

8. Is there foreign capital in India even now? Which countries have their capital and in what forms?
9. If companies of **B** buy the government bonds of **A**, does it amount to investing capital in **B** by **A**?
10. Are there any companies in India that run under the joint ownership with foreign countries?
11. Are the legislators (Members of Parliament and Assemblies: MPs and MLAs) in India representatives of the Working Class? Or, representatives of landlords and factory owners?
12. Engineers design the machinery. Scientists conduct researches on many things. How can these 'workers of higher mental labors' render 'service' to capital?
13. What is 'war'? Why do 'wars' take place in 'human society'? Is it possible or not, for the societies to live without 'wars'? If it is 'possible', how? If not how?
14. Before the First World War, the capital that Britain, France and Germany invested abroad is, let us say, 20 thousand crores of francs (20000,00,00,000). The income received on this 'capital' as interest or profit is, let us say, 8 per 100. How much income per year did the countries that invested their capital might have received?
15. Suppose America occupied Philippines and Japan occupied Korea. If a Japanese citizen criticises America and does not raise his voice against Japan, will that person be a patriot or opportunist?
16. 'While the national income of the Great Britain doubled during 1865-98, its income from the foreign countries increased 9 times'. What does this mean?



soldiers and officers of the German army surrendered to Russia. 3 lacs of Germans died in Russia during this war period.

It was the soviet people who got the reputation of defeating the Hitler's army. But, they had already received disreputation for having illegitimately attacked Poland and Finland earlier.

By June 1944, Germany fell into a situation wherein it had to fight with the enemy armies from 3 sides.

On 2<sup>nd</sup> May 1945, the Soviet Army entered Berlin, the capital of Germany, while driving away the German army from Rumania and Czechoslovakia.

People like Hitler and Gobbels committed suicides. War continued for some more time in Asia against Japan.

America dropped dreadful atom bombs on Japan in the month of August: one on Hiroshima on 6<sup>th</sup> and another on Nagasaki on 9<sup>th</sup>. Due to these bombs, not only the cities were destroyed but also a population of 3 lacs and 20 thousand people died. Japan surrendered on 14<sup>th</sup> August. With this, the Second World War ended.

What had happened after this war? Again a 'redivision of colonies' took place.

Compared to the deaths, loss of property, violence, horrible things etc., that had happened during the Second World War, the First World War appears to be a very minor war. Many deadly weapons, especially 'atom bombs', that were not there during the First World War had emerged in the Second World War.

Even after the Second World War, regional wars have been taking place at any or every place. Heaps of deadly weapons that are hundreds of times powerful than before are still increasing.

The imperialist countries have so many deadly weapons that the globe would break into pieces, if another World War takes place now!

All these facts prove how meaningless the arguments of imperialists are: that 'competition' vanishes due to agreements among the monopoly companies as they develop; and that there would be no scope for wars.

There is no question of elimination of competition under 'capitalism'.

Hence, no question of elimination of wars.

If a country initiates the communist path in a given period of time but if it does not sustain in that path and leaves it gradually and if it revolves in the path of capitalist 'profit rate' and capitalist competition, there would be anything except 'communism'. History has amply proved this truth.

### Questions :

1. We find great kings and emperors in history lessons, religious books and mythological stories. Cite some names.
2. An imperialist country directly ruled India for some period of time. What is that country? Can you tell when and how its rule began?
3. **A** is an imperialist country. **B** is a colonial country **A** and **B** sell sugar and cotton respectively to each other. The price of sugar is 4 rupees per kilo. The price of cotton per kilo is 2 rupees. That is, a kilo of sugar gets 2 kilos of cotton. While this is so, the productive power of sugar doubled. The productive power of cotton has not changed at all. Now, how much cotton should **A** take by giving 1 kilo of sugar? **A** fixed the price of the sugar as  $3\frac{1}{2}$ . That is, it decreased than before. Is the reduction in the price of sugar proper? Is the present exchange between sugar and cotton an exchange of equal values?
4. **A** lends a credit of 300 dollars to **B**. Rate of interest is 10%. **B** bought commodities from the companies of **A** with the money borrowed from **A**. What advantages did **A** have due to the credit that it lent to **B**?
5. Do you know any names of foreign companies functioning in India? Do you know the names of foreign banks?
6. Mention some foreign goods that we use daily?
7. Did India become 'independent'?  
Did India 'nationalise' foreign capital?

In 1938, Germany entered Austria. Later, it annexed Czechoslovakia.

On 1<sup>st</sup> September 1939, the 'Second World War' began with the entry of German armies into Poland.

There were 2 blocs even in this war as well. Britain, France and America constituted one bloc. Germany, Italy, Japan constituted another bloc.

As Germany occupied Poland, Britain and France declared war on Germany. But, they could not help Poland in any way.

Before Germany's occupation of Poland, the Soviet government in Russia (under the leadership of 'Stalin') tried to have a 'no-war pact' with the countries of Britain. But, those countries did not agree to have a pact with Russia. Later, Russia entered into a 'no-war pact' with Germany. But, the subsequent events create a doubt as if that pact did not confine to an understanding 'you do not attack me. I do not attack you', but to an agreement that 'Let both of us attack others'.

While Germany occupied Poland from one side, Soviet Union too occupied Poland from another side. Occupation of Poland was over within 3 weeks! Germany and Russia came to an agreement on September 29 in order to divide and share Poland.

Later, Germany occupied serially Norway, Denmark, Belgium, Holland and later France.

Those who were fascinated by the speed with which Germany waged war called it 'Lightening War'.

Italy invaded Greece and faced defeat.

Germany was able to capture Greece, Yugoslavia, Bulgaria and some more regions. Germany occupied entire Europe except Britain.

In the meantime Soviet Russia asked Finland to give some land to build its military bases. Finland rejected it. Immediately Russia attacked Finland with war planes and showered a rain of bombs. Finland people fought defying death. Russia met with terrific losses in the beginning. It showered many more bombs. Finally, Finland surrendered. It gave up the territories, islands and nickel mines, which Russia wanted from it. Finland was compelled to agree to give the Peninsula area on lease to

Russia for 30 years. Finland also agreed to assign the right to construct a railroad between Finland and Sweden. On the whole, in this war, Russia secured 10 thousand square miles of territory from Finland, formed it as a republic and declared it as a part of Russia.

The Communist Russia, which opposed imperialism during the First World War with the revolutionary slogan 'turn the imperialist war into a revolutionary war', had become, after 20 years, a country that itself attacked other countries! Instead of teaching communism to the people of its own country as well as to the world, demonstrating real communistic changes in its own country and depending on the 'communist capacity' of the people, it tried to seek 'protection' by forcefully occupying the border countries like a capitalist country and establish its military bases.

Germany, having occupied all the European countries except Britain and forced all the countries to declare their surrender turned toward Russia. It already set aside its 'no-war pact' with Russia and attacked Russia on 22<sup>nd</sup> June 1941. It thought that it would complete the occupation of Russia in 2 months.

In December, Italy declared war on America.

While the German army was pushing forward by occupying Russian territories, Britain and America got frightened at the German victories. They declared support to Russia.

On the other hand, Japan dropped bombs on an American harbour in December 1941. 200 ships and thousands of people perished. Immediately, America declared war on Japan.

By the middle of 1942, Japan occupied Malaya, Burma, Indonesia, Philippines, Singapore, Thailand, Hongkong and many more regions in Asia.

Britain, America, Russia and another 26 countries issued a joint Statement that they have to fight jointly and they should not enter into individual and separate agreements among themselves! In 1943, Britain and America occupied Morocco, North Africa and Algeria; also Italy! They arrested Mussolini. They (Britain and America) killed him later.

Russian soldiers and people fought with the German army with unimaginable bravery and sacrifices. In February 1943, 90 thousand

However, the wonderful event that occurred during this war period was 'victory of communist revolution'. Its influence gradually spread over to imperialist as well as colonial countries.

## 9) The 'Second World War'

Before the First World War, there were agreements between American and German trusts with regard to the production of electrical goods and ships. But none of those agreements remained as they were. All those agreements were broken in the war for the re-division of the world. Even after the war, many monopoly companies of steel, copper, other metals, cloth, radios, oil, cement etc., entered into agreements again. But, these agreements too did not remain as they were. Regional wars have been taking place at every place. Circumstances after 20 years of the First World War had led to another world war for the 're-division of the world'.

Italy and Japan were in a State of dissatisfaction for they did not get colonies as they wished in the First World War. The situation of Germany is obvious! Needless to talk about its agony! Even enemies should not experience such a hardship! In addition to the dissatisfaction of these countries, the 'spectre of communism' has newly begun to haunt many countries. Under the influence of 'Communist Russia', communist parties and socialist parties had begun their activities in all the countries. In January 1919, the communist revolutionaries in Germany attempted a 'revolt' but lost it. (In this context only, communists like Rosa Luxemburg and Karl Liebknecht were killed). In Hungary too, a revolutionary government came into power and fell within a few months. In Baltic States of Latvia, Estonia, and Lithuania and also in Finland that were part of erstwhile Russian Empire revolutions broke out and fell within a short time. But, after some period of time they turned into 'soviet republics'. Though communist governments were not able to sustain, communist activities were going on in every country. Formation of trade unions, strikes, attempts of poor peasants to distribute the lands of the landlords etc., that were absent earlier had now begun.

Movements against Britain and France by their colonies were going on in Turkey, Syria, India and other colonial countries.

After the First World War, the main task of the capitalist class was to simply 'suppress' the communist movement. In many capitalist

countries, 'dictatorship' came into power. These governments suppressed even the capitalist democracy.

In Italy, the 'Fascist' party under the leadership of Mussolini declared 'expansion of Italian Empire to the level of old 'Roman Empire' as its objective. 'War makes man great. Just as delivering the child is for woman, war is for man. A country that does not wage war cannot stand'— These are the ideas of Mussolini!

