had a state monopoly.<sup>7</sup>

During the Second World War, in all imperialist countries the *transition from monopoly capitalist to state-monopoly imperialism* was completed. In 1979 Willi Dickhut defined this new quality of the capitalist social order in his book, *State-*

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<sup>7</sup> Lenin, “Speech in Favour of the Resolution on the Current Situation,” *Collected Works*, Vol. 24, p. 305; emphasis added.

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*Monopoly Capitalism in the Federal Republic of Germany (FRG), Part I:*

State-monopoly capitalism means: the total subjugation of the state to monopoly rule; the fusion of monopoly organs with those of the state apparatus; and the establishment of the economic and political power of the monopolies over all of society. (p. 69)

This *state-monopoly power base* is the “*highest form of national-state organization of capitalism.*”<sup>8</sup> It was the essential foundation for the now beginning *rapid internationalization of the capitalist mode of production*. It signified a *new phase in the development of the imperialist world system*.

After the Second World War the national liberation struggles smashed the old colonial system. From then on *capital export* became the *predominant method of imperialist colonial policy*. As a result the former colonies, now formally independent states, remained subjugated to the international monopolies. Thus *neocolonialism* emerged, bringing the developing countries to heel as areas for the investment of surplus capital.

Before 1945 there were only a few hundred international monopolies worldwide. In 1969 there were already 7,300 with 27,300 subsidiaries. The process of the accelerated division of the world by the international monopolies, only in its initial stage at the time of Lenin, was now characteristic for the world economy.

Capital export to imperialist countries is particularly attractive for the international monopolies, because the hunger for capital is very strong there due to their developed production. This tremendously speeded up the *interpenetration and linkage of imperialist capital* and became the driving force of the accelerated internationalization of capitalist production.

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<sup>8</sup> *Twilight of the Gods – Götterdämmerung over the “New World Order”*, p. 241

Export of capital to the colonies, on the other hand, was concentrated on the most lucrative projects where maximum profit could be made. Willi Dickhut aptly characterized the goals and methods:

Sources of raw materials, markets for products, capital investments – those are the imperialist goals of all monopoly capitalists. To achieve these goals, the imperialists will use whatever means they can: diplomatic intrigue, bribery, a share of the profits, blackmail, threats, assassination attempts, changes in governments through corruption, military coups with the aid of corrupt officers, military intervention from outside with soldiers of fortune or own troops, and so on and so forth.<sup>9</sup>

In the neocolonially dependent countries, with the expanding capitalist mode of production a *national bourgeoisie* and the *industrial proletariat* inevitably emerged. The domestic bourgeoisie established numerous industrial production facilities, assisted by loans from the imperialist countries, the International Monetary Fund (IMF) or the World Bank.

But once capitalist industry has been introduced it pushes towards the concentration and centralization of capital in a law-governed way. From the national bourgeoisie – or in its interest – *national private*, semi-public or state-owned *monopolies* evolved *closely linked with international corporations*. In 1993, in the book, *Neocolonialism and the Changes in the National Liberation Struggle*, we stated that in a number of countries such as Argentina, Brazil, India and South Korea

big capital in the oppressed countries is in varying degrees dependent on the imperialists. It is itself subject to control and has turned into an instrument for exercising the rule of international monopoly capital over society in the oppressed countries. (p. 109)

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<sup>9</sup> *State-Monopoly Capitalism in the Federal Republic of Germany (FRG)*, Part I, p. 58

The *fundamental precondition* for the *development of these domestic monopolies* in a number of neocolonially dependent countries was the merging of capitalist large estates with industrial, bank and merchant capital. This included above all countries which, because of their socioeconomic conditions, attracted the special interest of international monopoly capital for its capital export. Most of them were large, resource-rich, populous countries characterized by relatively developed capitalist relations of production; they had a relatively well-developed infrastructure, a large labor potential, or the prerequisites for a growing market. Growing markets developed mainly when backward small-scale agriculture was transformed into *capitalist agro-industrial production*.

The formation of *domestic monopolies* was the essential economic *starting point for the emergence of new-imperialist countries*.

In 1980 there were 21 international monopolies in Brazil, Mexico, Argentina, India, South Africa, Turkey and South Korea; in 1990 there were 28.<sup>10</sup> But they still were vitally dependent on the imperialists and, on their behalf, influenced government decisions that were principally determined by imperialism.

### **III. The reorganization of international production and the emergence of new imperialist countries**

The neocolonially dependent countries had to produce semi-finished products with cheap labor for the international monopolies, sell them their raw materials at low prices, or were forced to buy certain goods. Imperialist powers kept a tight rein on them also in military affairs. They forced cost-

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<sup>10</sup> Fortune Global 500

ly arms purchases upon them and exercised tight control through military advisors, involvement in military operations or the forming of “military alliances.”

A large part of the surplus value squeezed out of the industrial and agricultural workers of these countries landed in the tills of the international monopolies. Because of their lack of capital, the neocolonially dependent countries had to take up partly huge, hardly repayable loans from the big foreign monopoly banks. The consequence was a gigantic *debt crisis*, which developed into a deep *crisis of neocolonialism*. The neocolonially dependent countries’ share of the world population increased from 74 to 76 percent between 1980 and 1989. However, over the same period the share of the gross world product generated by them declined from 23 percent to 17 percent.<sup>11</sup>

The imperialist countries responded to this development at the beginning of the 1990s with the policy of *neoliberalism*. Their intention was to counteract the repercussions of this crisis and stimulate further growth of the markets in the neocolonially dependent countries. The result: the economies of these countries were subjected still more completely to the international production and reproduction process of the imperialist countries and international monopolies. This also gave rise to new markets and investment opportunities for the surplus capital of the international monopolies.

The *essential instrument* for this purpose since the mid-1980s was the *privatization of state-owned enterprises*. From 1992 to 2001, in Latin America alone more than 1,000 state-owned enterprises were sold for proceeds totaling about 150 billion US dollars.<sup>12</sup> In the book, *Twilight of the Gods* –

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<sup>11</sup> *Neocolonialism and the Changes in the National Liberation Struggle*, p. 253

<sup>12</sup> Peter Rösler, *Ausländische Direktinvestitionen in Lateinamerika* (Foreign Direct Investment in Latin America), [www.ixpos.de](http://www.ixpos.de), 29 March 2002

*Götterdämmerung over the “New World Order”*, we wrote in 2003:

The privatization and *sellout of state-owned enterprises to the international monopolies* reveal what is the core of the reorganization of international production in the neocolonial countries. The extent of this sellout is expressed by the gigantic growth of foreign direct investment. The international monopolies increased their investments in these countries from US\$115 billion in 1980 to US\$1,206 billion in 2000, that is by more than tenfold. (p. 372)

Today, 114,000 international monopolies with some 900,000 subsidiaries shape the face of the world economy<sup>13</sup>; among these monopolies are about 500 international supermonopolies as leading stratum of solely ruling international finance capital. This manifests a *monopolistic quality of capitalist production* of immense proportions.

The reorganization of international production since the 1990s tremendously accelerated the process of the formation of domestic monopolies in the neocolonially dependent countries.

Between 1980 and 2015, industry’s share of the gross domestic product increased. In India it rose from 24.3 to 29.6 percent, in Turkey from 23.8 to 26.5 percent. In China, on the other hand, the share declined from 48.1 to 40.9 percent. However, this is by no means an indication of a decline in industrial output. Rather, an ever larger part of the industrial workforce is compelled to earn a living in outsourced operations, with work contractors, as agency workers, contract workers, seasonal workers, etc. In many cases they are misleadingly counted in the statistics as “service providers.” However, the majority of the occupational groups of the “services sector” belong to the working class in the restricted or extended sense. The contribution of this sector to the gross domestic product

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<sup>13</sup> [www.unctad.org/wir](http://www.unctad.org/wir) Web table 34

in China has virtually exploded: from 22.3 to 50.2 percent. In India it rose from 40.3 to 53.0 percent, in Turkey from 49.7 to 65.0 percent, and in Russia from 33.0 to 62.7 percent.

This development caused agriculture's share of the gross domestic product to decline substantially in these countries. Between 1980 and 2015 it fell in China from 29.6 to 8.8 percent, in India from 35.4 to 17.5 percent, in Turkey from 26.5 to 8.5 percent, or in Russia from 16.8 to 4.6 percent.<sup>14</sup>

The international monopolies thus enforced a new phase of concentration of capital and internationalization in the agricultural sector. It involved the agrochemical sector, the agricultural machinery industry, the predominance of industrial-scale agricultural production, the food industry and food retailing. The new domestic monopolies became competitors for the supply of the large domestic markets. JBS in Brazil, founded as a small slaughterhouse in 1953, grew on an agro-industrial basis in the 1990s to become Brazil's chief supplier of meat, and by 2010 had risen to the rank of the world's biggest meat producer.<sup>15</sup>

The changes in the socioeconomic structure are made especially clear by the rapid growth of the urban population: its share of the population in the 14 most important new-imperialist countries rose from 30.3 percent in 1980 to 52.0 percent in 2014.<sup>16</sup>

The monopolization of the capitalist world economy affects production, trade, transportation and communication, all sectors of the economy, science and culture. It is based on the *internationalization of the financial sector*, which in turn is an essential result of the tremendous concentration and centralization of capital.

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<sup>14</sup> World Bank, World Development Indicators; Russia only from 1989

<sup>15</sup> [www.sueddeutsche.de](http://www.sueddeutsche.de), 22 May 2011

<sup>16</sup> World Bank, World Development Indicators, 1 June 2016

The reorganization of international production since the 1990s has standardized the training of workers for modern industrial production worldwide and created an international labor market. Increasingly it extends also to parts of the production and reproduction of human life like the health and educational sectors, which have adopted an industrial mode of production due to privatization and transfer to international monopolies.

In the wake of privatization, domestic monopolies also emerged and became stronger; they increasingly pursued goals of their own. In Brazil the mining company Companhia Vale do Rio Doce was privatized in 1997. Today Vale is the world market leader in iron ore trading.<sup>17</sup> The state share of the South Korean steel corporation Posco was progressively reduced at the beginning of the 1990s. In 2015 Posco was the world's fourth largest steel group.<sup>18</sup>

The *majority of the neocolonial countries were ruined*. This went as far as the destruction of their independent industrial base and the *breakup* of numerous *national states*. However, other neocolonially dependent countries developed into new-imperialist countries. How was that possible? Lenin identified as universal law of the capitalist mode of production:

“Under capitalism the *smooth economic growth* of individual enterprises or individual states is *impossible*.”<sup>19</sup> He drew the conclusion: “*strength changes with the course of economic development*.”<sup>20</sup>

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<sup>17</sup> [www.vale.com](http://www.vale.com)

<sup>18</sup> [www.worldsteel.org](http://www.worldsteel.org)

<sup>19</sup> Lenin, “On the Slogan for a United States of Europe,” *Collected Works*, Vol. 21, p. 341; emphasis added

<sup>20</sup> *Ibid.*, emphasis added

## **1. From one-sided dependence to interpenetration of domestic monopolies with international finance capital**

An increasing number of neocolonially dependent countries became more and more completely integrated into the global production and reproduction of the international monopolies. This *intensified the mutual penetration* of national and international monopolies.

This found expression especially in the *cross-border mergers and acquisitions*. Between 1999 and 2007, monopolies from the emerging new-imperialist countries already carried out 66 cross-border acquisitions, buying up international monopolies across the globe for at least one billion US dollars in each case: monopolies from China realized 12 acquisitions, monopolies from the United Arab Emirates 11, from Mexico and Brazil 7 each, from South Africa 6, from Saudi Arabia and Russia 4 each, from India, Indonesia and South Korea 3 each, from Turkey and Argentina 2 each, and monopolies from Iran and Qatar realized one acquisition each.<sup>21</sup>

Since the reorganization of international production, the *international supermonopolies* have been producing mainly abroad. They are therefore dependent on monopoly-friendly legislation and regulations: in patent procedures and taxation, for modern infrastructure, well-trained manpower, and favorable conditions for the “peaceful exploitation” of the masses and the natural resources on an international scale. These are imposed against the individual countries first of all by World Bank, IMF, WTO (World Trade Organization) and ILO (International Labour Organization).

This process causes the concrete modes of production and exchange in the imperialist world system to converge, relatively

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<sup>21</sup> UNCTAD, World Investment Report, various years' issues

speaking. This increases international competition, and yet it is also an essential social condition for the unification of the international revolutionary and working-class and people's movements.

## **2. The way from neocolonial dependence on imperialism to independence as new-imperialist countries**

As long as the national monopolies of the neocolonies were economically and politically not strong enough to step out of the shadow of the international monopolies of the imperialist countries, one could not speak of real political independence. With the growth of the strongest among them, their increasing disengagement from the foreign international monopolies, and the beginning capital export of their own, they began to use the *scope of formal political independence* and to *subordinate their home nation-state more and more also to their own interests*.

