

# Lenin's 'Imperialism': A weapon for the working class

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Angolan delegation pays respects at Lenin's mausoleum in Moscow.

*From a talk given on Sept. 2, 1993, introducing a series of classes on basic Marxist*

*concepts after the destruction of the Soviet Union.*

We're looking into the arsenal of weapons in the struggle against the imperialist bourgeoisie. We will inspect the weapons from the viewpoint of their readiness in the forthcoming class struggle of the working class and the oppressed people against capitalism and imperialism.

Right after the first imperialist world war started in 1914, and the carnage of workers began, a number of anti-war groups called a meeting in a neutral country. I think it was Lenin who said the important thing wasn't how many came, but that they came to the meeting. And having come, they considered what to do.

In a large measure, this is what we have to do. The Marxist movement has suffered an August 4, 1914, catastrophe. But we are in a position to recuperate and regenerate the movement. And in no other place on earth is the situation more favorable, objectively and historically, than right here. This audience must not underestimate it.

### **Why study Marxism?**

Why do we need to go over Marxism? Why can't we just assign comrades to read this and that and then go on to the business of the war in Nicaragua, or what's going on in the imperialist attacks on the Democratic People's Republic of Korea, or what's happening with the Palestinians?

We have to have a basic evaluation of what is going on. An examination of our ideological weapons. Which ones are more useful. Which are most likely to be used in the near future. Which are to be held for a later date.

The bourgeoisie regard their system as eternal, not subject to fundamental change. This differs radically from Marxism, which teaches us that capitalism is a transitory social formation. Like feudalism and slavery, it will have to give way to a higher form

of society.

The bourgeoisie cannot give an objective assessment of the real trends in capitalist society. Everything they do is calculated to serve self-interest of the most venomous type, which goes along with imperialist brigandage all over the globe.

Our purpose in reviewing Marxism is to prepare us for the storms and stresses of the next period. We have every confidence that Marx's prediction of a revolutionary storm will come true. We need to re-examine our basic armor with a view to its operational effectiveness. That is what our study is about. We will go from the abstract to the concrete this time around.

We don't need a scholastic, pedantic recitation. We need a critical review, not from the viewpoint of revisionism and renunciation but from the viewpoint of reinforcing and strengthening the heritage that has been bequeathed to us by the great leaders of the past.

In this short session we will look at the latest phase of capitalism, which Lenin called imperialism. Many decades ago, he wrote the pamphlet ["Imperialism, the Highest Stage of Capitalism."](#) I'm sure you're all acquainted with it. Every one of us is duty bound to read and study it.

### **Lenin's five characteristics of imperialism**

There are at least five characteristics of imperialism that Lenin thought important in characterizing this stage of capitalism. And they are still true some 77 years later.

He first of all mentioned the concentration of production, of capital, the development of competition into monopoly. How does it happen? What is the interplay between monopoly and competition? One doesn't replace the other. They both exist. How is it different today from Lenin's period?

The bourgeoisie is always discussing competition and monopoly. There are thousands of cases in the courts that deal with monopoly and competition from the point of view of their problems. On the one hand, they want to restrain monopoly, yet they also want to strengthen it. They've had two world wars and another one could be coming. How do you restrain and foster monopoly at the same time? It's a dual process.

Lenin tells us about the merging of bank capital with industrial capital and the creation of finance capital.

Then there is the export of capital which has become extremely important as distinguished from the export of commodities. The U.S. exports not just commodities but loans all over the world. That's got to be studied. How important is this difference?

Lenin also writes about the formation of international capitalist monopolies which share the world among themselves.

General Electric, Westinghouse, and one or two Japanese companies share their market on a world basis. But it's not a stable agreement. They establish arbitrators and courts of arbitration to issue awards and all that, but they don't keep the agreements, basically because they are thieves and pirates. It's utopian to expect them to have gentlemen's agreements among themselves, especially when billions of dollars are at stake.

## **Redivision of the world**

According to Lenin, the world was already shared out among the great capitalist powers when he wrote "Imperialism" in 1916. The wars since have invalidated a lot of this. Some imperialist countries have become stronger and others weaker. Japan has become stronger. Britain, Holland, Belgium, and others have become weaker.

What has taken their place, of course, is U.S. imperialism. It attempts to take over everything that is not nailed down.

A fundamental feature of imperialism is also the fusion of the capitalist state with the banks and industry. The industrialists carry on a struggle to maintain some form of independence among themselves as against the finance capitalists, but this independence is overturned and giant financial and industrial corporations get fused. This doesn't solve the contradiction, but brings it within a certain area of agreement.