In Germany, the 'Nazi' party under the leadership of Hitler declared 'rapid progress of Germany by rejecting the terms of Versailles pact and expansion of German empire' as its objective. One of the targets of Hitler was destroying Jews. The Italian capitalist class and the German capitalist class considered Mussolini and Hitler as their saviours and their leaderships followed the path of dictatorship.

Fascist movements triumphed in Hungary, Poland, Portugal, Spain and other European countries.

When a war is over and after countries arrive at some agreements, those agreements do not remain as they are. Every imperialist country feels dissatisfied and agitated even after entering into agreements. It waits to violate agreements. No agreement continues till the end.

In 1931, Japan invaded China and occupied some territory. In this occupation, Japan confiscated British and American properties in Taiwan. Yet the British bloc felt happy over the Japanese occupation of China. Because, it merely wanted the weakening of the then developing communist movements of China some way or the other.

In Germany, all the actions rejecting the terms of Versailles pact were going on. Germany was preparing for war by such acts as increasing its army and navy, stopping payments of compensation and stationing armies in the French borders.

While Italy and Germany had the 'common dream' of occupying the entire Europe, Japan had its 'own dream' of occupying entire Asia!

In 1935, Italy went on occupying Albania, later Ethiopia and Abyssinia. Britain and France lent their secret support.

In 1936, Italy cooperated with the dictator 'Franco', in order to destroy the 'republic' in Spain. Since Britain opposed its action, Italy took the side of Germany.

take that region. Germany had to give away all the colonies that it had prior to the war to Denmark, Poland, Belgium and Czechoslovakia! German army should not be present in the borders of Germany and France. Germany should not possess an army of more than 1 lac. It had to remove the rest of the army. It has to remove the rest of the army. Germany could not have more than 25 warships and submarines taken together. It had to destroy army bases and war equipment completely. Allied forces would stay in the Rhine province for a period of 15 years. German rivers and canals should be under the control of an international commission. Germany had to give away its warships and mercantile ships to France and Britain. Germany had to give new ships to allied countries in lieu of the ships they lost in the war. The allied countries had the right to confiscate the properties of German citizens in foreign countries. The allied countries would supervise the exports and imports of Germany. Germany had to export its coal and iron in large quantities to allied countries. It had to give 5 thousand engines and 1 lac cars to the allied countries. There were still many more dozens of such conditions! Apart from all these, the last condition was that Germany had to pay 'compensation' to the other countries for dragging them 'illegitimately' into the war! The total compensation was 650,00,00,000 pounds. It had to pay this amount in installments.

This was the conspiratorial scheme, which the British bloc designed, in order to prevent, forever, German companies from raising their heads.

The British bloc grabbed all the German colonies. Britain, Belgium and Portugal distributed German colonies in Africa among themselves. Britain and France distributed Togo Cameroon. German colonies of pacific area and some regions of China were given away to Japan.

During this war period, China was with the British bloc right from the beginning. China participated in the Versailles summit. But when Chinese territories under the German control were taken away, they were given to Japan instead of being handing over to China.

They divided Austria into Austria and Hungary. They ordered that Austria should recognise the independence of Hungary and that it should give up its colonial territories of Czechoslovakia, Yugoslavia, Poland and Italy.

Britain took Palestine and Mesopotamia (Iraq). France took Syria! Many parts of Turkey were given to Greece and Italy. Thus, all the colonies of the German bloc changed into the hands of the British bloc.

Germany borrowed as credit some part of the compensation from America and paid the same to other countries. Thus, America got a big order for its money-lending business.

Though one need not shed tears for the sake of defeated imperialism, the condition of Germany became very 'pathetic'.

This war caused such destruction at had never occurred in the past. During this war period, lacs of people died, got diseases and became handicapped in every country due to bomb attacks of war planes, famines and epidemics.

Crores and crores were spent on such heavy killer-arms as bomber planes and war tanks.

Many changes took place in the strength and weakness of the victorious countries. During this war period, American companies made more exports than the imports. Before this war, Britain used to lend loans to other countries. It used to give loans to America as well. All such circumstances reversed after the war. At the time of conclusion of war, Britain had many debts to pay to America. It paid some of those debts by giving up its companies in America. It paid gold toward some part of the debts. It was indebted to some extent.

America took gold from other countries to a large extent towards the 'balance of trade' due to it. During that period, more than half of the total gold in the world flowed into America only. Since then, America alone became the country with largest 'money capital'. The center of attraction in the world shifted from Britain to America.

If we see after the end of war, what had happened among the countries that participated in the war? What merely happened was that victorious countries grabbed the colonies, territories and money from the defeated countries. This means, redistribution of regions (markets) and properties among the imperialist countries. Ownership over some colonies had simply changed from one imperialist country to another. Had the defeated countries themselves won, the same things would have happened even then.

entered the scene when some Americans died in the ships that Germany sank. But the real reason for America's entry into the war was its self-interest. It sold its commodities on a large scale to its allies by that time. It was still selling. If all those countries lost and German bloc won, there would not be any way to recover its loans from its allies. Moreover, if Germany won, it would become a big contender to America. Hence, America entered the war.

A wonderful event that occurred in the course of war was victory of 'communist revolution'! 'Communists' in Russia have been opposing the war since the beginning. They were campaigning among the people that they have to 'turn the imperialist war into a revolutionary war'. According to one estimate, the wounded and dead in Russia due to the war by that time were about 40 lacs. Many more lacs of soldiers were ready to die in the war fronts. Lacs of workers were working day and night at the work places in order to send products to the war fronts. Under these circumstances, an intense anti-war feeling began among the people due to the teachings of communists. The people gave support to the 'communist' revolution. The communist government was able to come into power in October, 1917.

Immediately after it came into power, the communist government (under the leadership of Lenin) proposed to the warring governments and their people to stop war for the sake of peace. The imperialist governments did not agree to it. By then, the German bloc had already occupied many parts of Russia. The communist government that had just begun did not possess the capacity to fight against Germany. It was meaningless to think that if communist government continued the war, relying on the military officers, who were favourable to the old regime, they would fight on behalf of the communist regime! Those military officials would definitely act in a way that was favourable to the enemy. Hence, it became an immediate task of the communist government to retain the State power by ceasing war. The Russian communist government entered into a no-war pact with Germany by agreeing to the tough conditions that the Germany imposed, gave up many territories in favour of Germany and agreed to pay compensation.

By then there were already some treaties in the past between Russia and its allies with regard to distribution of colonies. According to those treaties, Russia should get territories of China, Iran, here and there. The

'communist government' rejected all such treaties. It declared that all the past treaties took place among the imperialists and hence it was rejecting them. Moreover, it also declared that it was leaving the then existing Russian colonies such as Finland, Persia, Armenia etc., to their 'self-determination'.

In the imperialist world that was under the frenzy of war for foreign territories, 'Communist Russia' abandoned its colonies, called back its soldiers and stopped participating in war!

The 'revolutionary' government had also announced many 'revolutionary' changes such as nationalisation of land and important industries without compensation, declining to repay foreign loans, compulsory labour for all, separation of 'church' from the State etc. All that is a different issue!

Except Russia, the remaining countries continued war for some more time. Finally Austria, Turkey and Bulgaria surrendered. Germany got defeated! The German emperor fled to Holland. A 'republican' government (a 'capitalist' republic) formed in Germany and it concluded the war at the end of 1918.

The war ceased after 4 year long destruction. The victorious Britain, France and America (also Italy and Japan) held talks for some months. The defeated countries were not present in those talks. Even among the victorious countries, except the first 3 countries, other countries did not have any considerable role. It was only the first 3 countries that took decisions. They drafted the terms and conditions of 'peace pact' at a place called 'Versailles' in France. The German representative attended it only to sign the documents of the pact. Initially, they opposed those terms. But, as the British bloc warned that they would attack Germany again if Germany did not accept the terms, the German representatives signed those documents.

The terms and conditions imposed on Germany:

Germany had to admit that its bloc was responsible for the entire crime of conducting war! It had to return the territories that it occupied from France 50 years ago. (None of the countries that imposed these terms gave up their 'colonies') Germany had to give up Sar mines area to France for a period of 15 years, then conduct a 'referendum' and later

and Bulgaria constituted another bloc. All these countries had colonies prior to this war period. However, some had more colonies, some had less. While Britain had colonies around the 'globe', Germany, which hitherto existed as many pieces, began to 'progress' very rapidly after all its pieces got united into a 'unified Germany'. German companies began to produce equally and even more than Britain and compete with British companies that were ruling the 'world market'. (This is, they were selling their commodities on a large scale). As Germany had fewer colonies, it needed more colonies! It was Germany's hope to grab certain regions as well as colonies of Britain, France and Russia and also their colonies. The attempt of its competitors is to destroy Germany's industries completely! Britain was zealous to destroy Germany and grab its colonies, to occupy regions in Turkey, Egypt and Palestine! The dream of French companies was to occupy Sar mines and other regions and also take back its colonial territories, which Germany had grabbed earlier! Russia's desire was to occupy parts of Turkey, parts of Austria and the gulf between the Black Sea and Mediterranean Sea! America's tactic was to sell its commodities on a large scale in the event of 'war'! Japan wanted German colonies in the eastern regions! Germany and Australia too wanted the same regions that Russia wanted!

Thus, there were no regions in the world, which none of the imperialists had occupied. All imperialist countries had occupied all of them. What should happen subsequently is that each fellow should grab from one another.

About 10 years earlier, Britain entered into a secret agreement with France thus, 'I take Egypt and you take Morocco!' When he came to know about this, the German emperor went to the sultan of Morocco and told him thus, 'My support is for you only'. But, later, when France occupied Morocco, it gave some part of Congo to Germany. With this, Germany shut its mouth. This is a past event. Gradually Germany became opponent of France. Their alliances had changed.