In *South Korea*, in 1987 democratic mass protests caused the fall of the military dictatorship, which was servile to the USA. This also undermined the neocolonial dependence on the USA. For decades, capitalist family dynasties, called *chaebols*, had been developing in South Korea; they are interlocked, nested conglomerates. They now recruited government bureaucrats and military people, organized their control over the banks through the state, and began to subordinate the state apparatus and to merge with it.<sup>22</sup>

In *South Africa*, in the early 1990s, the fascist, racist apartheid regime was overthrown. Thereafter the monopolies converted the state-owned Industrial Development Corporation

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<sup>22</sup> Markus Pohlmann, *Südkoreas Unternehmen* [The Enterprises of South Korea], in Kern/Köllner, *Südkorea und Nordkorea* [South Korea and North Korea], p. 124

more and more into an instrument for their expansion to other countries.<sup>23</sup>

The ultimately decisive precondition to develop into new-imperialist countries was the existence of *state-monopoly capitalist structures*. These could best develop from the structures of military dictatorships or bureaucratic-capitalist countries.

The international imperialist organizations IMF and World Bank played a special role in the forming of state-monopoly structures. In view of the horrendous debt crisis they dictated rigorous “structural adjustment programs” to shift the burden of crisis onto the workers and broad masses. These programs were accompanied by extensive credits, subsidies or “aids” to the respective states for building up an administration and a military and police apparatus – not least for suppressing the working class and the revolutionaries.

In the transition from neocolonial to new-imperialist countries, these state-monopoly structures have a peculiar feature: they subordinate the state both to the interests of the domestic monopolies and to the interests of international finance capital. It is from this specific constellation that the temporary instability of the respective states and their governments arises.

### **3. The crisis of neocolonialism undermines the old imperialists’ sole rule**

*Neoliberalism* could only temporarily cushion the budget and debt crises of the neocolonial countries. They broke out anew, and even before the turn of the millennium they resulted in a *new crisis of neocolonialism – deeper and more comprehensive* still than that of the early 1980s. It developed on the basis of the reorganization of international production and became the precursor of the world economic crisis of 2001–2003.

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<sup>23</sup> IDC Annual Report, 2016

In 2000 the countries most highly indebted to international finance capital were (all figures in billions of US dollars): Brazil 238.0, Mexico 150.3, Argentina 146.2, Indonesia 141.8, South Korea 134.4, Turkey 116.2 and India 99.1.<sup>24</sup>

With the *overaccumulation of capital becoming chronic* it was more and more difficult for the international monopolies to find investment opportunities yielding maximum profit. Hence, from the beginning of the 1990s onwards, they proceeded to alter their *investment activity* into a *reorganization of international production*:

For a long time the imperialists had seen to it that in the neocolonially dependent countries mainly semifinished products, raw materials, etc., were produced and exported. Now, however, they found themselves forced to transplant their own production facilities also to neocolonially dependent countries – at least to the centers of international production. And this *on the same level as in the imperialist countries*. Production at the highest level made new markets develop rapidly: there was a need for a system of local suppliers, new infrastructure, skilled manpower, and the provision of housing and groceries. From this *the financial strength of the domestic monopolies also benefited*. More and more they took part in buying out former state-owned enterprises, in forming joint ventures, and increasingly also in mergers and acquisitions.

The working class and the masses mainly had to bear the consequences of the debt crisis. In some countries, a rapidly increasing cost of living led to a *dramatic deterioration of the living conditions of the working class* and challenged it to offer *active resistance*. In the beginning of the new millennium, the imperialist countries were confronted with an upswing of mass struggles, at first in Latin America and some Asian countries.

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<sup>24</sup> World Bank, World Development Indicators 2002, in: *Twilight of the Gods – Götterdämmerung over the "New World Order"*, p. 264

They were increasingly directed *straight at international finance capital*.

Particularly after the people's uprising *Argentinazo* in December 2001, *a revolutionary ferment emerged*, spreading all over Latin America. The neoliberal, neocolonial policy proved to be unfeasible in the old way. And the masses in the countries concerned were no longer willing to accept plundering and oppression in the old way.

So those in power temporarily came to terms with the left-wing governments in Venezuela, Argentina, Ecuador, Brazil or Bolivia, in order to extinguish the revolutionary embers with bourgeois parliamentarism. They created *room for the election of new carriers of hope in the form of "left-wing" governments*. Hugo Chavez's opportunistic conception of "socialism of the 21st century" in Venezuela also contributed to this objectively, gaining great influence among the masses in Latin America temporarily.

In 2003, Lula da Silva, a former strike leader against the VW corporation, assumed the presidency of Brazil. It was hoped that he would campaign for a "just world order," in the shaping of which the South must have a share. His government promoted the development of the Latin American economic alliance Mercosur<sup>25</sup> to an economic power bloc. Brazilian monopolies have become the dominating power in it. Between 2002 and 2011 Mercosur was able to more than double its share of the world gross domestic product, from 1.8 to 4.4 percent. Brazil accounted for more than 80 percent of this. In 2010, Lula da Silva's government arranged a then world record capital transaction. It was carried out by the Petrobras corporation and raised about 79 billion US dollars.<sup>26</sup> Petrobras

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<sup>25</sup> Common market of South America: Brazil, Argentina, Paraguay, Uruguay, Bolivia, Venezuela

<sup>26</sup> [www.faz.net](http://www.faz.net), 24 September 2010

became world market leader in the production of oil and natural gas from deep-sea drilling.<sup>27</sup>

In South Africa the working class and the masses of the people struggled for decades heroically against apartheid. This fascist form of rule increasingly had become an obstacle for the international monopolies too. In years of talks and agreements with the revisionist South African Communist Party (SACP) and the leader of the African National Congress (ANC), Nelson Mandela, the imperialists prepared the transition to a bourgeois democracy. This was designed to stop the advancing revolutionization of the masses and open up the country for the imperialists' business.

New-imperialist South Africa became a center of the reorganization of international production and of international investments. In 2010, already 231 parent companies of multinational corporations and 675 subsidiaries had their place of business in South Africa.<sup>28</sup> State-monopoly ruling structures and internationally operating South African oil, mining or bank monopolies were established with the help of a complex network of connections between the ANC government and solely ruling international finance capital, joint ventures, mergers, acquisitions, etc.

To the international supermonopolies, the ANC conceded new liberties to exploit the black South African working class. The admission of trade-union leaders to the government was linked with a particular pact of class collaboration: the trade unions were to abstain from striking, prevent incipient strikes and collaborate in their suppression. But the deterioration of the working and living conditions of the working class and of the whole black population of the townships has led to a whole series of significant independent strikes and demonstrations

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<sup>27</sup> [www.handelsblatt.com](http://www.handelsblatt.com), 14 April 2012

<sup>28</sup> UNCTAD

since 2013. They put an end to the “social peace” decreed by the state.

It was not by chance that the transition to the new imperialism took place under these ostensibly left-wing, reformist governments. *The merging of the power of domestic monopoly capital with the state-monopoly power of the national state was the decisive internal precondition for it.*

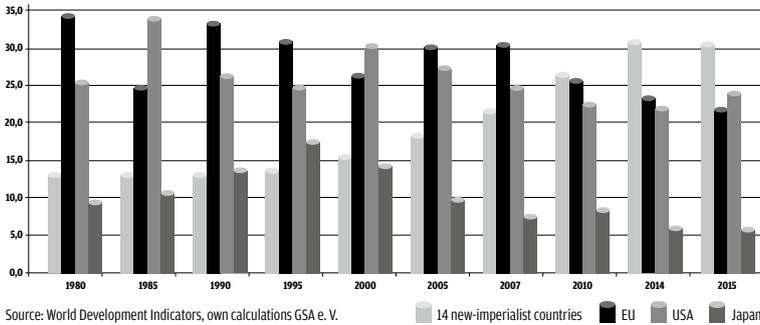
#### **IV. The world economic and financial crisis of 2008–2014 as driver of the emergence and rapid development of new-imperialist countries**

The preliminary transformation of formerly neocolonially dependent countries or of revisionist, degenerated former socialist countries into new-imperialist countries began in part as early as the 1980s. For most, the qualitative leap began from the turn of the millennium. Their *share of the global gross domestic product* had increased only slightly between 1980 (13.3 percent), 1990 (13.4 percent) and 2000 (15.8 percent). In 2007, however, the share of the new-imperialist countries was already 21.8 percent.

This process of rapid capitalist accumulation in the new-imperialist countries was an important factor helping to pave the way for the devastating crash: the deepest and longest world economic and financial crisis to date in the history of capitalism (2008–2014). The plethora of imperialist capital could only be balanced out by the destruction of capital in an overproduction crisis.

During the world economic and financial crisis the new-imperialist countries tremendously increased their share of the global gross domestic product – to 31.1 percent by 2014. In 2010 they outstripped the USA and the EU. The USA with its global share of 22.1 percent in 2014 had lost 3.0 percentage

**Chart: Shares of the global gross domestic product for EU, USA, Japan and new-imperialist countries**



points compared with 2007 and 8.6 compared with 2000. The EU, with a 23.6 percent global share in 2014, had lost 7.2 percentage points compared with 2007.

The sharp decline at the start of the crisis in 2008/2009 also severely affected the 500 solely ruling international super-monopolies. From 2007 to 2008 their profits plunged sharply, by 48.4 percent, from 1.6 trillion US dollars to 0.8 trillion.<sup>29</sup> Tremendous pressure built up to invest the surplus capital for maximum profit increasingly outside the old imperialist metropolises. This shift of forces had the effect that the comprehensive international crisis management was organized through the G20,<sup>30</sup> that is, with the involvement of the most important new-imperialist countries.

The construction of new capital assets and production sites in the new-imperialist countries acted as an outlet to dampen

<sup>29</sup> GSA table: survey of international monopolies based on the Fortune Global 500

<sup>30</sup> G20: EU, USA, Japan, China, Germany, France, United Kingdom, Italy, Brazil, Canada, India, Russia, Australia, Mexico, South Korea, Turkey, Indonesia, Saudi Arabia, Argentina, South Africa

the overproduction crisis. Foreign direct investments to these countries doubled between 2008 and 2014, from 2.6 to 5.4 trillion US dollars.<sup>31</sup> They helped the 500 leading international supermonopolies get out of the worldwide crisis of overproduction quickly. Their profits rose again already in 2010, by 59 percent. At the same time, the flooding of the new-imperialist countries with capital unintentionally accelerated the emergence of new imperialist rivals there.

The new-imperialist countries' share of *worldwide industrial value-added* doubled: from 19.7 percent in the year 2000 to 40.2 percent in 2014. Over the same period, the share of the EU declined by 5.5 percentage points to 18.6 percent, the share of the USA by 9.1 percentage points to 16.0 percent, and Japan's share by 10.3 percentage points to 5.6 percent.<sup>32</sup>

In the midst of the world economic and financial crisis the *economies* of several new-imperialist countries developed dynamic growth. In China, India, South Korea, Turkey, Indonesia, Saudi Arabia and Argentina the economy grew in some cases by 120 percentage points compared to the pre-crisis level. Even in the first quarter of 2017, old imperialist countries remained well below the respective pre-crisis level: Japan at 85.7 percent, the United Kingdom at 90.5 percent, France at 88.3 percent, Italy at 78.8 percent, and Spain at 76.5 percent. The industrial output in Germany and the USA reached the pre-crisis level again in 2014.<sup>33</sup>

From 2007 to 2014 the *new-imperialist countries' share of worldwide capital export* tripled from 10.2 to 30.9 percent.<sup>34</sup> During this period the new-imperialist countries extended their *share of the global foreign direct investment stocks* from

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<sup>31</sup> Capital export and capital import according to UNCTAD

<sup>32</sup> World Development Indicators, industry value added

<sup>33</sup> OECD Main Economic Indicators, own calculations GSA e. V.

<sup>34</sup> UNCTAD, FDI outflows; own calculations GSA e. V.

10.8 to 15.2 percent; the EU share fell from 42.2 to 36.6 percent, that of the USA from 28.5 to 25.3 percent. China, South Africa and Saudi Arabia doubled their stocks between 2007 and 2014, while Turkey, South Korea and India tripled theirs; in Qatar they increased by a factor of six, in Indonesia by a factor of eight.<sup>35</sup>

*Cross-border mergers and acquisitions*, in which supermonopolies from new-imperialist countries played an increasingly active role, also served this expansion of the economic power base. Between 2008 and 2014 they doubled their global share as buyers in cross-border mergers from 15.1 percent to 29.1 percent, thereby substantially extending their international imperialist influence. Particularly large increases in the annual average for 2008 to 2014 versus the annual average for 2001 to 2007 were reported by China with 690 percent, South Korea with 326 percent, Qatar with 310 percent, Turkey with 255 percent, Indonesia with 158 percent.<sup>36</sup>

The changes in relative strength between the imperialist countries find expression in the development of capital export. However, in concentrated form they become evident in the rise of monopolies from the new-imperialist countries into the ranks of the 500 international supermonopolies belonging to solely ruling international finance capital. The number of these *supermonopolies from BRICS and MIST countries* has more than *quadrupled* from 32 in 2000 to 141 in 2015. That was at the expense of the USA, the EU and Japan.

In 2014 the BRICS countries formed the New Development Bank (NDB) explicitly in competition to the IMF. This aimed among other things at calling the US dollar into question as world reserve currency.<sup>37</sup>

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<sup>35</sup> UNCTAD, FDI outward stock; own calculations GSA e. V.