### **Henry Ford and finance capital**

Let me give you an example of what Lenin means about the fusion of industry with finance capital. Henry Ford and his empire existed for a considerable period as a family unit. No banks, no insurance companies owned the Ford company. It all belonged to one family.

He was so fearful that Wall Street, meaning the bankers, would take it over that he launched an anti-Semitic campaign. He subsidized two or three publications of an anti-Semitic character in order to chastise and expose Wall Street.

What was the real problem? He didn't want his industrial empire to succumb to finance capital. He wanted it to stay in the family.

From the Leninist conception of imperialism, this meant that Ford, as an industrialist, was attempting to ward off the fusion of finance capital with his industrial empire. In the end, he and his son capitulated. They made it a stockholding company where everybody could buy the stock. The Wall Street firms that sell and float stocks, that lend and borrow money, made it like any other corporation — General Motors, Chrysler, IBM and so on.

It showed how it's not possible to be an independent entity in the imperialist epoch.

Least of all, you can't keep the banks out unless you want to lose money. Ultimately, Ford capitulated to the financiers because he would have lost the competitive edge if he tried to stay independent.

### **The Thinking Machine Corp.**

I would like to give you a more modern example. There's a company called The Thinking Machine Corp. It develops very sophisticated, advanced computer technology. It's not one of the Fortune 500 companies, but it does sell computers around the world, to the tune of \$100 million.

Recently, this little company with about 500 workers was going through a shakeup in the leadership — all of whom were experts in high technology. They decided they wanted a new chief executive from the outside. Sometimes, when an organization can't function because of disagreements among themselves, it's best to get somebody from the outside.

So what did they do? They got somebody named Harold Fishman, a lawyer in the biggest corporate law firm in the U.S., and asked him to become the head of The Thinking Machine.

If they wanted somebody from the outside, why in the world pick a Wall Street lawyer who doesn't know anything about technology? How is he going to run the corporation? The question was asked publicly. Why go to Wall Street? He is very brilliant. He's got all the qualities that a lawyer and a corporate manager should have. But he is not a technology leader. So why get him?

IBM had laid off a lot of technology-wise executives. So had others. A great pool of talent is unemployed. Why go to Wall Street to hire Fishman?

It indicates that financial interests, marketing and the business of gains and losses take precedence over the needs of technological developments.

There's a socialist principle involved in this. In a socialist U.S., production would be regulated by the workers in the interest of production for use. If this were a project in a socialist country, it might be necessary to call somebody in to settle the differences. But it wouldn't be a corporate lawyer. It would be another technology leader.

For a while, it was progressive for industrial capitalism to gain advantages in the marketplace through the financiers. That financed the industrial base and helped it grow. But having established that, it strengthened parasitism.

It's important for us to understand the inner workings, the mechanism of the relationship between imperialist industry and imperialist finance. And if this is not an example of the decay of imperialism, then I don't know what is.

This example of The Thinking Machine also illustrates the fusion of the capitalist state with industry and finance, because they wouldn't be able to sell many supercomputers around the world unless the vast army of U.S. officials were helpful in beating the competition.

### **Fusion of finance capital and the state**

There's still another aspect of imperialism that I should mention. Among the five characteristics that we have, this one is helpful in understanding a number of the others.

The capitalist state as we know it has three arms — the executive, the legislative and the judicial. The legislative is the most popular and has the power of the purse.

The ruling class has always been fearful of a popularly elected body, especially after the passage of the Civil Rights Act.

But if you hand the members of Congress the budget of the United States, or a bill



on how to sell bananas or computers, you'll pretty soon see that your congressperson may not know much.

The ruling class has established a stratum of extra-governmental, extra-state personnel who make up an unofficial political arm of the capitalist state. They are called lobbyists. They are a power over and above the elected representatives.

If I ask my congressperson about how to get into the sugar business, they'll tell me to come back after they've looked into it. But if I were a big bourgeois in business, I wouldn't go to the congressperson. I would go to the lobbyist. The lobbyist has all the bills about sugar. As soon as the first one comes off the printing press, the lobbyist already has it.

If you need an interpretation, the lobbyist has it. If you ask which congressperson voted for what, they'll tell you that, too. And furthermore, they work day and night and are omnipresent in Washington, in some of the most fashionable and richest houses.

Lobbying has erected a governmental apparatus over and above the Congress that has grown stronger and stronger in the epoch of imperialism. It's an extra-legal apparatus to circumvent the legislative process as outlined in the Constitution.

For that reason, Leninists have always regarded suffrage and popular elections as merely a method of mobilizing the masses, of trying to educate the masses. But not really of accomplishing anything.