The two new blocs were preparing for war with their respective hopes. They were increasing their armies. They were providing themselves with heaps of weapons. They were entering into secret pacts with their friendly countries. What remained to be done was 'to begin the war!' Some 'pretext' was needed for that. Such a 'pretext' had also occurred.

On 28<sup>th</sup> June 1914, a Serbian national killed the prince of Austria when he was in Bosnia, a colony of Austria. After a month, on 28<sup>th</sup> July, Austria declared war on Serbia. Russia entered the war in support of Serbia. Germany went on a war against Russia and France. Britain began a war against Germany. Japan too entered the war against Germany. Turkey and Bulgaria took the side of Germany. Hurriedly all countries made war declarations and began to participate in the war. Italy remained neutral for some time and a year later declared war on Germany and Austria. All the imperialist countries brought armies, labourers and commodities and involved them in the war.

Every country that entered into the war already entered in to secret pacts with other countries for the sake of colonial regions. Outwardly, all countries declared that they were entering the struggle for 'self-protection', 'liberty' and 'protection of democracy'.

America, without entering into the war for quite some time, supplied such products as arms, other war equipment, coal, iron, oil and bread. Its industries and agriculture expanded extensively. America began to supply its commodities not only to the warring countries but also their colonies. During that period it got many markets.

Germany and Austria were continuing their occupation of regions in Russia, Rumania, Italy and Serbia.

Japan occupied colonies of Germany in east Asia.

Britain and France occupied the colonies of Germany in Africa.

This war first began in the European continent and extended to all continents. Hence it is 'world war'.

Newer and newer deadly weapons that did not exist in the past came into the use in this war. Use of airplanes in wars began only now. Dropping bombs on civilians also began in this war only. In the battles of the past only soldiers of both the sides used to die. In this war, towns, villages and everything became a war front. Engineers and scientists, using their intellect, made hitherto non-existing weapons such as liquid fire, poisonous gas, tanks and submarines that sink ships.

Germany began to sink the enemy ships with its submarines. In April 1917, America, which until then did not participate in the war, also

Another argument that the compradors of the imperialism give is that self-reliance and self-sufficiency are not possible today. In view of the progress of 'science', today all the countries of the world have to be in 'mutual relationships'! And so on!

But, 'mutual relations' need not form at an 'unequal' level. There can be relations and those relations can be equal.

To say 'there should be equal relations among countries' does not mean that 'there should not be relations at all among countries'.

'Relations should always be there. But, they should be on an equal footing.

But, the comprador of imperialism expects 'unequal relations only'. Only such relations are mutual relations in their view. Their theory is that all the countries have to be subservient to the domination (that is, exploitation) of such countries, which possess high productivity power consisting of greater scientific and technical know-how, heavy machinery etc. According to compradors, imperialist countries can have self-determination. It is possible for those countries. It is not possible only for colonial countries. The colonial countries should not attempt at achieving self-determination and self-sufficiency. If colonial countries make such attempts, it amounts to a damage to 'mutual relations'. These are the 'mutual relations' that they talk about

But, if two countries have equal rights, duties and freedom instead of one being a 'dominant' country and another a 'subservient' country, no damage would be caused to those relations. Only such relations exist as 'friendly relations'. Even the capitalist economists too know that countries can have mutual relations without imperialist domination. As it is not 'profitable' to them, they support only such kind of relations, which they wish.

There is another type of capitalist intellectuals. These gentlemen strongly protest against and abuse imperialism.

Among these gentlemen, some people shower sympathy on 'colonies'. But, they do so only if those colonies are not under the control of their own country.

Some others strongly condemn the imperialism of their country. They say it is 'unjustifiable' to occupy foreign countries. They call it

'illegitimate'. They say many more things. But, all this, without uttering a single word against capitalism and its exploitation! Which means, they do not have criticism against capitalism. They do not have any objection in continuing that system. But, the objection is only on its transformation into 'imperialism'. For them, monopoly companies and international monopoly companies should not be formed. This means, what they wish is 'very tender capitalism'. They do not like it to become ripe; it should always be tender!

But, capitalism will never stop in the 'tender stage' only. If it develops according to its inherent laws, masses of capital grow gradually, need for large market increases, aggression on foreign countries intensifies, the minimum slogans of freedom and democratic norms of tender capitalistic period vanish—with all these processes it would inevitably transform into imperialism. These empty peace lovers are not concerned with all this. The continuation of exploitative system is 'capitalism'. The continuation of 'capitalism' is 'imperialism'. Hence, let some one dump any amount of criticism against imperialism without saying anything about exploitation and capitalism, such evasive tactics will only do good to imperialism and will not harm it.

As long as the struggle against 'exploitation' is not waged, capitalism will continue to exist in the form of 'imperialism'.

Along with it, its 'wars' too will continue!

[While seeing 'imperialism', we have to see at least to a minimum extent regarding 'World Wars'. By doing so, we will easily understand what 'imperialism' is. Here we will see briefly about the 1<sup>st</sup> and 2<sup>nd</sup> World Wars.

If we see, after the completion of the war, among the countries that waged war against each other, we will know as to why that war in fact occurred. The details that we are giving here with regard to world wars will be very brief, limited and inadequate. But, it is enough to understand the 'secret' of wars. For more 'details' one has to read the information about these wars wherever they find].

## 8) The 'First World War'

Its period is 1914-18. Britain, France, Japan, Italy, Czarist Russia, America constituted mainly one bloc. Germany, Austria, Hungary, Turkey



countries or international monopoly houses is that the number of competing companies diminish and degree of competition raises, but competition does not perish.

If we assume for the sake of example, that all capitalist countries got united as a 'bloc', that bloc will not remain as it is because of its 'profit motive' only.

The very formation of such a bloc itself is for the sake of 'distribution of profits'; not for the sake of 'world peace'. The countries join that bloc with the view that they may trail behind other countries in earning 'profit' and other countries should not have 'more profit rate' than what it has! Thus, each country joins that 'bloc', with a view to sharing the profit. This unity is something that forms with a profit motive but not with a view to establish peace.

Suppose countries in a 'bloc' entered into an 'agreement' for a period of 10 years. It means that those counties have intended not to abide by the agreement beyond 10 years! It follows that they kept an option to get out of that pact after 10 years!

This means, the unity of monopoly companies is neither 'stable' nor 'eternal'.

There will not be any agreements on matters that can remain stable and eternal.

Such matters will stand stable without agreements, promises and conditions. But 'agreement' itself means 'temporary'! It is up to a certain period only. Every country hopes that its situation would develop further by the time the agreement ends! That is why it (the country) enters into an agreement only for some period of time.

After the emergence of international monopoly companies in the world, competition intensified further but not vanished. Owing to that competition, so far 2 world wars occurred among the capitalist countries. Even after those wars, competition and wars have been evergreen as usual!

Contradictions and wars that arise due to exploitation exist even under imperialism. They exist not only as earlier but also at an intense level. The wars that occur among imperialist countries will be highly technical in the sense that they involve use of war planes, rockets and

nuclear bombs produced by international monopoly companies. Such wars damage peace more severely than in the past.

But the worshippers of imperialism lay all their hopes of world peace on imperialism only. These people feel very happy watching 'tender capitalism' ripening into imperialism.

Suppose, for example, competition among capitalist countries has perished due to imperialism. Let us imagine that wars among capitalist countries have ceased. Does it amount to 'world peace'? Then what about the contradictions (class contradictions) between the capitalist class and the working class? What about the 'peace' for the working class which does labour for the sake of capitalist class. The 'peace-makers' of the 'exploiting class' are not concerned with this question. What they need is existence of classes as usual. Exploitation has to go on smoothly. All the capitalists have to share it by means of unity of agreements without entering into the mire of wars and live with comfort and luxury! This itself is 'world peace'! According to these theoreticians, 'world' means capitalists only! 'World peace' means peace that those capitalists get without 'competition'.

But, world means not merely capitalists but workers as well! Peace to all alone is the world peace. That is, we need a solution to give peace to the workers as well. But, the peace of the capitalists alone is not the world peace.

The solution that gives peace to the world really is not to enter into agreements to share the mass of profits. But,

Abolition of exploitation itself!

Elimination of competition in the same direction! When there is no exploitation, there will not be an element that disturbs peace!

In a system wherein all people do labour, there will not be a mass of profits that one class grabs and there will not be wars to share it.

One section of the worshippers of imperialism considers imperialism as a theory according to which 'the stronger rule the weaker' and hence has fascination for it. Here, 'strength' refers to the strength of 'capital' and 'military strength'. These strengths belong to workers only. Capital belongs to workers only! Military consists of only workers! (Unproductive workers).

solution for the social problem, i.e., in order to save the 40,000,000 inhabitants of the United Kingdom from a bloody civil war, we colonial Statesmen must acquire new lands to settle the surplus population, to provide new markets for the goods produced in the factories and mines. The Empire, as I have always said, is a bread and butter question. If you want to avoid civil war, you must become imperialists.'—That was said in 1895 by Cecil Rhodes, millionaire, a king of finance, the man who was mainly responsible for the Anglo-Boer War."—Lenin ('imperialism, the highest stage of capitalism', vol.22 of Lenin's Collected works, pp.256-7, Moscow edition)

The British monopoly capitalist is shamelessly arguing why 'imperialism' is necessary. He says, it is to secure 'new markets' for the commodities that are produced in the factories and mines! He says it is to save the country from the 'civil war'! Then what about the wars that are waged when imperialists invade colonies in order to prevent 'civil war' (to prevent revolt of the workers) in their countries? Occupying other countries is the solution that this monopoly capitalist suggests for the social problem called 'unemployment'. This solution implies that if this imperialist country gets foreign markets to sell more commodities, it has to produce more commodities here and hence more workers get jobs here. If A sells more commodities to a foreign country, it has to import more commodities in return from the foreign country. As a result of this, commodity production increases on both the sides. Employment on both the sides increases. True, but this is possible only due to such relations in which 2 countries exist as 'fully independent' countries. Exchanges of equal values alone should take place between these countries. If more exports and more imports take place when such relations exist, it implies that commodity production and 'foreign trade' have increased. But due to the foreign trade of the imperialist country, which forcibly occupies another country, secures its markets, sells its commodities at higher prices—nothing will happen except heavy losses to the 'colonies'. An imperialist country occupies colonies precisely for this 'advantage'. No single imperialist country in the world could solve the problem of unemployment by occupying 'colonies'. As the imperialist countries kept on occupying colonies further and further and earning more profits, unemployment problem had increased but not decreased. But, this capitalist is fearlessly making a false description that occupying other countries as a solution to the 'problem of food' for workers, that is as

something to be followed for the welfare of the workers. While one type of supporters of imperialism offer this kind of explanation, another kind of supporters express the same essence by way of another explanation.