<sup>36</sup> UNCTAD cross-border M&A database

<sup>37</sup> [www.ndb.int/about-us/essence/history](http://www.ndb.int/about-us/essence/history), download 4 July 2017

*In the struggle for domination of the world market, enormous shifts in power* have occurred. China superseded the USA as world market leader in the mineral oil industry, the construction industry or in the bank sector. Supermonopolies from South Korea became world market leaders in shipbuilding and in the electrical and electronics industries, displacing the USA and Germany.<sup>38</sup>

New-imperialist countries have built up a *regional imperialist position of supremacy* against what so far have been spheres of influence of the old imperialist powers: Brazil is the fifth largest country on Earth with the seventh largest economy in 2014, the eleventh largest military budget, and more than 200 million inhabitants. It used the Mercosur economic bloc for its rise as new-imperialist power in South America. South Africa has extended its ascendancy on the African continent. The mining monopolies of South Africa exploit other countries and workers in southern Africa. South Africa has even stationed military in all these countries. South Africa has made a deal with the African Union allowing its troops to intervene on short notice if uprisings occur. India is expanding its imperialist power on the Indian subcontinent, intensifying the rivalry with China by doing so. Israel, Turkey, Iran, Saudi Arabia and the Arab sheikhdoms struggle amongst each other and with the old imperialists for regional supremacy in the Middle East and North Africa.

For the struggle to redivide the world, the new-imperialist countries stepped up the *expansion of their state and military power apparatuses*. In 2015 their armies comprised some eight million soldiers; NATO had 3.3 million.<sup>39</sup>

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<sup>38</sup> GSA table based on Fortune Global 500

<sup>39</sup> www.bundesheer.at, NATO Press Release 10 March 2011 and 22 June 2015, own calculations GSA e. V.

From 2000 to 2014 the new-imperialist countries quadrupled their *military expenditures*: from 125 to 561 billion US dollars. The NATO countries also increased their arms buildup during this period, though at a less rapid rate: from 479 to 921 billion US dollars.<sup>40</sup>

The USA remains the *sole imperialist superpower*. This special role is evident particularly in the military field. In 2016 alone its military spending came to 611 billion US dollars or more than a third of the worldwide military expenditures. With its nuclear arsenal of 7,000 warheads, in 2015 the USA commanded 45 percent of the world's nuclear weapons stockpile.<sup>41</sup> Since Donald Trump came into office, the USA has been pursuing an even more aggressive military buildup. By 2027 it intends to increase military spending to 722 billion US dollars annually.

The new-imperialist states have grown into the world's *biggest importers of heavy weapons*. From 2011 to 2015 India headed the list with a world market share of 14 percent – followed by Saudi Arabia with 7 percent, China with 4.7 percent and the United Arab Emirates with 4.6 percent. For the autonomous expansion of their military power apparatus, in 2014 the new-imperialist countries already controlled 26 of the world's 100 biggest *arms manufacturing monopolies*.<sup>42</sup>

New-imperialist countries maintain huge police forces and *paramilitary organizations*. Their size far exceeds that of the corresponding units in other imperialist countries. China's armed People's Police is a force of 1.5 million, India's paramilitaries "for protection against uprisings" are 1.3 million strong. They serve above all to oppress the masses within the country,

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<sup>40</sup> SIPRI, Military expenditure by country 1988–2015; own calculations GSA e. V.

<sup>41</sup> SIPRI, Yearbook 2016

<sup>42</sup> SIPRI (China is not included in this list for lack of reliable data.)

suppressing everything from strikes and rebellions against the government to insurrections and revolutionary movements.

The state-controlled mass media are used by the new-imperialist countries as *ideological-political power centers* for the *manipulation of public opinion* worldwide. Qatar influences around one billion Arabic-speaking people with the Al Jazeera television network. With partly multilingual, monopolized media, Russia, China and Turkey use the *emigrant population as platform* for their new-imperialist policy in other countries.

At UN Climate Summits the new-imperialist countries claim *special rights to destroy the natural foundations of human life*. As pretexts they cite “catch-up economic development” and “independent energy supply.” With that they justify aggressive exploitation methods in surface and deep mining, the destruction of rainforests, the forced displacement of millions of small farmers or the expansion of nuclear energy. China, India, Russia, South Korea, Iran, Saudi Arabia, Indonesia, Brazil, Mexico, South Africa and Turkey have pushed up their share of global CO<sub>2</sub> emissions from 35.6 percent in the year 2000 to 50.9 percent in 2015.<sup>43</sup>

In the international production systems a modern *international industrial proletariat*, linked by the international division of labor, has grown at a quickened pace also in the new-imperialist countries. The majority of the approximately 500 million members of the international industrial proletariat now are employed in the new-imperialist countries.

International industrial workers in new-imperialist countries are at the forefront of *strikes and class disputes*. On 2 September 2016 as many as 180 million participated in the second general strike against the Modi government in India. A year earlier 150 million had gone on strike. On 16 August 2012, 34 striking black miners were killed in a massacre at

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<sup>43</sup> [www.globalcarbonatlas.org](http://www.globalcarbonatlas.org), own calculation GSA e. V.

the Lonmin mine in South Africa. In response, in the following years a wave of independent mass strikes by South African miners and metalworkers developed.

On this basis a new upsurge of the worldwide militant women's movement is growing. Women increasingly are becoming a part of the international industrial proletariat. They play an increasing role as link between the working-class movement, rebellious youth and active people's resistance. Mass protests of women against laws and a reactionary women's policy in the USA, India, Turkey or Poland testify to this.

Thus, new forces are developing for the coordination and revolutionization of the struggles in the preparation of the international socialist revolution – with the international industrial proletariat as leading force.

## **V. Some especially aggressive new-imperialist countries**

The development of the gross domestic product from 1980 to 2015 demonstrates the qualitative leaps the group of 14 countries underwent in the process of emerging and developing as new-imperialist countries. It also illustrates how this group's share of the world economy has grown in leaps and bounds in particular since the new-imperialist character of these countries matured after the turn of the millennium. (See table "Gross domestic product in billions of US dollars," 1980 = 100)

### **1. China as strongest of the new-imperialist countries**

After Mao Zedong's death in 1976 the modern revisionists under Deng Xiaoping restored capitalism in the People's Republic of China. The country quickly developed into a new kind of bureaucratic state-monopoly capitalism, which since then has been pursuing *social-imperialist expansion* – under the guise of "socialism."

## Gross domestic product in billions of US\$\* - 1980 = 100

Country/Region	1980	1985	1990	1995	1996	1997	1998	1999
<b>Brazil</b>	235	223	462	786	850	883	864	599
1980=100		94.9	196.6	334.3	361.8	375.8	367.5	255.0
<b>Russia</b>	...	...	517	396	392	405	271	196
1989=100			102.0	78.1	77.3	79.9	53.5	38.7
<b>India</b>	190	237	327	367	400	423	429	467
1980=100		124.8	172.3	193.4	210.9	223.2	226.1	246.2
<b>China</b>	191	309	361	735	864	1,139	1,198	1,260
1980=100		161.9	188.8	384.3	451.9	595.8	626.7	659.0
<b>South Africa</b>	81	67	112	155	148	153	138	137
1980=100		83.3	139.1	193.0	183.3	189.4	171.0	169.6
<b>Mexico</b>	194	184	263	344	397	481	502	579
1980=100		94.9	135.2	176.9	204.5	247.3	258.3	298.1
<b>Indonesia</b>	72	85	106	202	227	216	95	140
1980=100		117.7	146.4	278.9	313.7	297.7	131.7	193.2
<b>South Korea</b>	68	104	285	559	603	560	376	486
1980=100		153.0	420.0	824.9	890.0	826.6	555.3	717.3
<b>Turkey</b>	69	67	151	169	181	190	269	250
1980=100		97.7	219.0	246.4	263.8	276.0	391.5	363.1
<b>Argentina</b>	77	88	141	258	272	293	299	284
1980=100		114.9	183.7	335.3	353.6	380.5	388.4	368.4
<b>Saudi Arabia</b>	165	104	117	142	158	165	146	161
1980=100		63.1	71.0	86.6	95.9	100.3	88.6	97.8
<b>Qatar</b>	8	6	7	8	9	11	10	12
1980=100		78.6	94.0	103.9	115.7	144.3	131.0	158.3
<b>UAE</b>	44	41	51	66	74	79	76	84
1980=100		93.1	116.3	150.8	168.7	180.8	173.6	193.7
<b>Iran</b>	94	180	125	96	120	114	110	114
1980=100		190.9	132.3	102.2	127.6	120.7	116.9	120.7
<b>Total 14</b>	1,487	1,696	3,024	4,283	4,696	5,111	4,783	4,769
1980=100		114.1	203.3	288.0	315.8	343.7	321.7	320.7
<b>OECD</b>	8,753	10,002	18,684	25,410	25,634	25,241	25,492	26,791
1980=100		114.3	213.5	290.3	292.9	288.4	291.2	306.1
<b>World</b>	11,156	12,670	22,548	30,851	31,532	31,415	31,319	32,491
1980=100		113.6	202.1	276.6	282.7	281.6	280.7	291.3

Source: World Bank, World Development Indicators; own calculations GSA e.V.

China as of 1997 including Hong Kong, and as of 2000 including Hong Kong and Macao

\* Figures in billions of dollars not adjusted for prices

Country/Region	2000	2001	2002	2003	2004	2005	2006	2007
<b>Brazil</b>	655	559	508	558	669	892	1,108	1,397
1980=100	278.9	238.0	216.1	237.6	284.8	379.4	471.3	594.4
<b>Russia</b>	260	307	345	430	591	764	990	1,300
1989=100	51.3	60.5	68.1	85.0	116.7	150.8	195.4	256.6
<b>India</b>	477	494	524	618	722	834	949	1,201
1980=100	251.4	260.5	276.4	326.1	380.6	440.0	500.6	633.5
<b>China</b>	1,389	1,516	1,644	1,830	2,135	2,480	2,960	3,782
1980=100	726.7	792.9	860.2	957.3	1,116.9	1,297.2	1,548.8	1,978.6
<b>South Africa</b>	136	122	115	175	229	258	272	299
1980=100	169.3	150.9	143.4	217.6	283.8	320.0	337.2	371.7
<b>Mexico</b>	684	725	742	713	770	866	965	1,043
1980=100	351.7	372.9	381.5	367.0	396.3	445.8	496.7	536.9
<b>Indonesia</b>	165	160	196	235	257	286	365	432
1980=100	227.7	221.4	269.9	323.9	354.3	394.4	503.0	596.3
<b>South Korea</b>	562	533	609	681	765	898	1,012	1,123
1980=100	828.3	786.2	898.2	1,003.7	1,128.1	1,324.6	1,492.3	1,655.8
<b>Turkey</b>	267	196	233	303	392	483	531	647
1980=100	387.5	284.9	338.0	440.5	570.1	702.1	771.8	940.8
<b>Argentina</b>	284	269	98	128	165	199	233	288
1980=100	369.3	349.1	127.0	165.8	213.9	258.2	302.2	373.6
<b>Saudi Arabia</b>	188	183	189	215	259	328	377	416
1980=100	114.5	111.2	114.6	130.4	157.3	199.6	229.1	252.8
<b>Qatar</b>	18	18	19	24	32	45	61	80
1980=100	226.8	224.0	247.3	300.6	405.3	568.8	777.6	1,018.2
<b>UAE</b>	104	103	110	124	148	181	222	258
1980=100	239.3	237.0	251.9	285.2	339.1	414.3	509.4	591.6
<b>Iran</b>	110	127	129	154	184	220	259	337
1980=100	116.1	134.5	136.3	162.7	194.7	233.0	274.1	357.6
<b>Total 14</b>	5,298	5,311	5,460	6,187	7,316	8,733	10,302	12,604
1980=100	356.3	357.1	367.1	416.1	492.0	587.3	692.8	847.6
<b>OECD</b>	27,359	27,107	28,283	31,688	35,270	37,274	39,292	42,946
1980=100	312.6	309.7	323.1	362.0	403.0	425.9	448.9	490.7
<b>World</b>	33,551	33,346	34,621	38,879	43,782	47,394	51,312	57,757
1980=100	300.8	298.9	310.3	348.5	392.5	424.8	460.0	517.7

Country/Region	2008	2009	2010	2011	2012	2013	2014	2015
<b>Brazil</b>	1,696	1,667	2,209	2,616	2,465	2,473	2,456	1,804
1980=100	721.6	709.3	939.8	1,113.2	1,048.9	1,052.1	1,045.0	767.4
<b>Russia</b>	1,661	1,223	1,525	2,032	2,170	2,231	2,064	1,366
1989=100	327.9	241.4	301.1	401.1	428.5	440.4	407.4	269.7
<b>India</b>	1,187	1,324	1,657	1,823	1,828	1,857	2,034	2,089
1980=100	626.0	698.3	873.7	961.5	964.2	979.6	1,072.6	1,101.8
<b>China</b>	4,838	5,345	6,357	7,858	8,866	9,934	10,829	11,420
1980=100	2,531.2	2,796.5	3,325.9	4,110.8	4,638.3	5,197.2	5,665.2	5,974.4
<b>South Africa</b>	287	296	375	416	396	368	351	315
1980=100	356.0	367.4	466.0	517.0	492.1	456.4	436.1	390.5
<b>Mexico</b>	1,101	895	1,051	1,171	1,187	1,262	1,298	1,144
1980=100	566.6	460.5	540.8	602.6	610.5	649.3	667.9	588.5
<b>Indonesia</b>	510	540	755	893	918	913	890	862
1980=100	703.9	744.4	1,041.8	1,232.0	1,266.3	1,259.0	1,228.6	1,189.2
<b>South Korea</b>	1,002	902	1,094	1,202	1,223	1,306	1,411	1,378
1980=100	1,478.1	1,330.2	1,614.2	1,773.5	1,803.5	1,925.6	2,081.5	2,032.2
<b>Turkey</b>	730	615	731	775	789	823	799	718
1980=100	1,061.7	893.4	1,062.9	1,126.3	1,146.8	1,196.8	1,161.2	1,043.6
<b>Argentina</b>	362	333	424	530	546	552	526	585
1980=100	469.8	432.7	550.4	688.9	709.4	717.3	683.9	759.7
<b>Saudi Arabia</b>	520	429	527	670	734	744	754	646
1980=100	315.9	260.8	320.2	406.9	446.1	452.4	458.1	392.6
<b>Qatar</b>	115	98	125	168	187	199	206	165
1980=100	1,472.3	1,249.2	1,598.2	2,143.0	2,386.4	2,538.3	2,634.1	2,102.9
<b>UAE</b>	315	254	286	349	373	389	402	370
1980=100	723.6	581.5	656.1	799.4	856.5	891.3	921.9	849.3
<b>Iran</b>	397	399	468	592	587	512	425	...
1980=100	420.9	422.8	495.7	627.4	622.3	542.2	450.7	
<b>Total 14</b>	14,722	14,318	17,584	21,095	22,270	23,561	24,446	22,860
1980=100	990.0	962.9	1,182.5	1,418.6	1,497.6	1,584.4	1,643.9	1,537.3
<b>OECD</b>	45,454	42,526	44,546	47,846	47,719	48,245	49,162	46,307
1980=100	519.3	485.9	508.9	546.6	545.2	551.2	561.7	529.1
<b>World</b>	63,346	60,046	65,853	73,170	74,694	76,770	78,658	74,292
1980=100	567.8	538.3	590.3	655.9	669.6	688.2	705.1	666.0

The new Chinese monopoly bourgeoisie evolved from the degenerated petty-bourgeois bureaucracy in the apparatus of party, state and economy. It utilized the centralistically organized, formerly socialist state apparatus to rise rapidly into solely ruling international finance capital. It subjugated the state apparatus and transformed it into an *ultra-centralistic, bureaucratic instrument for exercising dictatorship* over the Chinese people.

The imperialists all over the world eagerly seized upon the opportunities offered by the opening of the Chinese market with a population of meanwhile 1.4 billion people. The development of *private monopoly capital* and *international monopolies* in China was driven forward mainly by using the method of “*joint ventures*.” The Chinese revisionists hypocritically called them “useful additions to the socialist economy.”<sup>44</sup> Their true purpose was: the *Chinese bureaucratic monopoly capitalists* wanted to attract foreign investors without losing *control*.

The first joint venture between a foreign and a Chinese enterprise was established in 1984 by the two automotive groups VW (Volkswagen, Germany) and SAIC (Shanghai Automotive Industry Corporation, China). China imposed two conditions: Foreign monopolies obtained access to the Chinese market only by entering into joint ventures with Chinese state-owned enterprises. And over time these were to pass into Chinese hands. Skillfully the new rulers of China thus managed to take over and develop further their foreign partners’ modern technology, improved forms of organizing production and the related know-how. In 2003, Chinese capital participation in 16 of the larger joint ventures between Chinese and foreign

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<sup>44</sup> Konrad Seitz, *China – eine Weltmacht kehrt zurück* (China, a world power returns), p. 282

automobile manufacturers was at least 50 percent.<sup>45</sup> This went together with rapid industrialization of the country. Today there are roughly 400 to 500 million wage workers in China.<sup>46</sup>

Between 2001 and 2015 the gross domestic product of China grew more than sevenfold from 1.5 to 11.4 trillion US dollars. China's share of the global gross domestic product in this period increased from 4.5 percent to 15.4 percent. During the same period the number of Chinese corporations belonging to the 500 solely ruling international supermonopolies increased rapidly: from 12 to 103.<sup>47</sup>

During the world economic and financial crisis from 2008 to 2014 the Chinese social-imperialists rose to become the largest investor in infrastructure projects in *Africa*.<sup>48</sup> They demanded lower profit margins than the Western imperialists and granted credits with lower interest rates for infrastructure investments:<sup>49</sup> ports, railroads, pipelines, roads, telecommunications. They deceitfully declared this to be "development aid" – and only in this way gained structural access to the profitable exploitation of African raw materials. It was predominantly skilled Chinese personnel who carried out the projects. At the same time, mass unemployment and mass poverty among African workers was growing; tens of thousands of small farmers were ruined.

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<sup>45</sup> "Foreign direct investment in China's automobile industry," 2006, p. 1239

<sup>46</sup> There are wage workers in agriculture, industry and in the so-called "services." Source: *Chinas Arbeitswelten* (China's working worlds), Stiftung Asienhaus, 2015

<sup>47</sup> Fortune Global 500

<sup>48</sup> "La Chine, principal investisseur dans le secteur des infrastructures en Afrique" [www.fr.africatime.com](http://www.fr.africatime.com), 24 August 2013; published only in French by Xinhua

<sup>49</sup> Südwind, "Partnerschaft auf Augenhöhe? Die Rolle Chinas in Afrika" (Equal Partners? The role of China in Africa)

With its program “Made in China 2025” China initiated a change of its expansion strategy in the struggle for redividing the world market. The focus is now on becoming the *unquestioned leading power of the world economy* and outrunning its chief rival, the USA. For this purpose China is increasing its investments in foreign monopoly enterprises which have great technological know-how. Chinese investments in the EU rose from 2015 to 2016 by 77 percent to more than 35 billion euros.<sup>50</sup> Holding almost ten percent, in 2017 the Chinese monopoly HNA became the largest single shareholder of Deutsche Bank, the leading German monopoly bank. In 2016, Midea, the Chinese electrical appliances monopoly, gobbled up the leading German manufacturer of industrial robots, Kuka.<sup>51</sup>

For military support of its aspirations as a world power, China has built up the world’s largest army: approximately 2.3 million soldiers are under arms, 600,000 more than in the US military.<sup>52</sup> China has more than 160 intercontinental missiles. With 10 to 12 nuclear warheads each and a range of up to 14,000 kilometers they can reach every corner of the earth. The Chinese air force has about 20 strategic medium-range bombers of type H-6<sup>53</sup> for the use of nuclear bombs, and it has one aircraft carrier.

The military alliance “*Shanghai Cooperation Organisation*” under the leadership of the nuclear powers China and Russia is mainly directed against the influence of NATO. India and Pakistan also became members in 2017.<sup>54</sup> With *aggressive, beligerent activities* in the struggle over domination in the South China Sea, China provoked armed confrontations with Japan

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<sup>50</sup> [www.sueddeutsche.de](http://www.sueddeutsche.de), 7 March 2016

<sup>51</sup> [www.managermagazin.de](http://www.managermagazin.de), 30 December 2016

<sup>52</sup> [de.statista.com](http://de.statista.com)

<sup>53</sup> Atomwaffen A – Z (Nuclear Weapons A – Z)

<sup>54</sup> Deutsche Welle (German public broadcaster), 14 June 2017

in 2014 and with the USA in 2016.<sup>55</sup> The US government under Trump today regards China as main rival in the struggle for world hegemony.

## 2. Resurgence of new-imperialist Russia

Starting from the Twentieth Party Congress in the Soviet Union in 1956, the central bureaucracy in the leadership of party, state and economy under Khrushchev took over the role of the ruling class as collective and state-monopolist personification of the total national capital. This new monopoly bourgeoisie established its bourgeois dictatorship over the whole society. The Soviet Union lost its socialist character. Whereas in 1960 the social-imperialist Soviet Union was still the second strongest economic power worldwide, by 1990 it had fallen back to less than a third of the economic strength of Western Europe and barely more than half of Japan's.<sup>56</sup>

With the collapse of the CMEA<sup>57</sup> and the dissolution of the Soviet Union in 1991 "Gorbachev's attempt had failed to proceed ... to a state-monopoly capitalism of Western coinage in a controlled way...."<sup>58</sup> In the following years, Russia's economy fell far behind in the competition with the Western imperialist countries. From 1991 to 1995 Russian industrial production dropped by 46 percent. For a while, Russia lost its imperialist character.<sup>59</sup>

The breakdown of Soviet social-imperialism gave rise to a single world market. This created the decisive *political pre-*

<sup>55</sup> www.n-tv.de, 31 May 2014 and 15 December 2016

<sup>56</sup> *Twilight of the Gods – Götterdämmerung over the "New World Order"*, p. 199

<sup>57</sup> CMEA = Council for Mutual Economic Assistance

<sup>58</sup> *Twilight of the Gods – Götterdämmerung over the "New World Order"*, p. 210

<sup>59</sup> Compare: *Twilight of the Gods – Götterdämmerung over the "New World Order"*, pp. 207–220

condition for the reorganization of international production in the imperialist world system.

In the 1990s most Russian state-owned enterprises, mainly belonging to the raw material sector and state-owned banks, were privatized. These enterprises miraculously fell into the hands especially of top functionaries of the former bureaucratic-capitalist apparatus of economy, party and state, the so-called *oligarchs*.<sup>60</sup> Their *unscrupulous striving for profit and power* was a *driving force for Russia's rise as a new-imperialist power*.

Its abundance of raw materials, crude oil, natural gas and metals was a *contradictory starting position* for the new-imperialist development of Russia: On the one hand, for strategic reasons tight limits were set for foreign capital seeking access. On the other hand, Russia took advantage of the fact that many imperialist rivals depend on Russian raw materials, and so used the opportunity to penetrate the world market.

When the former KGB secret service officer Vladimir Putin was appointed Russian president in 1999, a power-hungry nationalist monopoly politician got a chance. Under his leadership the Russian monopoly bourgeoisie became established on a private capitalist basis, and new-imperialist Russia developed. Whereas its share of the worldwide industrial value-added had dropped from 3.3 to 1.0 percent between 1990 and 2000, this share now increased sharply to 2.9 percent by 2011. Russia increased its share of global capital export twentyfold between 1999 and 2007 to 2.0 percent.<sup>61</sup>

By centralizing many enterprises and banks the Putin government established "*national champion companies*." In this way Rusal, for a time the largest aluminum producer worldwide, and Alrosa, a diamond monopoly dominating the world

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<sup>60</sup> [www.netstudien.de/Russland/](http://www.netstudien.de/Russland/)

<sup>61</sup> UNCTAD, FDI outward stock; own calculations GSA e. V.

market, were formed, and the state-owned Sberbank was built up to become an international supermonopoly. In 2014, 19 Russian monopolies had risen into the ranks of the one hundred largest armaments groups worldwide. By 2013 Gazprom became the second largest energy monopoly worldwide,<sup>62</sup> and Russia the world's largest exporter of natural gas. As second largest oil producer it competes with Saudi Arabia and the USA for world market leadership. Russia became the world's largest exporter of nuclear power plants financed by loans.

The Putin government pursues an openly reactionary, chauvinist and anticommunist domestic policy against the working class and the broad masses. The resistance that flares up again and again is persecuted by brutal police and military actions.

Putin pursues the goal of a Eurasian Union from Lisbon to Vladivostok dominated by Russia. Russian military took brutal action against secessionist wishes of the peoples of the North Caucasus and in Chechnya and Georgia.

The fighting power of the Russian army is said to be the second strongest in the world. In 2008 a modernization program carrying a price tag of 700 billion euros was launched, in particular for expansion of the nuclear weapons arsenal. The plan is to increase the manpower of the Russian army from 710,000 to 915,000 soldiers<sup>63</sup> and deploy it as an international intervention army.

With its eastward expansion after the fall of the Berlin Wall, NATO und EU took advantage of Russia's weakness and penetrated aggressively into territory that used to be under the influence of the social-imperialist Soviet Union. In response to this, and struggling for hegemony over Ukraine, in violation

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<sup>62</sup> Fortune Global 500

<sup>63</sup> "Russian Military Capability in a Ten-Year Perspective – 2013" by the Swedish Defence Research Agency (FOI)

of international law restrengthened Russia annexed Crimea in 2014.

Since 2011 Russia is keeping the proto-fascist regime of Assad alive in the Syrian war – with military support, bombings and the use of ground troops. It tries to maintain its imperialist influence in the Middle East by strengthening the axis Iran/Syria.

The Russian government maintains very close relations with the fascist Turkish ruler, Recep Tayyip Erdoğan. It supports at least 15 proto-fascist, fascist and ultra-nationalist parties in the EU and holds regular meetings with them in Russia. Among them: the neofascist NPD and the AfD (“Alternative for Germany”) in Germany, the Lega Nord in Italy, the Front National in France and Jobbik in Hungary. In 2014 the First Czech-Russian Bank, which has close ties with the Kremlin under Putin, gave the fascist Front National nine million euros for its election campaign.

Seemingly paradoxical, Putin also cherishes revisionist parties which call themselves “communist.” He receives revisionist parties from all over the world in Moscow – as host of celebrations which the Russian government is holding on the occasion of the 100<sup>th</sup> anniversary of the October Revolution. They take place under the counterrevolutionary guideline: *never again class struggle, never again revolution*. Among the guests are the Communist Party of China, the Workers’ Party of Korea or the German Communist Party (DKP).<sup>64</sup>

By maintaining these relationships Putin is attempting to destabilize the EU and its member countries.