The supporters of imperialism further say as follows:

'Imperialist countries develop colonies by supplying capital to the colonies. The monopoly companies of the imperialist countries undertake planning collectively and eliminate 'anarchy' (planlessness) in the production sphere. 'Competition' vanishes by means of agreements between monopoly companies and 'world peace' will emerge'.—Thus, the economists who are intoxicated by the consumption of 'exploited lot', begin to enumerate many advantages of imperialism.

This means, when an imperialist country occupies a colonial country, the population of that colonial country will have to be happy and allow the occupation of their country. Similarly, colonies should allow the uninterrupted flow of imperialist capital. (Why should they at all become independent countries?) These economists begin to give new interpretation that all this is good for the world.

But, we have seen before as to how a colonial country develops due to the imperialist country.

If 'foreign capital' enters a country where capital is less, it enters with many 'conditions'.

Even the country that was until then 'independent' has to subject itself to many conditions of domination when it receives 'credit capital' from foreign countries.

When a country is backward in science and technology, the foreign capital transforms that 'backwardness' into another form but it will not reduce.

Likewise, we will see in the following chapter 'Crises', how true is the assumption that imperialism dispenses with planlessness in the 'sphere of production'.

Now, the final point.

Regarding the assumption that peace prevails across the world due to agreements between monopoly companies under imperialism. The whole thing that happens by means of monopoly houses of different

fact that 'exploitation of labour' is taking place in society. Since Marx grasped the fact that 'money' is nothing but labour and it is the form of value, he was able to get hold of the secret of exploitation.

Understanding 'exploitation' means understanding the way to emancipate ourselves from it as well. That way of emancipation is nothing but struggle against the system of exploitation.

The fact of 'exploitation' came out during the period when some countries in the 'world' were imperialist and some countries were colonial countries. Hence, the task before the labouring class since then has been the following:

The labouring class of the colonial countries has to struggle first to come out the 'domination' of the imperialist countries and then to come out of the domination of native exploiting class.

Similarly, the labouring class of the imperialist countries has to struggle first to oppose the colonialist policy of their governments and then to liberate themselves from the exploitation.

This entire struggle will be a long-term programme for the labouring class.

Neither the foreign exploitation nor native exploitation will perish by itself. No evil perishes by itself. The people who 'suffer' due to it have to resist it! They have to struggle against it! They have to destroy it by means of struggle only!

The main actions that oppose 'imperialism' are the following:

1. Over throwing the foreign rulers.
2. Nationalisation of foreign capital.
3. Not allowing foreign capital in the subsequent period.
4. Establishing trade relations that do not allow 'unequal exchanges'.
5. Developing native industries in such a way that they do not depend on foreign countries.
6. Abandoning relations that make colonies depend on the imperialist country and coordinating the native agricultural and industrial sectors.

Only when we make these kinds of changes, it will be a real opposition to imperialism. But if the first change alone takes place and if other changes do not take place, then it is merely a change in the 'form'. And it is not opposition to imperialism.

After the transfer of 'political power' into its hands, the native exploiting class would not take any serious steps against imperialism, except very minor steps.

Until struggle is waged against native exploitation, it is not possible to bring about such real changes as abandoning relations that make colonies depend on the imperialist countries and coordinating the native agricultural and industrial sectors.

The struggle that is devoid of an understanding about and opposition to 'exploitation' will not oppose imperialism in its real sense.

## 7) Supporters of 'imperialism'

Poets and artists in the past used to eulogise in many ways such kings who used to invade foreign countries. In the same manner, even in the capitalist age, there began intellectuals and economists, who theorize that occupying colonies is 'essential' for the colonies and 'safe' for the world.

If we see this quotation we will know what sort of arguments supporters of imperialism make. See at the end as to whose words are these!

"Chamberlain advocated imperialism as a 'true, wise and economical policy', and pointed particularly to the German, American and Belgian competition which Great Britain was encountering in the world market. Salvation lies in monopoly, said the capitalists as they formed cartels, syndicates and trusts. Salvation lies in monopoly echoed the political leaders of the bourgeoisie, hastening to appropriate the parts of the world not yet shared out. And Cecil Rhodes, we are informed by his intimate friend, the journalist Stead, expressed his imperialist views to him in 1895 in the following terms: 'I was in the East End of London (a working-class quarter) yesterday and attended a meeting of the unemployed. I listened to the wild speeches, which were just a cry for 'bread! bread!' and on my way home I pondered over the scene and I became more than ever convinced of the importance of imperialism...My cherished idea is a

But, the working people of the world need not shed their tears by seeing the hardships of this 'defeated' imperialist country. If this country had won, it too would do the same things as the victorious countries are now doing. This country is not at all 'better' than others. This country, while bearing the war losses, waits for an opportunity to win in another war and tries to gain new power to do so.

Let us keep aside the aspect of losses that the capital of monopoly companies incur due to a war.

The losses that the working class faces will be innumerable.

Depending upon the scale at which the war is waged, Lacs and crores of soldiers die on both the sides. Lacs of soldiers become lame, blind, sick and mad. Not only soldiers but also the labouring population too will perish due to starvation and disease. Hundreds and thousands of villages, houses, production places, high ways, fields with crops, lakes, canals, bridges and every thing will be completely destroyed due to attacks by both the sides engaged in war. Children, who lost their parents and parents who lost their children become destitutes in thousands and lacs. Everything turns into a horrifying situation at the end of a war. What a 'victorious' imperialist country achieves by this horror and genocide would be: some new markets! Some new colonies! Some new pacts!

## 6) Such a long delay!

By the time Marx exposed the truth (through his work 'Capital' in 1867) that 'exploitation of labour' is going on, almost all the capitalist countries occupied other countries as colonies! Only during this stage, the 'truth of exploitation' was revealed for the first time! What a delay is this!! Indescribable delay!!!

We have seen before that, though 'exploitation' has been going on since the period of slavery, the material basis necessary to grasp this truth formed only under 'capitalism'.

Capitalism is a system of 'commodity' production. Under this system, prices of the factors spent on a commodity, the price of the commodity newly produced by those factors—everything appears directly in terms of 'money' calculations. Thus, a hitherto non-existing new situation forms here. Then the whole thing that is necessary is an intellect that can examine all aspects 'logically' and the outlook that can accept

the truth that reveals in that examination! When we conduct such an examination, we will be able to understand what 'value' means and how commodity acquires it. That 'logic' will finally get hold of the 'exploitation of labour'.

Rents, interests and profits—these are the means of exploitation!  
The basis for all these is—the surplus value of the working class!  
It was Marx who did the job of grasping this truth.

Human mind grasped this secret only after some thousands of years have passed after the emergence of exploitation in the history of the human society!

“The value-form, whose fully developed shape is the money-form, is very elementary and simple. Nevertheless, the human mind has for more than 2,000 years sought in vain to get to the bottom of it, whilst on the other hand, to the successful analysis of much more composite and complex forms, there has been at least an approximation”. (Marx in his Preface, dated 25th July 1867, to the First German edition of Capital, vol.1, p.19)

It was Aristotle (384-322 B.C) who first raised such questions as, 'what is money? What is money that we get in return to a commodity that we sell? Why do we get it?'

It was Marx, who had comprehensively analysed in 1867, what 'money' is.

In between, many people thought in many different ways. Those thoughts went on to the extent that 'money' is a medium that mediates exchanges. But, money functions as 'means of exchange' not with its 'name' but with its 'quality'!

That quality (character) is nothing but 'labour'. The 'only' article with which all the articles in the society exchange is 'money'. Therefore, 'money' is the 'general form' of value. 'Value' means that 'labour' has no specific form but has simply a 'quantity'. The value of a 'commodity' is simply the total 'labour' that it has. Only when we first grasp these points, it is possible to get hold of the portion of 'surplus value' that the commodity value includes. If we grasp 'money' simply as a 'medium of exchange' without grasping other things, it is not possible to grasp the

Capitalism formulates scientific and technological aspects in such a way that it is advantageous to 'capital'.

We can design a 'machine' in such a way that it gives 'comfort' to the labouring person; or that it increases the speed of the physical movements of the labouring person. More work in less time is carried out by means of the second way. The capitalist 'technique' will always aim at the second objective (the objective of extracting more labour in shorter time than in the past). This technique destroys the physical and mental health of the labouring person. Only these kinds of techniques flow from the imperialist country to the colonial country.

Thus, the development of the colonial country caused due to imperialism remains as a development tied with many chains rather than a free development. The colonial countries too 'develop' owing to their relations with the imperialist country. But such a development is subject to the interests of the imperialist country.

Since most part of the agricultural raw materials that the imperialist country needs come from the colonial countries, the percentage of land that comes into cultivation afresh in the imperialist country decreases and the percentage of the land allotted for the capitalists' sports, hunting and entertainment keeps expanding. Every imperialist country uses hundreds and thousands of acres of land and spends crores of money on cruel forms of entertainment like horse races, bull-fights, fox-hunting and dog-hunting. In the total population of the imperialist country, the population that participates in the 'productive sector' gradually decreases and the bands of exploiters, who pass their time in luxuries and forms of entertainment increase.

## 5) Division and redivision of the world

Suppose the whole 'world' consists of imperialist countries and their colonies. That is, the imperialist countries have already distributed among themselves, all the territories that are not imperialist countries. But those ratios of occupations would not remain as they are. Every imperialist country tries to retain its colonies permanently and tries to secure more colonial land. In the world where distribution is over, the only way for an imperialist country to secure a new colonial land is to grab the land that is under the control of 'other imperialist countries'.

Once the whole world is divided, what remains to be done is to redivide it. The struggles for the redistribution of markets lead to regional wars and world wars.

The international monopoly companies had distributed the entire world for the first time by the beginning of the 20<sup>th</sup> century! Each company grabbed as much as possible. By then, the entire 'globe' split into 2 parts, namely, (1) imperialist countries and (2) their colonies. There had been no 'territory' that did not belong to this part or that.

**The total land area on the earth is 13 crores, 30 Lac square kilometres. By the beginning of the 20<sup>th</sup> century, 8 crores, 90 lacs square kilo metros of land consisted of colonies! The remaining portion of 4 crores 40 Lac kilometres constituted the territory of imperialist countries! This means, all the imperialist countries together occupied the land, whose area is double their own area!**

Of those imperialist countries, some countries could 'grab' more land and some countries could grab less land. Every imperialist country held monopoly over its colonies by means of trade that their monopoly companies like trusts and cartels conducted by means of export of capital.

This kind of grabbing of other countries took place by means of several wars throughout the world.

The situation did not stop there even after each imperialist country grabbed whatever it could get hold of.

Many wars had occurred and are occurring further among the imperialist countries for the sake of 'redistribution' of colonies.

If we see what had happened after a war among some imperialist countries, we will find that those victorious countries grabbing many things from the defeated countries.

The victorious country mainly seizes 'land' from the defeated country. It takes away many products including gold and silver. It imposes many new conditions on the defeated country. It dumps the major portion of the war expenditure on the defeated country. The defeated country has to pay that expenditure for many years. On the whole, the defeated country would lose in many ways.

The 2 countries **A** and **B** present before their respective working class population the money credit, which **A** lends to **B**, in such a way that it is helping **B** in its needs.

If all the capitalist countries establish an international monopoly bank called the 'World Bank' with their deposits and lend loans to the world countries through that 'Bank', it means that all of them are sharing the 'credit (money lending) market'. It is neither service to foreign countries nor service to the world. The whole thing is service to one's own capital.

All these forms are newer manifestations of imperialism. Whatever form the 'capital' might assume, its function is simply to earn profit and interest.

If a given country is under the influence of foreign countries due to any reason, need or pact, it is not real freedom even if it declared itself as an independent country! It means that it is still a colonial country. It is an indirect colony, if not a direct one! A new kind of colony if not an old kind! Thus, the 'independence' of a country might be subject to many kinds of 'domination'. Hence, it does not mean that a given colonial country is really independent simply because there is no direct rule of an imperialist country over it.

Suppose the class of exploiters of a given country is ruling the country without any domination of other countries. Let us also suppose that no foreign country is plundering profit and interest from this country. Does it mean that this country is an 'independent' country? Yes, to some extent. Not yet fully.

If foreign exploitation ceases, all that the foreign countries are exploiting remains with the native exploiting class. Hence it amounts to freedom of that class.

But, it is not freedom for the working class of that country. It is still slavery for it.

#### **4) Development of colonies**

When one country exercises domination over the 'economy' of another country, it will exercise it in all the spheres in addition to economy.

Yet, one kind of 'positive' result of the imperialist rule in a colonial

country is that a colony would come into a minimum contact with developed science and technology.

Suppose an imperialist country started the building of railways in a colonial country. In this connection, the imperialist companies will be able to sell girders, rail engines and many other kinds of instruments. The imperialist country can transport raw materials necessary for its industries from the colonial country by means of those railways up to the seashore. From there it can take those materials to its country in ships. Thus, the imperialist country starts the work of railways in the colonial country precisely for its own benefit but not with an objective of developing the colonial country. Yet, that would contribute to the development of the colonial country to some extent. Railways will be useful for the people of the colony to travel and to transport commodities (though these uses do not reach the working class of the colonial country as they do to the exploiting class!) The scientific and technological knowledge concerning heavy machinery called 'rail' will be available to the working class of the colonial country. This contributes to the development of the colonial country.

But, a country need not turn into a 'colony' in order to secure this scientific knowledge. It can develop such knowledge even without becoming a colony. Just as capitalist countries developed scientific knowledge without ever being colonies, the same thing may happen in the case of other countries as well.

Owing to the occupation of those 'other countries' by capitalist countries, the progress of colonial countries thereafter would be subject to the interests of the countries that occupied.

The industries in the colonial countries develop into such industries which supply raw materials necessary for the foreign companies and which provide a market for the commodities of the foreign companies. (That is, by purchasing those commodities for their 'production processes').

Tobacco grows in the lands of colonial country for the sake of foreign cigarette companies. Cotton grows in the lands of colonial countries for the sake of foreign textile mills. The agricultural sector of the colonial country undergoes change in such a way that it creates market for such commodities as tractors, chemical fertilisers and pesticides, which the foreign companies produce. All other things also happen like this.

new companies and their branches are coming up in this independent country! The ruling class of this 'independent' country has agreed to continue all these conditions and to continue all these relations between the countries as before (with very minor changes)! Only with this understanding, the imperialist country gave up the function of ruling this colony and handed over the charge to the exploiting class of the colonial country. Since then, the landlords and the capitalists of this colony took over the political power and declared this country as an independent country! The labouring people, who do not know what 'independence' is, obediently accepted and felt happy since their 'masters' are saying that something 'good' has happened to their country. What is the meaning of this change if all this happened? Does it mean that the colonial country has really become 'independent'? No.

This change is not a change at all. The imperialist country is getting its profits and interests from this 'independent country' also as before. The fact that the imperialist country is able to exploit the second country indicates that there has not been a real change that occurred between the 2 countries due to this 'Independence'.

What has now happened between the 2 countries is that, while the imperialist country ruled the colonial country 'directly' in the past, now it is ruling 'indirectly'. This is the meaning. It means that the majority of fellows in the class of exploiters of the colonial country are still acting as comprador (brokers/agents/representatives) of the imperialist country. It means that no other changes occurred except that the foreigners left and the native fellows, who are filled with slavery for the foreign capitalists from top to toe came to the throne of the colonial administration. Thus the 'essence' of the matter has not changed at all. Yet, the colonial country appears outwardly as if it has changed into an 'independent country'. This is another form of 'imperialist-colonial' relationships.

If a colonial country is under the domination of a given imperialist country, all the other imperialist countries do not totally give up their hopes on that colony and keep quiet. They keep trying for 'opportunities'. All the groups within the class of exploiters of the colony do not act as comprador of a single imperialist country. Different groups might favour different imperialist countries.

Even after a colonial country becomes 'independent', the capital of other imperialist countries too may flow into it. Thus, that independent country may turn into an 'indirect colony'. This is another form of imperialism.

Let us say that **A** is an imperialist country and **B** is a colonial country that has got 'nominal' independence.

If there is no scope for **A** to establish companies under its complete ownership in **B**, it would start 'joint companies' alone with the government and private companies of **B**.

**B** buys technical licenses, techniques, patents, trademarks etc., by paying heavy prices. It pays fee regularly for some items. Thus, **A** takes away incomes from **B** under various names.

**B** can enter into 'military treaties' with **A**. All these treaties will be in favour of **A** only.

Companies and banks of **A** will be in **B**. With **B**, **A** would enter into some political and military treaties, which prevent **B** from confiscating 'the foreign capital'. **A** would be ready even to invade **B** if **B** violates such treaties.

It becomes the responsibility of the comprador government of the colonial country to create confidence that there would never arise a danger whereby the working class of the colonial country would ever confiscate the capital of the imperialist country. It takes steps that prove 'how harsh it can be with its own working class'. It demonstrates its loyalty by enacting new laws (as imperialists desire) that would keep its working class under further control and which would further restrict their rights.

Occasionally **A** throws free aid, charities, grants etc., on to **B**, in order to mislead the working class population of **B**. (All these make up one piece in the amount, which **B** plundered from **B**). Through these kinds of free aid, **A** creates an illusion in the mind of **B** that it has a 'lot of love' for **A**.

**A** supplies to **B** its jowar flour, milk powder, wheat powder, bread pieces etc., which are unsold and rotten, and showers its compassion on the 'mother and child' of the **B** country.

All that a person, who does labour, gets in various forms in return to his labour is 'wage'. It is the 'value of labour power'. It is 'surplus value' that goes unpaid.

But, here a question arises with regard to the wages of the section of higher mental labourers. Are these wages also part of 'labour power of value'?

It is true that the value of labour power of the section of higher mental labourers will be more than other sections. But, how much more? Can it be the maximum? This is a question here.

The section of higher mental labourers is able to use its wages not simply for living comfortably but also to buy 'shares' in many companies, to remit deposits in the banks and to earn many other 'properties'. How is this section receiving so much maximum value? (1) Does this section not lose 'surplus value'? That is, does this section get its entire surplus value? (2) Will this section, not only not lose its 'surplus value', but also get some more value? That is, does this section receive a part of surplus value of the working class of its own country or of the colonial country? If none of these 2 things happens, how is it possible for this section to get the maximum wage higher than the 'value of labour power'?