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<sup>64</sup> Bilateral talks with comrades from the Marxist-Leninist Platform (MLP) Russia and the Russian Communist Workers’ Party (RCWP) in January 2017

### **3. India's new-imperialist dominance on the Indian subcontinent**

After India gained its national independence from Britain in 1947, as a resource-rich and populous country it built a relatively comprehensive *foundation for industrialization and the production of capital goods*. For this purpose, the key industries and capitalist large-scale enterprises were nationalized. After 1956, independent development was restricted to a large extent by the neocolonialism of the social-imperialist Soviet Union. During this time India also developed marked bureaucratic-capitalist features – a material base for the later emergence of state-monopoly capitalism.

With the “Green Revolution” the capitalist industrialization of agriculture was initiated. In 1976 the law abolishing bonded labor released the farm workers necessary for it. This set the course for an enormous growth of the Indian domestic market for producer and consumer goods. During this period Indian raw material companies in the oil, gas, petrol, coal, steel and aluminum sectors were established, most of them as state-owned enterprises which, however, were still dependent financially and technologically on imperialists in other countries.

The breakdown of the social-imperialist Soviet Union in 1991 was the decisive prerequisite for international finance capital to assert its neoliberal policy also vis-à-vis India. The “*New Economic Policy*” of finance minister Manmohan Singh opened India to the world market through accession to the World Trade Organization (WTO) in 1995. This policy organized the privatization of the public sector. On a large scale Singh promoted foreign investments and the establishment of a great number of *special economic zones* (SEZs). Since the “Special Economic Zones Act” was passed in 2005, through

2017 the number of new SEZs increased to 421, with 4,456 enterprises and 1.7 million employees.<sup>65</sup>

The Indian monopoly bourgeoisie, which already had acquired substantial industrial, bank, merchant and agricultural capital, also profited from this state program for privatization and the establishment of SEZs. India's share of the global gross domestic product rose steadily between 1995 and 2007 from 1.2 to 2.1 percent – an increase of 75 percent.

In 2004, immediately after the election of Sonia Gandhi as Prime Minister, India's stock exchange experienced the most dramatic slump in 135 years. Behind this was international finance capital's concern that the government might abandon the road to privatization. In this situation the *Indian monopoly bourgeoisie* urged Gandhi to "give up" the office of prime minister. The stock market shot upwards when Manmohan Singh then became prime minister. In the rivalry between the Indian monopoly bourgeoisie and international monopolies over the control of India's economy and state, leading Indian monopolies increasingly gained the decisive influence.

This was followed by the fast development of India's growing role on the world stage. In 2006 the USA recognized India officially as sixth nuclear power. The rapid rise of telecommunications and the Internet created special competitive advantages for India's monopolies, which had a large number of excellently trained *IT specialists* at their disposal.

In sharp contrast to the ultramodern industrial areas, large parts of the country are dominated by great poverty, are backward and marked by semi-feudal rural production. This fact tempts some left economists to doubt the new-imperialist character of India. In a similar situation, in 1917, Lenin said about the imperialist character of Russia:

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<sup>65</sup> Fact Sheet on Special Economic Zones at [www.sezindia.nic.in](http://www.sezindia.nic.in)

Furthermore, in the case of Russia it would be wrong to present imperialism as a coherent whole (imperialism in general is an incoherent whole), since in Russia there are no few fields and branches of labour that are still in a state of transition from natural or semi-natural economy to capitalism. (“Materials Relating to the Revision of the Party Programme,” written April–May 1917, Lenin, *Collected Works*, Vol. 24, p. 465)

Indian corporations are increasing the neocolonial dependence of other countries now. Indian Oil is the largest oil producer in Sri Lanka.<sup>66</sup> In 2015 Bharti Airtel took over the mobile phone network of 15 African countries. The Indian chemical monopoly Reliance Industries, the largest producer of fibers and polyester worldwide, has major production sites in Turkey, Malaysia, China, Britain and the Netherlands. The exports go to 121 countries.<sup>67</sup> Indian *world market leaders* are also Mahindra in tractor manufacturing, Wipro in the IT sector, Crompton Greaves in transformer production.

Since the Indian steel corporation *ArcelorMittal* was founded in 2007 it advanced aggressively in a short time to become the largest steel producer worldwide. It was formed when Mittal Steel took over the then second largest steel company of the world, Arcelor from Luxemburg. With an output of 41 million tons in 2016 and 199,000 employees worldwide, ArcelorMittal is also Europe’s largest steel producer, ahead of the Indian monopoly *Tata Steel*, which has annual production of 24 million tons and 70,000 employees. Under ruthless methods of exploitation of humans and the environment, more than 30,000 miners also work for ArcelorMittal in Kazakhstan, Ukraine, Bosnia, Canada, the USA, Mexico, Brazil and Liberia.<sup>68</sup>

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<sup>66</sup> [www.iocl.com](http://www.iocl.com)

<sup>67</sup> [www.ril.com](http://www.ril.com)

<sup>68</sup> [Annualreview2015.arcelormittal.com/operations-and-performance/segment-review/mining](http://Annualreview2015.arcelormittal.com/operations-and-performance/segment-review/mining)

When Manmohan Singh met with broad mass resistance against his program of stepped up privatization and expansion of special economic zones, the government of *Narendra Modi*, who has ties to Hindu fascism, took office in 2014. Special features of his program “*Make in India*” are structural measures and investments particularly promoting the expansion of Indian monopolies. Measures for investor protection abroad and for the taxation of international monopolies also served this purpose. By 2016, 58 Indian corporations had advanced into the group of the 2,000 largest enterprises worldwide, more than the 51 from Germany.<sup>69</sup>

The Indian mining group Adani is investing 11.5 billion euros in the *construction of the Carmichael coal mine in Australia* – with an annual production of 60 million tons it will be one of the largest mines worldwide. Included in the investment are the building of a railroad and the 99-year lease of the coal port Abbot Point. The Australian government approved this megalomaniac project in 2017: it will lower the ground water table of wide areas and destroy the unique off-shore system of the Great Barrier Reef.<sup>70</sup> The Modi government aggressively pushes the building of another 370 coal-fired power stations and wants to construct ten new nuclear reactors.

Modi explicitly justifies his government program with the Hindutva ideology, which aims at a Hindu empire encompassing the “geocultural” unity of the entire Indian subcontinent. This provides an ideological basis for the imperialist ambitions. With blockades contrary to international law as in 2015, the support of separatist movements in the Terai and direct interference in legislation, Nepal is to be transformed into a Hindu state dominated by India. Hindu nationalism, an

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<sup>69</sup> Forbes Global 2000

<sup>70</sup> [www.greenpeace.org.au](http://www.greenpeace.org.au)

aggressive anticommunist ideology, is the declared enemy of the Marxist-Leninist and anti-imperialist movements.

In 2016 the military spending by the Indian state, amounting to 55.9 billion US dollars, already exceeded the military spending of France and Britain. In 2013 the first aircraft carrier built in India was launched. In 2016 the first reusable space freighter was launched.

Modi entered into “strategic” alliances with Japan and the USA directed against China. Because the US claim to world hegemony is threatened by China, the USA is relying on India in East Asia. This inter-imperialist alliance presupposes an *independent Indian interest* to assert itself against the Chinese competitor. It is a *temporary and contradictory alliance for mutual benefit*. India’s former *one-sided dependence* on the USA more and more gives way to *interpenetration*, even though the imperialist superpower USA still calls the tune.

In domestic politics, India’s new imperialist striving for expansion primarily aims at suppressing the class struggle of the millions-strong army of the international industrial proletariat and the hundreds of millions of the rural population.

#### **4. New-imperialist Turkey at the crossroads between Europe and Asia**

Situated between Europe, Asia and Africa, Turkey has special geopolitical, economic and strategic military importance. Following the collapse of the Ottoman Empire in the wake of the First World War, the country became a semi-colony of various imperialist countries. In 1923, following a national-revolutionary war of liberation under the leadership of Mustafa Kemal Atatürk, the Turkish Republic was established. Atatürk pursued policies in favor of the national bourgeoisie: for national independence, capitalist industrialization, mod-

ernization and secularization<sup>71</sup> of the country, and for the restriction of imperialist influence.

In 1927 Turkey had a population of 13.7 million; today the population is 79 million. The large majority of the people are Muslims.

In 1952 Turkey became a member of NATO and was reduced to a state of neocolonial dependence especially on US imperialism. In 1960, 1971 and 1980 the military, aided and abetted by NATO and the CIA, staged coups in the interest of imperialism and the domestic big bourgeoisie. The military coups of 1971 and 1980 combined with the bloody suppression of the strengthened working-class movement and the revolutionary Left.

As early as the 1960s major Turkish monopolies like Koç Holding or Oyak developed. The latter was formed from an armed forces pension fund and today comprises almost 90 companies and equity interests in various sectors.

In the 1980s the monopolies stepped up the pace of the transformation of Turkey into a *capitalist industrial country*. This was done with the aid of the state using foreign capital. In 1971 *TÜSIAD*, the *Turkish Industry and Business Association*, was formed and exerted influence on decisions of the state in the interest of international and national monopolies.

The generally important societal role of the Turkish military, which grew further especially after the 1980 military coup, sped up the development of *state-monopoly capitalist structures*. The coup of 1980 initiated a change of course to neoliberalism: The privatization of state-owned enterprises dictated by the IMF promoted the merger of industrial, bank and merchant capital with parts of the reactionary agrarian oligarchy. The *domestic monopoly bourgeoisie* which thus

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<sup>71</sup> Secular state; separation of church and state; separation between state and religion

emerged still largely followed the dictates of foreign finance capital, however. International monopolies like Toyota, Daimler, Ford, Renault, Bosch, Fiat or RWE have production sites in Turkey.

Whereas at the end of the 1970s more than 50 percent of the population still worked in agriculture, in 2014 it was just under 20 percent. 74 percent of the population lived in cities in 2016; in the mid-1970s it was only 40 percent. A *modern international industrial proletariat* emerged. About three million work in factories of the textile and clothing industry, more than 50,000 for international and Turkish electrical engineering companies. About 400,000 are employed in the automotive industry by 17 vehicle manufacturers and around 4,000 supplier companies.<sup>72</sup>

The severe world economic crisis of 2001 increased the economic necessity for the Turkish monopolies to expand. This led to an overt government crisis that also affected the ideology of Kemalism and secularism. This provided leeway for the purportedly “moderate Islamic” AKP led by Recep Tayyip Erdoğan in alliance with the Islamist Gülen movement. Erdoğan was able to spread and anchor religious and petty-bourgeois nationalist sentiments among parts of the masses and win the 2002 parliamentary elections. Vigorous support for this was provided by the USA and the EU.

Social and political reforms of the Erdoğan government on the basis of an economic upswing enabled it to build up the mass base necessary for Turkey’s Great Power aspirations.

In 2004 a new *Investment Promotion Law* was adopted that placed domestic and foreign investors on an equal footing. A new wave of privatizations of state-owned enterprises followed: electricity grid, ports, infrastructure programs, build-ings, landed estates, etc. This triggered a rapid increase in

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<sup>72</sup> Länder-Informationen-Portal Türkei, [www.liportal.de](http://www.liportal.de)

capital imports and a credit-financed expansion of the domestic market. And it accelerated the accumulation of capital in Turkey, from which the Turkish monopolies also benefited. Since 2002 the gross domestic product of Turkey has tripled.

The concentration and centralization of capital in Turkey had created 4,858<sup>73</sup> large enterprises with more than 250 employees by 2014, including 1,628 in the manufacturing industry. In 2016 ten Turkish monopolies ranked among the world's 2,000 biggest.<sup>74</sup>

Since the Iraq War of 2003–2011 Turkish monopolies have steadily extended their influence in the Middle East. In 2014 the oil monopoly Türkiye Petrolleri A.O. (TPAO) acquired a 1.9 billion US dollar stake in the Shah Deniz natural gas field and the South Caucasus Pipeline in Azerbaijan.<sup>75</sup>

The biggest airline, Turkish Airlines, sharply increased the number of its destination airports in Africa from two to 48; its passenger volume has almost doubled since 2011 to 61.2 million.<sup>76</sup> It captured market shares from previously dominant companies like Air France, British Airways or Lufthansa, especially in the West African countries Ghana, Benin, Cameroon and Nigeria.<sup>77</sup>

The biggest Turkish monopoly is *Koç Holding*, a conglomerate with activities, inter alia, in the automotive industry, in the energy supply industry and in financial services. With sales revenues of 25.5 billion US dollars it is the first Turkish monopoly that has managed to rise into the ranks of the

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<sup>73</sup> Excluding finance and insurance companies, radio, television and programming

<sup>74</sup> Forbes Global 2000, figures for 2016

<sup>75</sup> GTAI, Türkei im Fokus 2015, p. 6

<sup>76</sup> Turkish Airlines Annual Report 2015, p. 26

<sup>77</sup> *Rote Fahne Magazin*, No. 21, 2016

500 international supermonopolies.<sup>78</sup> Koç Holding operates production facilities in Russia, Thailand, China, South Africa and Romania and exploits the workers of these countries. Through joint ventures, especially with Ford and Fiat, it controls 48 percent of Turkey's motorcar production. Between 1990 and 2015 Turkish monopolies increased their *capital export* from 1.2 to 44.7 billion dollars, or almost by a factor of 40.<sup>79</sup>

In foreign policy the AKP government justifies its claims to power in the Middle East and North Africa with so-called *Neo-Ottomanism*. To this end it has *promoted fascist terror organizations* in religious guise, such as Al Nusra and "Islamic State" (IS).

As early as the 1970s Turkey undertook efforts to build up an independent armaments industry. In 1974 the "Turkish Armed Forces Foundation" (TSKGV) was set up – in answer to a weapons embargo imposed on Turkey by the USA.<sup>80</sup> The *buildup and expansion of the military-industrial complex* became the *pacesetter of Turkey's new-imperialist expansionism*. The production of armaments has risen by 21 percent annually since 2011. The annual military budget for military product and technology development grew in 2016, versus 2015, by 1.25 billion US dollars. The leading Turkish *arms monopoly*, ASELSAN, today reports a growth in demand of 273 percent versus 2015.

In August 2016 the Turkish arms company BMC signed an agreement with Germany's *Rheinmetall AG* and Etika Strategi of Malaysia to set up a joint subsidiary (RBSS), which makes it possible to offer the Turkish military and other

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<sup>78</sup> Fortune Global 500

<sup>79</sup> UNCTAD, FDI outward stock

<sup>80</sup> Türkische Rüstungsindustrie plant 373 Patente bis 2021 (Turkish arms industry planning on 373 patents through 2021), [www.eurasianews.de](http://www.eurasianews.de), 11 June 2017

armies “armored system solutions” for the production of sophisticated armored vehicles on wheeled and tracked chassis. Since 2015 the armed forces of Qatar hold a 49 percent stake in the Turkish arms company BMC. In April 2017 Turkey concluded an agreement with Qatar to deliver 1,500 armored vehicles. The construction of the first aircraft carrier by 2021 underscores the imperialist ambitions of Turkey.

With its state terror, new-imperialist Turkey makes brutal use of its different weapons systems, intelligence services, police, military and paramilitary: against the Kurdish population and their struggle for liberation, but also against struggles of the working class and the broad masses.

With 493,000 troops the Turkish *army* is the tenth-strongest in the world and – after the USA – the second-strongest in NATO.<sup>81</sup>

The erstwhile neocolonial dependence of Turkey on imperialism has changed into a *reciprocal penetration* of the new-imperialist regional power Turkey, US imperialism, the EU and German imperialism. On the basis of Turkey’s *key geopolitical role* the AKP government takes advantage of the growing contradictions between the USA, the EU, Russia and China. During the crisis of EU refugee policy in 2015, Turkey misused millions of people seeking to emigrate from Iraq or the war zones of Syria via Turkey to Europe as a means of exerting pressure to implement its new-imperialist policy.

In most mosques in Germany the imam is provided by Turkey. The Turkish state finances these imams, trains them and, in conjunction with the Turkish-language mass media, seeks to win over the parts of the population with Turkish roots for the reactionary policies of Turkey. Quite a few “clerics” have been exposed so far as Turkish intelligence service collaborators.

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<sup>81</sup> Global Firepower: [www.test.dtj-online.de](http://www.test.dtj-online.de), 23 May 2015

The attraction exerted by the economic development in Turkey and the manipulation of public opinion brought the Erdoğan government a mass return of hundreds of thousands of emigrants from the EU through 2015.

It was no coincidence that the failed military coup in June 2016, carried out by parts of the Turkish army, took place exactly *after* Erdoğan had brought up the possibility of closer cooperation with Russia and the Shanghai alliance. An important role in the attempted coup was played by those units which were strongly integrated into NATO structures. They were supported by the US-sponsored, anticommunist and proto-fascist Islamist Gülen movement, which broke with Erdoğan in 2013. Erdoğan took the failed coup as a welcome pretext to declare a state of emergency and create a mass base for the *establishment of a fascist dictatorship*. In April 2017, under conditions of the state of emergency, the government held a manipulated referendum. Its purpose was to give a democratic veneer to the fascist smashing of democratic rights and freedoms. However, antifascist resistance and the struggle for freedom and democracy are developing – despite brutal suppression of the revolutionary and democratic opposition and the Kurdish people.

## **VI. Necessary struggle against social-chauvinism, opportunism and dogmatism**

The aggravation of the contradictions in the imperialist world system and the intensification of the class disputes expand the potential for a revolutionary world crisis. At the same time they are a breeding ground for the encroachment of opportunism in the international working-class and revolutionary movement through the medium of the *petty-bourgeois opportunist mode of thinking*. The contradictions between the *revolutionary* and *opportunist directions* become increasingly evident.

Under the condition of intensifying contradictions in the imperialist world system there is a tendency for *opportunism to transform into social-chauvinism*.

The German federal government under Chancellor Merkel passes off its leading role in the EU as a policy of peacekeeping and reconciliation of ecological, economic, political and social interests – as alternative to the policies of Trump, Erdoğan or Putin. That is exactly part of the system of the petty-bourgeois mode of thinking as method of government. With that the government cleverly nurtures the illusions of forces in the working-class movement and mass movements who are influenced by petty-bourgeois reformism and petty-bourgeois revisionism and dream of being protected by “good” or “tolerable” imperialists against the “bad” ones.

More or less all parties in Berlin, along with the entire bourgeois media landscape and the rightist trade union leadership, have fallen in line with this position. The result: the *petty-bourgeois social-chauvinist mode of thinking is making inroads in the working-class and people’s movements* – anti-imperialist criticism of German or European imperialism is abandoned, and an anti-imperialist position is imputed to Russian or Chinese imperialism.

PCMLM (Partido Comunista de Bolivia – Marxist-Leninist-Maoist) declared its *withdrawal from ICOR*<sup>82</sup> on 26 March 2017. It cites as reason for this step, inter alia, the position taken by ICOR on the armed conflict in Ukraine:

It is inconceivable to us that one can see Russia as main enemy and “aggressor” in Ukraine. That means “whitewashing” US imperialism....<sup>83</sup>

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<sup>82</sup> ICOR: International Coordination of Revolutionary Parties and Organizations

<sup>83</sup> “Summary of the political and ideological differences between the Communist Party (MLM) of Bolivia and ICOR,” 20 March 2017 (our translation)

At no time has the ICOR referred to Russia as “main enemy.” ICOR likewise has not questioned the fact that the main danger to world peace comes from the superpower USA, and that the USA and NATO, including the government of Ukraine, play an ultra-reactionary role in the Ukraine conflict.

However: Can it really have escaped the notice of the leadership of the PCMLM that Putin’s policies are characterized by massive repression of the working-class movement, the national minorities, the democratic and revolutionary forces in Russia? Is the leadership of the PCMLM unable to recognize the imperialist character of Russia, which dreams of restoring the power of Russian social-imperialism or the tsarist empire?

From the German Communist Party (DKP), wracked by internal factional fighting today, one also can hear avowals of slavish loyalty to Russia. For instance, the deputy chairwoman of the DKP, Wera Richter, in her introductory speech for a meeting of the DKP Executive Committee, denies the imperialist character of Russia and China:

Of course, different from the G7, this is not a meeting where solely the leaders of the most important imperialists come together. ... We know that Russia and the People’s Republic of China, as well as several other countries of the G20, belong to the de facto allies of the peace movement.<sup>84</sup>

At a conference of modern revisionists in Münster in April 2017 the DKP even made an anti-imperialist force out of Russia:

Russia is forced to pursue a policy in opposition to NATO and, consequently, objectively is acting in an anti-imperialist way.<sup>85</sup>

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<sup>84</sup> *DKP-Informationen*, No. 3, 2017 – 21 June 2017, 9th Meeting of the Party Executive Committee, 17/18 June 2017, Essen (our translation)

<sup>85</sup> *unsere zeit* (uz), 14 April 2017, p. 13 (our translation)

This absurd logic characterizes the *transition of revisionism to open social-chauvinism*. It is social-chauvinist to fly the flag of revolution and side with one imperialist or the other in the event of inter-imperialist contradictions or even wars. *The working class, the oppressed masses and the revolutionaries of the world must fight any kind of imperialists without exception!*

Among the organizations and parties of ICOR a *fruitful, partly controversial debate* currently is developing over the emergence of new-imperialist countries and the conclusions that must be drawn from this.

Some parties explicitly avoid using the term “*new-imperialist country*” and speak of “*regional power*.” “Regional power,” however, is merely a superficial *description* of the expansionism of countries like India, Turkey or Saudi Arabia. It is not a scientific characterization from a class standpoint. This also applies to terms such as “sub-imperialist countries” or “emerging countries.”

To the characterization of Saudi Arabia, Qatar and the United Arab Emirates (UAE) as new-imperialist countries the objection is raised that they “*hardly have an advanced production base of their own*.” Their production base is, in fact, limited and concentrates on oil and gas. It is, however, integrated in the internationalized mode of production. These countries invest their overaccumulated capital in shares of monopolies in the entire world. In Saudi Arabia 22.7 percent of the workforce is employed in industry and 71.2 percent in the so-called services sector, which in large part must be treated as industrial jobs. In Aramco, Saudi Arabia controls the *world’s biggest monopoly* (in terms of estimated stock market value), which had sales revenues of about 400 billion US dollars in 2013. Saudi Arabia owned 20 of the 2,000 biggest monopolies

in 2013, the UAE 14 and Qatar 8.<sup>86</sup> The six to eight million workers in Saudi Arabia come from Pakistan, Bangladesh and the Philippines. They are exploited under inhumane conditions and oppressed.

Because of the current level of the *international division of labor*, the presence of a universal production base no longer is a decisive criterion for qualifying a country as “imperialist.” The imperialist countries and their international monopolies concentrate on *those* areas in which they can achieve world market leadership, dictate monopoly prices and make other countries – including imperialist countries – dependent.

This is consistent with the capital export strategy pursued by Saudi Arabia, Qatar and the UAE. The sovereign wealth fund Qatar Investment Authority has an estimated 335 billion US dollars at its disposal. It holds billions of dollars’ worth of shares in stock companies and large real estate and infrastructure projects worldwide, including 57 billion US dollars in just ten companies, like Volkswagen, Glencore or Royal Dutch Shell.<sup>87</sup> In Saudi Arabia the central bank manages 450 billion euros, using it to make bank deposits and buy up bonds and stocks worldwide.

Lenin emphasized that *detachment from production proper* is particularly characteristic of ruling imperialist finance capital:

Finance capital took over as the typical “lord” of the world; it is particularly mobile and flexible, particularly interknit at home and internationally, and particularly impersonal and divorced from production proper; it lends itself to concentration with particular ease, and has been concentrated to an unusual

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<sup>86</sup> Forbes Global 2000

<sup>87</sup> [www.bloomberg.com](http://www.bloomberg.com)

degree already, so that literally a few hundred multimillionaires and millionaires control the destiny of the world.<sup>88</sup>

What Lenin wrote about the parasitic nature of imperialism applies to the Arab sheikhdoms:

More and more prominently there emerges, as one of the tendencies of imperialism, the creation of the “rentier state”, the usurer state, in which the bourgeoisie to an ever-increasing degree lives on the proceeds of capital exports and by “clipping coupons”.<sup>89</sup>

A further objection to the new-imperialist character of these sheikhdoms is their “*feudal power structure*.” This objection would also have to be directed against Lenin, who defined tsarist Russia as “an imperialism that is much more crude, medieval, economically backward and militarily bureaucratic.”<sup>90</sup> The autocratic system of rule as special form of state-monopoly capitalism is extremely useful.

The reality-contradicting assessments of the new-imperialist countries are the *result of a dogmatic application of Marxism-Leninism*. They inevitably entail errors in strategy and tactics and cause avoidable setbacks in the social and national liberation struggle.

## VII. The new quality of imperialism's general crisis-proneness

Until the dissolution of the Soviet Union a *bipolarity* existed in the imperialist world system: the USA and the social-imperialist Soviet Union were the two imperialist superpowers. Today the bipolarity has given way to a *multipolarity*, due also to

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<sup>88</sup> Lenin, “Preface to N. Bukharin’s Pamphlet, Imperialism and the World Economy,” *Collected Works*, Vol. 22, p. 105

<sup>89</sup> Lenin, “Imperialism...,” *Collected Works*, Vol. 22, p. 300

<sup>90</sup> Lenin, “The Discussion On Self-Determination Summed Up,” *Collected Works*, Vol. 22, p. 359

the emergence of numerous new-imperialist countries, which are gaining ever growing weight and influence on the world economy and world politics.

A hundred years ago the world still was ruled by a handful of imperialist Great Powers. The vast majority of humanity lived in colonies and semi-colonies. *Today around 65.5 percent of the world population lives in imperialist countries.*

The social relations thus are largely characteristic of the highest and last stage of capitalism, the threshold of socialism. This development signifies a leap into a new quality of the crisis-riddenness of the imperialist world system, a new quality of the prospects for the international socialist revolution.

In the countries that are plundered as neocolonial appendages the masses are subjected to catastrophic conditions of life. Some of these countries – like Afghanistan, Syria, Iraq, Yemen, Congo or Libya – for years veritably have been torn apart by the rivalry between the old and new imperialists: by wars and reactionary terror.