Suppose only the first thing, rather than the second, is happening. That is, this section of labourers does not get a portion of the surplus value of other sections of labourers. It takes its own surplus value without losing any thing. Hence, let us say, it is able to get the maximum wage. Even if only this is happening, how is it possible? It is possible because all the other sections of the working class (other than the mental labourers) are handing over huge surplus value to the imperialist country. While all the other sections of the working class are losing lot of surplus value, one section is not in that situation and the same situation is the speciality of the section. That section secures that privilege just because it has to be subservient to the capitalist class. It would thus get its entire 'surplus value'. This section, which receives this special treatment, is normally united with the class of owners rather than with the working class.

It happens in all societies that the higher mental labourers maintain distance from the other levels of workers. But this 'distance' increases further under imperialism. imperialism makes higher mental labourers opportunistic and selfish people.

### **3) Old, new and brand new forms of imperialism**

We have seen that invading foreign countries with its armies, subjugating those countries and collecting 'tributes' from them are the features of old-time imperialism. The imperialism of the capitalist age earns profits and interest from the colonies in such a way that it facilitates its exploitation.

The difference between the old and new imperialism is only in the 'form'. The 'essence' of the two is the same. Exploiting of colonies (exploiting the labouring people of the colonies) is the essence.

The new imperialism has gradually been changing into newer forms. it is still changing.

Whatever be the 'evil', it simply changes its 'form' unless a struggle against it is carried out in as much of a right way as it should be. Otherwise, it will not change its essence. It is the same case with 'imperialism' also. If the struggle against it does not continue in the right direction, it simply changes its manifestations. If there were no struggle, it would not have the need to change the forms as well. As there exists some sort of a struggle, however haphazard it may be, imperialism leaves it old form and assumes a new form. Another new form when there arises struggle against that new form as well! When the struggle arises against the actual 'essence' instead of the 'appearance', all its forms will disappear and the essence of imperialist domination too disappears. Until then, imperialism continues to exist in one form or the other.

Suppose an imperialist country ruled a colonial country for some time and gave up its power to rule.

Let us say, the subsequent example is like this: The exploiting class of the colonial country itself began its rule. The new government declared that the colonial country has become 'independent'.

However, all capitals of the imperialist countries (all the companies under the ownership of that imperialist country) that have been there in the colonial country since a very long time are still continuing in this independent country under the ownership of the independent country. Even now the imperialist country is taking away profits and interests from this independent country! Further, even now the 'unequal exchanges' are taking place in the trade between the two countries! Even now, the



Possession of a 'lot of money' by the companies of a given country is also a similar situation. More money gets accumulated in those companies that can grab interests and profits in large quantities. Which means, a large part of 'surplus production' in the 'mass of products' produced throughout the world gets accumulated in a particular company. That country can exercise control over a 'large capital' throughout the world. That is, over many means of production and large working population!

(Britain and France are the oldest capitalist countries. Majority of colonies had been under their control. The British Empire used to be 'an empire where the sun did not set'. That is, Britain had colonies around the 'globe'! America and Germany are the countries that had 'developed' in a shorter period of time than other capitalist countries. The monopoly companies spread over extensively in the industrial sector of these two countries. The major portion of the total money capital of the whole world used to be in these 4 imperialist countries. Only these countries used to lend 'credit' to other countries of the world and invest productive capital there. Today, many direct colonies have changed into indirect colonies. Yet, the major portion of the total 'money capital' of the world is under the possession of giant capitalist monopoly companies even today. These countries alone are lending credit to other countries and earning 'interest'; and investing productive capital and earning 'profit').

Only a couple of countries, which have large-scale capitals rule the total 'nature' and the total world population.

It is correct to say that 'capitalistic imperialism' (or modern imperialism) means occupation of agrarian countries by industrial countries. But this meaning is not enough. To this meaning, we have to add such features as accumulation of large part of world capital in the imperialist countries, the rule of the world by that capital, competition among the imperialist countries for world hegemony etc.

In this world where native and foreign capitalists are exploiting the working class of the colonial country, the 'unequal exchange' carried on by the imperialist country is an important problem. It is only one of the many problems that arise due to 'imperialism'.

The main problem of the working class is the exploitation that takes

place in the 'process of production'. The essence is the same whether native exploiters exploit them or foreign exploiters exploit them.

### **(3) Migration of workers:**

Workers who are in constant search for 'jobs' and for better 'wages' migrate to other regions and other countries when they do not find jobs in their own regions and when they do not get wages that are enough for 'maintenance'. Generally, the migration of workers occurs from villages to towns and from colonial countries to imperialist countries. The migrant working population includes manual labourers and mental labourers and of all levels. As the imperialist exploitation increases, foreign working population that migrates to imperialist countries increases.

### **(4) How does imperialism trap higher mental labourers?**

In any exploitative society (in the earliest societies as well), there will be many kinds of privileges in order to trap the section of higher mental labourers. These privileges will be at a very high level in capitalist society.

Many kinds of scientific and technological researches are necessary to raise productive powers of the productive companies. For this purpose, further trapping of higher mental labourers is necessary.

This need is too much for 'imperialism'.

In the chapter on 'Rate of Surplus Value' in volume 1, we have seen that the rate of surplus value keeps growing (that is, the mass of 'surplus production', which the workers lose, keeps growing) as the productive powers keep growing under capitalism.

An imperialist country earns huge masses of surplus value, on the one hand due to an increase in the surplus value that its own working class gives and on the other hand due to exploitation of its colonies. It spends some portion out of its 'surplus value' for the sake of the section of higher mental labourers of its own country. It does so by giving higher wages and more privileges (Awards, titles, felicitations and all such things are for this purpose only. It is a different aspect). The section of mental labourers will have a positive attitude towards imperialism due to 'higher wages' and obediently serves the class of masters with the new scientific and technological researches.

2. “The favoured country recovers more labour in exchange for less labour, although this difference, this excess is pocketed, as in any exchange between labour and capital, by a certain class. Since the rate of profit is higher, therefore, because it is generally higher in a colonial country, it may, provided natural conditions are favourable, go hand in hand with low commodity-prices”. (Capital, vol.3, p.238-9)

(The meaning of the last words is that if an imperialist country invests capital in the colonial country and produces commodities and if the prices of those commodities form at a lower level, it is possible for the imperialist country to get higher profit from that ‘lower price’ as well).

3. “This same foreign trade develops the capitalist mode of production in the home country, which implies the decrease of variable capital in relation to constant, and, on the other hand, causes over-production in respect to foreign markets, so that in the long run it again has an opposite effect”. (Capital, vol.3, p.239)

(We will see issues relating to ‘over-production’ in the following chapter ‘Crises’).

An imperialist country conducts trade not only with its own colonies but with other imperialist countries as well. It invests capital in other imperialist countries also. The prices and other terms in that trade will be on an equal basis if the conditions between the 2 countries are ‘equal’. Or, if the conditions between those imperialist countries too are different (if one country is more dependent on the other), prices and terms will also be different and the dominant country receives additional profit.

If we consider 2 capitalist countries namely A and B, capital of one country will be in another. (While companies of A invest capital in B, companies of B will invest capital in A).

One capitalist country buys shares in the companies of another capitalist country. It buys bonds of the foreign government. It remits deposits in the foreign banks. It establishes the branches of its companies as well as its own new companies (this may occur to a very limited extent). This means, capital of one capitalist country may be present in another capitalist country.

Well then how much is the capital of a given country invested in

foreign countries? How much is the capital that all the foreign countries invested in that country? If we look at these facts, we will find a particular country, which invested more capital, to be more ‘powerful’ (power to exploit) country by earning more profit and more interest.

**B**’s capital in **A** is 5. **A**’s capital in **B** is 100.

The capital, which **B** invested abroad, is very much less than the capital, which **A** invested abroad.

Still there are certain kinds of differences.

Let us say, while **A** invested capital in the productive companies of **B**, **B** invested capital in the government bonds of **A**.

The capital invested in production companies is long-term.

The capital invested in the government bonds is short-term.

It means that **A**, which invested capital in the foreign productive companies, has secured a market that can give profits and interests for a long period of time!

**B** does not stand in such a position.

If **A** invests capital in its own companies in **B**, then all the decisions over that capital will be in the hands of **A** only.

If **B** invests capital by way of buying ‘shares’ in the companies of **A**, the decisions over that capital will not be in the hands of **B**.

Thus, there will be many kinds of differences in the investing of capital.

When foreign capital is very in a given country and when that capital is meant only for short-term needs, its impact on the foreign economic conditions will not be much.

If we consider 4 capitalist countries called **A**, **B**, **C** and **D**, more ‘money capital’ gets accumulated in that country (in the monopoly companies of that country) which invests more capital abroad and which has control over the largest area of colonial regions.

If there is a ‘lot of money’ with a person, we can easily understand that fact.

## (2) Export of capital:

The imperialist country gradually develops its exploitation, which it began in the form of 'trade' with the colonial country, by means of 'export of capital'.

We have seen in the earlier chapters about investment of capital by one country (its companies) in another country.

Why does one country invest its capital in another country? Is it because it has no scope at all to invest it in its own country? No. It is because it would fetch higher 'rate of profit' when it invests in another country than in its own country. Capital leaves its native country for foreign countries only because there is a scope to secure higher profit.

When an imperialist country lends 'money capital' (money credit) to the colonial country, it may give that 'credit' either to the government of colonial country or to a private company of the colonial country; or to both. When it lends 'money credit', the lender country first sells its commodities at the prices that it fixes. (The borrowers of that money buy commodities from the companies of the money-lender country). Then, the lender-company earns 'interest' on that credit at a rate that it fixes. (The imperialist country buys from the second country commodities at the prices that the imperialist country fixes and that are equivalent to the principal amount as well as the interest on credit.