Within the imperialist countries the class contradictions are intensifying. The chasm between poor and rich increasingly widens. While the ruling monopolies corrupt a privileged stratum in the petty bourgeoisie and among the industrial workers as mass base for their rule, a growing mass of the population is driven into poverty. Overexploitation of the workers more and more becomes normality.

The ascertainment of a multipolar world does not at all mean that we have to do with a monolithic block of evenly balanced forces. On the contrary, we must speak of groups of differing quality among the old and new imperialist powers, depending on the role they play in the imperialist world system on the basis of their economic, political and military potentials.

In the 1970s it was possible to distinguish in world imperialism between *a primary and a secondary imperialism.* The two

superpowers, the USA and the social-imperialist Soviet Union, were primary imperialism. The Federal Republic of Germany, France or Japan, for example, were secondary imperialism.

Against the downplaying of German imperialism in those days by the petty-bourgeois “ML movement”, which partly even went as far as to propagate fatherland defense against the superpowers, the Marxist-Leninists took a firm stand:

In the shadow of primary imperialism the secondary imperialists ... are trying to assert their state monopolist aims, that is to achieve maximum profits and exploit the developing countries by means of neo-colonialist policies. But who can say if the balance of power will remain the same?<sup>91</sup>

The rise of new-imperialist countries shakes the existing fabric of the imperialist world system.

China and Russia are *imperialist Great Powers in world politics* – Russia mainly militarily. China is on the way to becoming a superpower and, in the struggle for world supremacy, increasingly is the chief strategic rival of US imperialism, which continues aggressively to pursue its aspiration to world domination economically, politically and militarily.

The *EU as alliance of imperialist states* including more than 20 imperialist countries is trying to become a *new global Great Power*. The United Kingdom's exit from the EU is a setback for the EU in this particular regard.

Various countries like Turkey, Israel, Saudi Arabia, Brazil, South Africa or India are striving as imperialist countries mainly for *regional supremacy*, usually in alliance with other imperialist Great Powers.

*Weaker imperialist countries* receive their share of the global production of surplus value as junior partners or in special

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<sup>91</sup> KABD, *China aktuell*, No. 2, “The ‘Theory of Three Worlds’ as a Strategic Conception Smacks of Right-Wing Opportunism!” p. 31

functions (e.g. Norway, Singapore, Luxemburg or Switzerland).

This *quality of the imperialist multipolarity* has intensified the worldwide rivalries, has deepened the instability of imperialist rule, and in essence weakens the imperialist world system and *deepens the general crisis of capitalism*.

### **International shift to the right by imperialist governments**

Since 2012, when Prime Minister Shinzō Abe took office in Japan – and at a faster pace in the years 2014 to 2016 – more and more *openly reactionary, nationalist to proto-fascist governments* have been installed, notably in new-imperialist countries, with the governments of Narendra Modi in India, Michel Temer in Brazil or Enrique Nieto in Mexico. Other governments have gone over to an ultra-reactionary policy, like Vladimir Putin’s in Russia, the ANC government under Jacob Zuma in South Africa or the Merkel/Gabriel government in Germany. In Turkey, Recep Tayyip Erdoğan set up a fascist dictatorship in summer 2016.

The *particular aggressiveness* of the ultra-reactionary, racist and proto-fascist *government under Donald Trump* with his “America First” program has its specific material basis in a *massive deterioration* of the world market dominating position of *US imperialism*. The Central Committee of MLPD in April 2017 arrived at the following assessment of the new quality of the Trump administration:

The changes since the assumption of office by Donald Trump by no means have only the character of a mere change of government: With his taking over office there is a *change of the methods of rule*. These are coming more and more into conflict with conventional bourgeois-democratic practices, are tending to dissolve the post-war order of the imperialist world system, and *Trump is replacing the governmental system of the petty-*

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*bourgeois mode of thinking with open reaction internally and externally.*<sup>92</sup>

All these things are an expression of the basic tendency of imperialism: *internal reaction* and *external aggression*. It has elicited the active resistance of the masses worldwide and brought forth a beginning *progressive change of mood* internationally.

Fierce struggles of the international industrial proletariat, mass struggles similar to uprisings, and movements for freedom and democracy are indications that, at the international level, objective and subjective factors for the transition to a revolutionary ferment are developing. This is the manifestation today of the *main tendency in the world: the preparation of the international socialist revolution*.

In 2003 we observed in the book, *Twilight of the Gods – Götterdämmerung over the “New World Order”*, that a *new historical period of transformation* had been ushered in:

That imperialism can introduce the reorganization of production, but, because of its insoluble inner contradictions, will never be able to create a world state, makes it evident *that imperialism has come to a relative limit of its historical development*. The modern productive forces demand relations of production which correspond to their international character, but these can only be realized in the united socialist states of the world. (p. 541)

However, it would be a mistake to assume that imperialism has absolutely no way out. This illusion is the response of petty-bourgeois *worship of spontaneity* to the increasingly apparent character of imperialism as moribund capitalism. It is above all *modern anticommunism* which the working class and the masses must come successfully to grips with if they

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<sup>92</sup> Keynote speech by Gabi Fechtner, née Gärtner, in close cooperation with Stefan Engel, *Rote Fahne Magazin*, No. 9, 2017, p. 14

are to consciously turn to the revolutionary, Marxist-Leninist alternative of struggle for genuine socialism.

In practice, the organizational strength, farsightedness and consciousness of the revolutionary party, the winning of the decisive majority of the international industrial proletariat, the party's bond with and roots among the masses, in particular the militant women's movement, the forging of the fighting alliance with a growing section of the petty-bourgeois intellectual strata against the monopolies and the state, the winning of the youth, and the party's international cooperation, coordination and revolutionization will decide whether or not the party can utilize a revolutionary crisis. Therefore, the *strengthening of the subjective factor* is all-important now.

For the successful building of a party of a new type, one of the key questions is to always make a dialectical-materialist analysis of and correctly qualify the inner, law-governed connections, in particular the new manifestations and essential changes in nature and society, and to draw the necessary conclusions for *foresighted Marxist-Leninist strategy and tactics* in the class struggle.

In the turmoil of this destabilized and crisis-ridden world a force superior to imperialism must develop. The time is ripe for the *building of an international anti-imperialist and anti-fascist united front*, the core of which must be the international industrial proletariat.

The *strengthening of ICOR* and the advancement of practical *cooperation and coordination* for the systematic awakening and *raising of class consciousness* in combination with the *building and considerable strengthening of revolutionary parties in more and more countries* is the most important prerequisite for the successful preparation of the international socialist revolution.

**Appendix:****Collection of important quotations  
from V.I. Lenin  
on the subject of “new-imperialist countries”****EMERGENCE OF IMPERIALISM****Imperialism arises from capitalism  
in a law-governed way**

Colonial policies and imperialism are not unsound but curable disorders of capitalism (the way philistines think, together with Kautsky); they are an inevitable consequence of the very foundations of capitalism. (“Imperialism and Socialism in Italy,” 1915, Lenin, *Collected Works*, Vol. 21, p. 358)

**Supersession of free competition by monopolies**

Free trade and competition have been superseded by a striving towards monopolies, the seizure of territory for the investment of capital and as sources of raw materials, and so on. From the liberator of nations, which it was in the struggle against feudalism, capitalism in its imperialist stage has turned into the greatest oppressor of nations. (“Socialism and War,” written in July–August 1915, Lenin, *Collected Works*, Vol. 21, p. 301)

**Formation of monopolies: principal types**

We must take special note of the four principal types of monopoly, or principal manifestations of monopoly capitalism, which are characteristic of the epoch we are examining.

Firstly, monopoly arose out of the concentration of production at a very high stage. This refers to the monopolist capitalist associations, cartels, syndicates, and trusts. ...

Secondly, monopolies have stimulated the seizure of the most important sources of raw materials....

Thirdly, monopoly has sprung from the banks. The banks have developed from modest middleman enterprises into the monopolists of finance capital. ... A financial oligarchy ... – such is the most striking manifestation of this monopoly.

Fourthly, ... To the numerous “old” motives of colonial policy, finance capital has added the struggle for the sources of raw materials, for the export of capital, for spheres of influence.... (“Imperialism, the Highest Stage of Capitalism,” spring 1916, Lenin, *Collected Works*, Vol. 22, pp. 298 and 299)

### **Accelerated worldwide spread of capitalist production**

There was formerly an economic distinction between the colonies and the European peoples – at least, the majority of the latter – the colonies having been drawn into *commodity* exchange but not into capitalist *production*. Imperialism changed this. Imperialism is, among other things, the export of *capital*. Capitalist production is being transplanted to the colonies at an ever increasing rate. (“The Discussion on Self-Determination Summed Up,” written in July 1916, Lenin, *Collected Works*, Vol. 22, p. 337)

## **DEFINITION OF IMPERIALISM**

### **Imperialism as monopolistic, parasitic, moribund capitalism**

Imperialism is a specific historical stage of capitalism. Its specific character is threefold: imperialism is (1) monopoly capitalism; (2) parasitic, or decaying capitalism; (3) moribund capitalism. The supplanting of free competition by monopoly is the fundamental economic feature, the *quintessence* of imperialism. (“Imperialism and the Split in Socialism,” written in October 1916, Lenin, *Collected Works*, Vol. 23, p. 105)

## **Definition of imperialism and flexibility of concepts**

If it were necessary to give the briefest possible definition of imperialism we should have to say that imperialism is the monopoly stage of capitalism. ...

But very brief definitions, although convenient, for they sum up the main points, are nevertheless inadequate, since we have to deduce from them some especially important features of the phenomenon that has to be defined. And so, without forgetting the conditional and relative value of all definitions in general, which can never embrace all the concatenations of a phenomenon in its full development, we must give a definition of imperialism that will include the following five of its basic features:

(1) the concentration of production and capital has developed to such a high stage that it has created monopolies which play a decisive role in economic life; (2) the merging of bank capital with industrial capital, and the creation, on the basis of this “finance capital”, of a financial oligarchy; (3) the export of capital as distinguished from the export of commodities acquires exceptional importance; (4) the formation of international monopolist capitalist associations which share the world among themselves, and (5) the territorial division of the whole world among the biggest capitalist powers is completed. (“Imperialism, the Highest Stage of Capitalism,” spring 1916, Lenin, *Collected Works*, Vol. 22, p. 266)

## **ESSENTIAL FEATURES OF IMPERIALISM**

### **Imperialism as domination over the entire life of society**

A monopoly, once it is formed and controls thousands of millions, inevitably penetrates into *every* sphere of public life, regardless of the form of government and all other “details”. (“Imperialism, the Highest Stage of Capitalism,” spring 1916, Lenin, *Collected Works*, Vol. 22, p. 237)

## **Struggle for the partitioning of the world**

It is beyond doubt, therefore, that capitalism's transition to the stage of monopoly capitalism, to finance capital, *is connected* with the intensification of the struggle for the partitioning of the world. ("Imperialism, the Highest Stage of Capitalism," spring 1916, Lenin, *Collected Works*, Vol. 22, p. 255)

## **Imperialism, "free trade" and "protectionism"**

If Germany's trade with the British colonies is developing more rapidly than Great Britain's, it only proves that German imperialism is younger, stronger and better organised than British imperialism, is superior to it; but it by no means proves the "superiority" of free trade, for it is not a fight between free trade and protection and colonial dependence, but between two rival imperialisms, two monopolies, two groups of finance capital. ("Imperialism, the Highest Stage of Capitalism," spring 1916, Lenin, *Collected Works*, Vol. 22, p. 290)

## **Particular mobility and flexibility, national and international intertwining of finance capital**

Finance capital took over as the typical "lord" of the world; it is particularly mobile and flexible, particularly interknit at home and internationally, and particularly impersonal and divorced from production proper; it lends itself to concentration with particular ease, and has been concentrated to an unusual degree already, so that literally a few hundred multimillionaires and millionaires control the destiny of the world. ("Preface to N. Bukharin's Pamphlet, Imperialism and the World Economy," Lenin, *Collected Works*, Vol. 22, p. 105)

## **Imperialism is parasitic capitalism**

The rentier state is a state of parasitic, decaying capitalism, and this circumstance cannot fail to influence all the socio-political conditions of the countries concerned, in general, and

the two fundamental trends in the working-class movement, in particular. (“Imperialism, the Highest Stage of Capitalism,” spring 1916, Lenin, *Collected Works*, Vol. 22, pp. 278 f.)

### **Usury imperialism**

French capital exports are invested mainly in Europe, primarily in Russia (at least ten thousand million francs). This is mainly *loan* capital, government loans, and not capital invested in industrial undertakings. Unlike British colonial imperialism, French imperialism might be termed usury imperialism. (“Imperialism, the Highest Stage of Capitalism,” spring 1916, Lenin, *Collected Works*, Vol. 22, p. 243)

### **Export of overaccumulated capital**

The need to export capital arises from the fact that in a few countries capitalism has become “overripe” and (owing to the backward state of agriculture and the poverty of the masses) capital cannot find a field for “profitable” investment. (“Imperialism, the Highest Stage of Capitalism,” spring 1916, Lenin, *Collected Works*, Vol. 22, p. 242)

### **Capital export to increase profits**

As long as capitalism remains what it is, surplus capital will be utilised not for the purpose of raising the standard of living of the masses in a given country, for this would mean a decline in profits for the capitalists, but for the purpose of increasing profits by exporting capital abroad to the backward countries. (“Imperialism, the Highest Stage of Capitalism,” spring 1916, Lenin, *Collected Works*, Vol. 22, p. 241)

### **Capital export in form of financial investments**

Imperialist interests are manifested, as everyone knows, not only in territorial, but also in *financial* acquisitions. It should be borne in mind that the Swiss bourgeoisie exports capital,

no less than 3,000 million francs a year, i.e., imperialistically exploits backward nations. That is a fact, and another fact is that Swiss banking capital is intimately associated and intertwined with the banking capital of the Great Powers.... (“Defence of Neutrality,” written in January 1917, Lenin, *Collected Works*, Vol. 23, p. 260 f.)

### **Expansion of the development of capitalism through capital export**

The export of capital influences and greatly accelerates the development of capitalism in those countries to which it is exported. While, therefore, the export of capital may tend to a certain extent to arrest development in the capital-exporting countries, it can only do so by expanding and deepening the further development of capitalism throughout the world. (“Imperialism, the Highest Stage of Capitalism,” spring 1916, Lenin, *Collected Works*, Vol. 22, p. 243)

### **Shift in power as result of uneven development**

The capitalists divide the world, not out of any particular malice, but because the degree of concentration which has been reached forces them to adopt this method in order to obtain profits. And they divide it “in proportion to capital”, “in proportion to strength”, because there cannot be any other method of division under commodity production and capitalism. But strength varies with the degree of economic and political development. (“Imperialism, the Highest Stage of Capitalism,” spring 1916, Lenin, *Collected Works*, Vol. 22, p. 253)

### **Emergence of new imperialist countries**

Capitalism is growing with the greatest rapidity in the colonies and in overseas countries. Among the latter, *new* imperialist powers are emerging (e.g., Japan). (“Imperialism, the

Highest Stage of Capitalism,” spring 1916, Lenin, *Collected Works*, Vol. 22, p. 274)

### **All civilized countries become imperialist**

It is not Switzerland that “expects” this of the proletariat, but capitalism, which in Switzerland, as in all civilised countries, has become *imperialist* capitalism. (“Twelve Brief Theses on H. Greulich’s Defence of Fatherland Defence,” January 1917, Lenin, *Collected Works*, Vol. 23, p. 256)

### **Law of uneven development**

Uneven economic and political development is an absolute law of capitalism. (“On the Slogan for a United States of Europe,” 23 August 1915, Lenin, *Collected Works*, Vol. 21, p. 342)

### **Imperialism leads to crisis and war**

Under capitalism the smooth economic growth of individual enterprises or individual states is impossible. Under capitalism, there are no other means of restoring the periodically disturbed equilibrium than crises in industry and wars in politics. (“On the Slogan for a United States of Europe,” 23 August 1915, Lenin, *Collected Works*, Vol. 21, p. 341)

### **Imperialist alliances**

Therefore, in the realities of the capitalist system, and not in the banal philistine fantasies of English parsons, or of the German “Marxist”, Kautsky, “inter-imperialist” or “ultra-imperialist” alliances ... are *inevitably* nothing more than a “truce” in periods between wars. Peaceful alliances prepare the ground for wars, and in their turn grow out of wars; the one conditions the other, producing alternating forms of peaceful and non-peaceful struggle on *one and the same* basis of imperialist connections and relations within world economics and world

politics. (“Imperialism, the Highest Stage of Capitalism,” spring 1916, Lenin, *Collected Works*, Vol. 22, p. 295)

### **Imperialism: everywhere reaction**

Imperialism is the epoch of finance capital and of monopolies, which introduce everywhere the striving for domination, not for freedom. Whatever the political system the result of these tendencies is everywhere reaction and an extreme intensification of antagonisms in this field. (“Imperialism, the Highest Stage of Capitalism,” spring 1916, Lenin, *Collected Works*, Vol. 22, p. 297)

### **Illusion of democracy in imperialism**

Capitalism in general, and imperialism in particular, turn democracy into an illusion – though at the same time capitalism engenders democratic aspirations in the masses, creates democratic institutions, aggravates the antagonism between imperialism’s denial of democracy and the mass striving for democracy. (“Reply to P. Kievsky [Y. Pyatakov],” written August–September 1916, Lenin, *Collected Works*, Vol. 23, p. 24 f.)

## **IMPERIALISM AS MORIBUND CAPITALISM**

### **Dialectics of growth and decay**

It would be a mistake to believe that this tendency to decay precludes the rapid growth of capitalism. ... On the whole, capitalism is growing far more rapidly than before; but this growth is not only becoming more and more uneven in general, its unevenness also manifests itself, in particular, in the decay of the countries which are richest in capital (Britain). (“Imperialism, the Highest Stage of Capitalism,” spring 1916, Lenin, *Collected Works*, Vol. 22, p. 300)

## **Dying but not dead capitalism**

Imperialism, in fact, does not *and cannot transform* capitalism from top to bottom. ... Imperialism is moribund capitalism, capitalism which is dying but not dead. The essential feature of imperialism, by and large, is not monopolies pure and simple, but monopolies in conjunction with exchange, markets, competition, crises. ("Materials Relating to the Revision of the Party Programme," 1917, Lenin, *Collected Works*, Vol. 24, p. 464)

## **IMPERIALISM AND STATE-MONOPOLY CAPITALISM AS THRESHOLD OF SOCIALISM**

### **Imperialism as state-monopoly capitalism**

"Monopoly capitalism is developing into state monopoly capitalism. In a number of countries regulation of production and distribution by society is being introduced by force of circumstances. Some countries are introducing universal labour conscription." Before the war we had the monopoly of trusts and syndicates; since the war we have had a state monopoly. ("Speech in Favour of the Resolution on the Current Situation," Lenin, *Collected Works*, Vol. 24, p. 305)

### **Importance of the question of the state**

The question of the state is now acquiring particular importance both in theory and in practical politics. The imperialist war has immensely accelerated and intensified the process of transformation of monopoly capitalism into state-monopoly capitalism. The monstrous oppression of the working people by the state, which is merging more and more with the all-powerful capitalist associations, is becoming increasingly monstrous. The advanced countries – we mean their hinterland – are becoming military convict prisons for the workers. (Preface to the First Edition of *The State and Revolution*, 1917, Lenin, *Collected Works*, Vol. 25, p. 387)

## **Imperialism and socialization of production**

Capitalism in its imperialist stage leads directly to the most comprehensive socialisation of production; it, so to speak, drags the capitalists, against their will and consciousness, into some sort of a new social order, a transitional one from complete free competition to complete socialisation. (“Imperialism, the Highest Stage of Capitalism,” spring 1916, Lenin, *Collected Works*, Vol. 22, p. 205)

## **Imperialism as threshold of socialism**

Imperialist war is the eve of socialist revolution. ... because state-monopoly capitalism is a complete *material* preparation for socialism, the *threshold* of socialism, a rung on the ladder of history between which and the rung called socialism *there are no intermediate rungs*. (“The Impending Catastrophe and How to Combat It,” September 1917, published in October 1917, Lenin, *Collected Works*, Vol. 25, p. 363)

## **Material preparation for socialism**

But the mechanism of social management is here already to hand. Once we have overthrown the capitalists, crushed the resistance of these exploiters with the iron hand of the armed workers, and smashed the bureaucratic machine of the modern state, we shall have a splendidly-equipped mechanism, freed from the “parasite”, a mechanism which can very well be set going by the united workers themselves.... (“The State and Revolution,” September 1917, Lenin, *Collected Works*, Vol. 25, p. 431)

## **IMPERIALISM AND OPPORTUNISM**

### **Material foundation of opportunism**

Imperialism ... makes it economically possible to bribe the upper strata of the proletariat, and thereby fosters, gives

shape to, and strengthens opportunism. We must not, however, lose sight of the forces which counteract imperialism in general, and opportunism in particular, and which, naturally, the social-liberal Hobson is unable to perceive. (“Imperialism, the Highest Stage of Capitalism,” spring 1916, Lenin, *Collected Works*, Vol. 22, p. 281)

### **Identity of opportunism and social-chauvinism**

Kautsky *divorces* imperialist politics from imperialist economics, he divorces monopoly in politics from monopoly in economics in order to pave the way for his vulgar bourgeois reformism, such as “disarmament”, “ultra-imperialism” and similar nonsense. The whole purpose and significance of this theoretical falsity is to obscure the *most profound* contradictions of imperialism and thus justify the theory of “unity” with the apologists of imperialism, the outright social-chauvinists and opportunists. (“Imperialism and the Split in Socialism,” written in October 1916, Lenin, *Collected Works*, Vol. 23, p. 107)

### **Social-chauvinism as consummation of opportunism**

This trend – socialism in words and chauvinism in deeds ... – is conspicuous for the base, servile adaptation of the “leaders of socialism” to the interests not only of “their” national bourgeoisie, but of “their” state.... (Preface to the First Edition of *The State and Revolution*, 1917, Lenin, *Collected Works*, Vol. 25, pp. 387 f.)

### **Indispensable fight against opportunism**

The most dangerous of all in this respect are those who do not wish to understand that the fight against imperialism is a sham and humbug unless it is inseparably bound up with the fight against opportunism. (“Imperialism, the Highest Stage of Capitalism,” spring 1916, Lenin, *Collected Works*, Vol. 22, p. 302)

## **IMPERIALISM AND TASKS OF THE SOCIALISTS**

### **Recognition of right to self-determination**

Imperialism is the epoch of the constantly increasing oppression of the nations of the world by a handful of “Great” Powers; it is therefore impossible to fight for the socialist international revolution against imperialism unless the right of nations to self-determination is recognised. “No nation can be free if it oppresses other nations” (Marx and Engels). A proletariat that tolerates the slightest coercion of other nations by its “own” nation cannot be a socialist proletariat. (“Socialism and War,” written in July–August 1915, Lenin, *Collected Works*, Vol. 21, p. 317)

### **Fundamental rejection of any chauvinism**

That is why the question of self-determination of nations today hinges on the conduct of socialists of the *oppressor* nations. A socialist of any of the *oppressor* nations (Britain, France, Germany, Japan, Russia, the United States of America, etc.) who does not recognise and does not struggle for the right of oppressed nations to self-determination (i.e., the right to secession) is in reality a chauvinist, not a socialist. (“The Question of Peace,” written in July–August 2015, Lenin, *Collected Works*, Vol. 21, p. 293)

### **Importance of struggle for freedom and democracy**

The full development of the productive forces in modern bourgeois society, a broad, free, and open class struggle, and the political education, training, and rallying of the masses of the proletariat are inconceivable without political freedom. Therefore it has always been the aim of the class-conscious proletariat to wage a determined struggle for complete politi-

cal freedom and the democratic revolution. (“The Democratic Tasks of the Revolutionary Proletariat,” 17 (4) June 1905, Lenin, *Collected Works*, Vol. 8, p. 511)

### **Freeing the masses from illusions**

Of course, the struggle for the overthrow of imperialism is an arduous one, but the masses must know the *truth* about that arduous but necessary struggle. The masses should not be lulled with the hope that peace is possible without the overthrow of imperialism. (“To the International Socialist Committee (I.S.C.),” September 1915, Lenin, *Collected Works*, Vol. 21, p. 374)

### **Proletarian internationalism (I)**

Petty-bourgeois nationalism proclaims as internationalism the mere recognition of the equality of nations, and nothing more. Quite apart from the fact that this recognition is purely verbal, petty-bourgeois nationalism preserves national self-interest intact, whereas proletarian internationalism demands, first, that the interests of the proletarian struggle in any one country should be subordinated to the interests of that struggle on a world-wide scale, and, second, that a nation which is achieving victory over the bourgeoisie should be able and willing to make the greatest national sacrifices for the overthrow of international capital. (“Draft Theses on National and Colonial Questions,” published in June 1920, Lenin, *Collected Works*, Vol. 31, p. 148)

### **Proletarian internationalism (II)**

Internationalism means breaking with *one's own* social-chauvinists (i.e., defence advocates) and with *one's own* imperialist government; it means waging a revolutionary struggle against that government and overthrowing it, and being

ready to make the greatest national sacrifices (even down to a Brest-Litovsk Peace Treaty), if it should benefit the development of the *world* workers' revolution. ("The Proletarian Revolution and the Renegade Kautsky," October 1918, Lenin, *Collected Works*, Vol. 28, p. 110)

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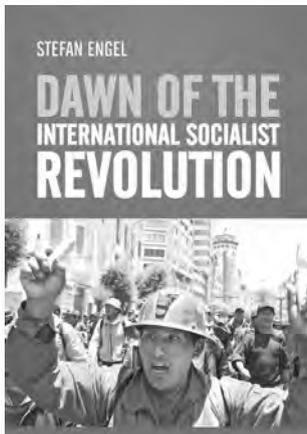
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Stefan Engel, born in 1954, is a qualified mechanic and works today as a free publicist. He took up the cause of genuine socialism and became organized in 1968 and has since played an active role in building the MLPD. Since 1975 he has been one of the party's leading representatives, and was its longstanding chairman until 2017. He is head of the theoretical organ of the MLPD, *Revolutionärer Weg*, since 1992.