The country that lends credit not only gets interest through that credit but also invariably receives some more kinds of benefits. Since the borrowing-country is subservient to the lending-country, it accepts the conditions of the lending-country. All the trade-agreements (that there should be no 'income tax' on the interests that it receives, or the tax should be very low, that there would be no condition that the income received should be invested as capital in the borrower country only...etc.,) contracts in the industries of its choice and other conditions<sup>3/4</sup>all will be in favour of the lending country.

The imperialist country starts the branches of its companies and banks. It transports some means of production from its country to those branches.

The imperialist country invests capital in the productive, commercial and money-lending sectors of the colonial country and establishes its

companies and banks under its ownership. It first begins to invest its capital in such branches as building of highways, mining and irrigation projects of the colonial country.

Just as a foreign soaps company conducts business in a colonial country, a foreign bank also does business.

The imperialist country buys up the companies in the colonial country and runs them under its management. All this amount to investing capital in colonial country. As a result of this, capitalists of imperialist country become the 'masters' of the working population of the colonial country and earn profits and interests from the surplus value of those workers.

Here are 3 quotations from Marx:

1. "Capitals invested in foreign trade can yield a higher rate of profit, because, in the first place, there is competition with commodities produced in other countries with inferior production facilities, so that the more advanced country sells its goods above their value even though cheaper than the competing countries. In so far as the labour of the more advanced country is here realised as labour of higher specific weight, the rate of profit rises, because labour that has not been paid as being of a higher quality is sold as such. The same may obtain in relation to the country, to which commodities are exported and to that from which commodities are imported; namely, the latter may offer more materialised labour *in kind* than it receives, and yet thereby receive commodities cheaper than it could produce them. Just as a manufacturer who employs a new invention before it becomes generally used, undersells his competitors and yet sells his commodity above its individual value, that is, realises the specifically higher productiveness of the labour he employs as surplus labour. He thus secures a surplus-profit. As concerns capitals invested in colonies, etc., on the other hand, they may yield higher rates of profit for the simple reason that the rate of profit is higher there due to backward development, and likewise the exploitation of labour, because of the use of slaves, coolies, etc." (Capital, vol.3, p.238)

(In this quotation, Marx talked about what happens between an imperialist country and a colonial country first in terms of trade and secondly in terms of investment of capital in colonies).

The second shortcoming in this notion is that the example of **A** and **B** does not at all apply to the relationship that exists between an imperialist country and a colonial country. However low the value at which an imperialist country produced its commodities, it will not sell it at a low price to the colonial country. But, it buys commodities from the colonial country at a lower rate only. Since a relation of 'domination and subservience' exists between those countries, the trade between them will not be with real values. Hence, some counties (which are subservient) would terribly incur loss due to the system of specialisation whereby a given country raises a particular crop that it can raise better.

Another example:

**A** is an imperialist country. **B** is a colonial country.

**B** has purchased some machinery from **A**.

The value of a machine is 100. **A** gave it for 150. But, let us say, it would have been much higher than 150, had **B** itself produced the same kind of machines. **B** purchased the machine from **A** for a price lower than the price at which it had to spend if it produced that machine for itself. Does it mean that **B** has not incurred any loss in this purchase? No. It is beside the matter that **B** would have incurred more expenditure if it had produced on its own. If we look at the present purchase, **B** took the commodity of 100 value only but paid 150. Which means, **A** gave only 100 value to **B** and extracted 150 from it. This is a loss to **B** and it does not mean that **B** got that commodity cheap. In fact, it does not amount to cheapness even if **B** got that commodity for 100. Had it secured for 100, it simply means that it got the commodity at its actual value. But, the imperialist country would anyway not give its commodity at its actual value. Therefore, however cheaply an imperialist country might produce its commodities, the colonial country would not get that result. Hence, the argument—that 'it is beneficent to 2 countries if they produce whatever commodities which they can produce better and exchange them"—is totally meaningless in the context of 'exploitative relations'. It only benefits the dominating countries.

Let us imagine an example like this:

Suppose we made a modification in the case of 'prices'. The 'additional' (surplus) profit which the imperialist country was grabbing

illegitimately until then would now remain with the colonial country that is with the commodity owners of the colonial countries! Though the commodity owners of the colonial countries also include a certain number of independent producers (independent peasants and independent handicraftsmen), their production constitutes a very small part of the total mass of commodities. Landlords and capitalists are the masters of a large part of the mass of commodities. These are the exploiters within the colonial country. Owing to reforms in prices, the portion of **s** that was until then going to the foreign exploiters would now remain with the native exploiters. This means, that portion either remains here if it does not go there, or goes there if it does not remain here. But, the labourers of the colonial countries do not get that portion at all.

Reforms in price would definitely do 'good' to the independent producers of the colonial countries. When they sell their commodities, they get higher prices than before. Similarly, when they buy the commodities of the imperialist countries in the market, they would get for lower prices than before. The independent producers can retain the most part of their surplus value due to these changes. Thus, price reform helps then. But, there would be no change with regard to the 'labouring class' of the colonial countries. They always receive 'value' of labour power only.

### **(1) Division of labour:**

Imperialist country is a country that has developed industrially under capitalism. A colonial country is something that has not developed so. While the colonial country supplies 'agricultural raw materials' to the imperialist country, the imperialist country supplies 'industrial commodities' to the colonial country. If we look at this 'division of labour', it appears as though the 2 countries are mutually dependent on each other. In fact this is mutually dependent division of labour. It is true that the imperialist country is also largely dependent on the colonial country. But, since the imperialist country stands in a 'dominant' position in relation to the colonial country (since it sells its commodities at higher prices), this division of labour would be favourable to the imperialist country. Which means, that this division of labour is such a division of labour that makes the colonial country to depend largely on the imperialist country!

They do not hold the view that they have to undertake the production of that commodity. If any of the capitalists begin to make such attempts, the government of the colonial country does not favour it. Or, if the production of such medicines begins in the colonial country, then the imperialist country brings its medicines to the colonial countries and begins to sell at cheaper prices. The government will not take necessary action since it is subservient to the imperialist country.

Thus, due to many unopposed conditions, the imperialist country is able to sell its commodities in colonial countries at illegitimate prices. It can thrust upon the colonial country all the useless commodities that it produces.

The imperialist country does not allow other capitalist countries to enter into its colonies and sell or buy commodities. Or, if it allows it would do so only subject to the conditions that are fully favourable to it. Since, the imperialist country alone possesses the control over the colony, it will not face 'competition' from the other capitalist countries as far as its trade with the colonies is concerned. It occupies colonies merely for the sake of this 'competition-less' situation.

If we consider the total mass of commodities in a given country, the mass of commodities of a colonial country would also consist of  $c+v+s$  just as the mass of commodities of any colonial country. No capitalist (either native or foreign capitalist) grabs the part of  $c+v$  (capital spent or cost-price). Whoever grabs, he has to grab the portion of  $s$  contained in the commodity.

The imperialist country, through its 'trade of unequal exchanges' is able to grab as much as possible from the portion of  $s$  contained in the commodities of colonial countries. The portion that still remains in  $s$  will go to the landlords and the capitalists of the colonial country.

An important section within the class of exploiters of the colonial country will have various kinds of connections with the companies of the imperialist country and hence both the sides will have identical interests. Because of this, that section will be supportive the imperialist country. The remaining section within the exploiters of the colonial country will be 'subservient' to the imperialist only due to compelling conditions. Of this section, one part might be totally opposed to imperialism.

When we speak of 'commodity exchange', the general principle is exchange between 'equal values' only. Depending upon the relations between the two sides in an 'exchange', an exchange may or may not be an exchange of equal values. The principle of 'equal values' does never operate between the imperialist country and a colonial country. However illegitimate and haphazard the prices in that trade might be, the total of the prices of both the sides constitutes the value of those commodities. The commodity owners of both the sides have to grab the portion of 'surplus value' contained in that value. Various kinds of changes take place in that very process of extracting 'surplus value'. However minor change might occur in the prices of either 'that' country or 'this' country, changes in the distribution of 'surplus value' take place.

One of the common notions about 'foreign trade' is that the trading countries would 'benefit' if they mutually exchange only such commodities, which they can produce better.

For example, wheat grows well in the country **A**. Sugar-cane does not grow well here.

Sugar-cane grows well in **B**. Wheat does not grow well.

Which means, **A** can produce wheat (of 1 bag) with a less value (less labour) than **B**.

Similarly, **B** can produce sugar-cane (of 1 tonne) with less value (less labour) than **A**.

Hence, if **A** produces more wheat and **B** more sugar cane and exchange them with each other, the 2 countries would get those commodities with less value (than the values at which they grow). Hence, it is a 'wise' thing to do so. This is the common notion!

But, this is an unwise thing rather than a wise thing. This prevents the attempt to be 'self-sufficient'. Every region and every country should first attempt at 'self-sufficiency'. Even if it has to spend more value to produce a commodity, it has to produce it on its own. Instead of assigning first place to value calculations, it has to give the first place to self-sufficiency. If **A** and **B** turn into specialised countries that grow wheat and sugar-cane respectively, none of the two would achieve self-sufficiency.

has to give 2 metres of cloth in return. To say that more quantity of cloth has to be given in return to the less quantity of cloth appears to be too meaningless. But, 'exchange' takes place based on the 'equality of values' but not 'equality of use values'. No side will incur loss only if the values given and value taken are equal. Which means, in this example, the imperialist country has to give 2 metres of cloth and take 1 metre of cloth. But, if the imperialist country gives 1 metre of cloth and takes 1 metre of cloth in return, it implies that it gave less value and took more value. Because of this, the colonial country incurs loss of half value. As exchanges do not take place between the same kind of use values, we can't find anywhere a situation whereby there has to occur an exchange between 'less cloth' and 'more cloth'. We have to understand only the 'essence of the values' in this example.

If the capitalist country gives wheat containing '1 hour' labour time' and takes sugar containing '3 hours' labour time', it implies that it gave products of less value and extracted products of high value. The imperialist country acts in this manner only. If exports and imports take place between those 2 countries in this form of prices, the imperialist country will go on plundering huge masses of commodities regularly from the colonial country.

However, when the imperialist country wants to destroy the production of certain kinds of commodities that has been on going since the past in the colonial country, it throws its commodities into the market in competition with the commodities of the colonial country and reduces its prices lower than the prices of the colonial commodities. Yet, those reduced prices too would be higher than the 'production prices' that fetch the general profit rate for the imperialist country. This means, even when the imperialist country reduces its commodity price lower than the colonial price, still 'unequal exchange' will continue. To avoid 'unequal exchange', the commodity price of the imperialist country too should be still lower than what it is. But, it will not be like that. The price of the imperialist country would be such that it is 'somewhat lower' than the colonial commodity price. Owing to this kind of price reduction, the 'additional' (surplus) profit of the imperialist country decreases to some extent. Though its profit decreases, the imperialist country destroys to a large extent the production of the commodities of the colonial countries and can secure that market for a longer period of time. Which means, the colonial country

will no longer produce that kind of production. The imperialist country itself will be selling all the time. Thus imperialist country earns enough of profit in the subsequent period.

The government of the colonial country sells the commodities of its companies to the imperialist countries. It buys the commodities necessary for its companies from the imperialist countries. While sales and purchases take place, the State-heads, State-functionaries, directors and managers of the concerned companies of the colonial countries consume 'bribes' at various levels and agree for the prices that are 'favourable' to imperialist country (that is favourable to the prices that fetch excessive profits for that country).

Suppose a colonial country may pay 50 rupees for a commodity that it buys from an imperialist country. But, while buying those commodities for the sake of the government needs, it is no wonder that the State heads of the colonial countries pay a price of 500. That is, 10 times more! As a result, the government treasury of the colonial country itself would be looted. Some part of that price will go as 'bribes'. Similarly, while selling the commodities of the government companies, they may offer the commodities for 5 or 6 whereas in fact they have to collect 50 rupees. Because of this, even the cost price of the government companies that produce those commodities would not return. (The government companies follow the same practice while conducting trade with domestic private capitalists also). They offer the commodities for sale at very low prices and buy the commodities at very high prices). Gradually, the government companies incur losses. The intellectuals who examine the reasons for the losses discover the fact thus, 'workers in the government enterprises are not at all working. Hence these losses'!

Apart from the loss that a colonial country incurs due to 'unequal exchanges' with independent countries, it buys many kinds of unnecessary commodities under pressure of the imperialist country. Bribes would continue even then.

Suppose the colonial country imports a particular kind of 'medicines'. The colonial country too can produce those medicines. But, let us say, the capitalists of the colonial country are accustomed to enjoy 'commercial commissions' in that medical business by acting as 'comprador' (or 'agents') of the capitalists of the imperialist countries.

6. The imperialist country alone will have the 'political power' to rule the colonies. An imperialist country gets benefits in many ways from its colonies.

If capitalism goes on developing and if we do not resist it, it would inevitably turn into 'imperialism'.

All the actions of imperialism are the decisions of the class of owners of means of production of that country (class of owners of governmental and private companies). That class itself is the basis of the 'domination' of that country. Similarly, the basis for the subservience of that colony is the class of owners of means of production of that country (mainly the class of landlords and capitalists).

If an imperialist country occupies a country as its colony either in the past period or in the capitalist period of time, there will not be intervention or decision of the working class of either of the countries. Labourers work as 'soldiers' simply due to 'compulsion' of the 'master' or for their 'livelihood'.

An imperialist country is able to occupy another country as its colony only when a group in the 'exploiting class' of the latter is in favour of the imperialist country and acts as a comprador.

## 2) Trade with 'colonial country'

Generally, the exploitation of the imperialist country begins by means of 'trade' with the colonial country. The imperialist country sells its commodities to the colonial country and buys the commodities of the colonial countries. All this outwardly appears to be merely 'foreign trade' that takes place between those countries. But, this is not an ordinary foreign trade. There is a problem of 'unequal exchange' in this foreign trade.

If one country gives the products of a given value and in return takes the products of the same value (if the given value and received value are equal), it is an 'exchange of equal values'. In such an exchange as this, no side (trading country) would specifically get either 'profit' or incur 'loss'. If one side takes products of more value by giving products of less value (if given value and received value are not equal), it is an 'exchange of unequal values'. In such an exchange as this, one side will get 'profit while another side incurs 'loss'.

In the trade between an imperialist country and a colonial country, it so happens that the imperialist country gains and the colonial country loses. This is how it happens: imperialist country means a country that 'developed capitalistically'. The 'productive forces' there might have increased compared to the colonial country. (They still keep growing). The productive powers in a colonial country would not be at that level. (Even if they grow, they do not grow to that level).

In the case of a commodity that an imperialist country sells, let us say, its 'labour time' and hence its value diminished due to the rise in the 'productive power'. (This fact will be evident from the decrease in the cost-price). Suppose the imperialist country sells its commodities to its colony at the same old rate without reducing it and receives commodities equivalent to that price. If it does so, it amounts to taking more value by giving less value. Which amounts to the fact that the imperialist country grabbed some production additionally from the colony. This is an exchange of 'unequal values'.

The real values of the commodities keep falling in an imperialist country. The real values of the commodities in a colonial country will not fall to that level. The prices of the commodities of these two countries have to change appropriately in accordance with their cost prices, while the two countries buy commodities from each other. But, owing to the domination of the imperialist country and subservience of the colonial country, appropriate changes do not take place in the commodity price in the trade between the two countries. The imperialist country, (that is, its companies), fixes its prices according to its wish and will and be able to make the prices of the colonial country subject to its conditions. As a result, the imperialist country gives a commodity of '1 hour labour' and in return takes a commodity more than 1-hour labour.

Let us briefly see this in the form of 'products': Let us take the same kind of 'cloth' that an imperialist country and a colonial country as well produce. Suppose the total labour time that takes to make a cloth of 1 metre in a colonial country is double than that of an imperialist country. That is, the value of cloth of colonial country is double the value of the cloth of an imperialist country. Though exchange between the same kind of 'use-values' does not take place, let us suppose that an exchange took place between the cloth of 'this' country and 'that' country. If the imperialist country takes 1 metre of cloth from the colonial country, it

Those countries that have more economic and military strength alone can behave like imperialist countries that 'successfully' resort to force. Those countries that have less economic and military strength remain as complete colonies, semi-colonies or countries that are 'subservient' in some form or the other to the imperialist countries.

'Imperialism' (forceful occupation of other regions) has been there since the past times. In the 'slave society' and the 'feudal society' as well, kings and emperors used to go on 'invasion' and wars in order to occupy other kingdoms. They used to plunder gold, silver and other valuable products from the defeated kingdoms. Moreover, they used to convert the defeated kingdoms into 'tributary kingdoms' ('colonies') and used to collect some 'tribute' (some money and other products) every year. In such invasions they used to resort to all sorts of wicked acts like killing the people of the colonies, house burning, sexual assaults on women, plundering of property, kidnapping people and converting them into slaves. In the view of invading countries, all this used to appear as a valourous act or as a 'justified act of suppressing the enemy mob'. The poet-sycophants depict the invasions of their rulers as 'expeditions' in their books, make their rulers happy and used to get 'handsome benefit' from them.

This very imperialism, without changing in its essence, continued in 'capitalism' as well with some modifications only in the 'form'. (It is still continuing). Here also, 'imperialism' means occupying other countries and turning them into colonies; exploiting the colonies and dominating the colonies. There is no other meaning than this for the term 'imperialism' either in the past periods of time or during the capitalist period of time.

Just as each and every feature, of the past exploitative societies, that favours exploitation is present in capitalist society, the feature of 'occupying other countries' too is present in capitalism. However, just as all the features of exploitation are present in a 'changed form', this feature too changes its form in accordance with capitalism. Unlike the past form of collecting 'tributes' directly, it will now be in the form of 'trade' with colonies and investment of capital. Now we will see 'capitalistic imperialism' instead of the earlier form of imperialism.

## 1) Capitalistic imperialism

As capitalism 'develops' in a given country (that is, as phenomena like growth of productive powers, competition, centralisation of capital, banking system develop), joint stock companies accompanied by monopoly companies will go on raising productive powers and large masses of commodities in all the sectors (productive, commercial and money lending sectors). To sell those masses of commodities, not only domestic markets but also foreign markets will become necessary.

"...the expansion of foreign trade, although the basis of the capitalist mode of production in its infancy, has become its own product, however, with the further progress of the capitalist mode of production, through the innate necessity of this mode of production, its need for an ever-expanding market." (Capital, vol.3, p.237)

The foreign markets are necessary even for 'monopoly banks' to enable them to lend their 'money'. If a capitalist country has to secure foreign markets without competition with other capitalist countries, the 'easy' method is to forcefully occupy foreign countries, which have not developed as capitalist countries! Almost all the capitalist countries did the same thing. In this manner, the stage of 'modern imperialism' had begun in the course of the development of capitalism.

The benefits that an imperialist country, which occupies 'colonies', gets from its colonies are the following:

1. It can sell some part of the huge masses of its commodities in its colonies without 'competition'.
2. It can buy some part of the raw materials necessary for its industries from its colonies without 'competition'.
3. It lends credit to colonies from its giant banks and earns 'interest'.
4. It invests capital in its colonies, establishes 'productive, commercial and money-lending' companies and earns 'profits'.
5. When wars are waged with other capitalist countries, it uses its colonies as 'military bases'. Even during the period when there are no wars it uses those military bases for the coming wars.



## Chapter 4

**Imperialism**

**I**mperialism means forceful occupation by one country of other countries or regions of other countries and putting them under its 'domination'.

The country that resorts to forceful occupation is an 'imperialist country'. The countries that are subjected to forceful occupation are 'colonies'.