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David Ruccio

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David F. Ruccio

Nicaragua is being colonized again.

—Roberto Manzanares, fired Nicaraguan union leader

America's entire war on terror is an exercise in imperialism. . . . What else can you call America's legion of soldiers, spooks and Special Forces straddling the globe?

—Michael Ignatieff, "Nation-Building Life"

A visitor from another world would surely be perplexed were he to overhear a so-called old critic calling the new critics dangerous. What, this visitor, would ask, are they dangers to? The state? The mind? Authority?

—Edward Said, *The World, the Text, and the Critic*

Let me state up front that I am worried both about the ubiquity of the term globalization in our current thinking and about the effects of the meanings of the term on that thinking. In general, the many and varied uses of the term suggest that there is something fundamentally new happening in the world, that a more or less complete reorganization of culture, politics, and economics is taking place. This is the case on both the Right and the Left, in both mainstream and alternative analyses.

Of course, there is a great deal of nonsense coming from the Right, in the mainstream views that receive the bulk of publicity in the mass media—from both longstanding and well-respected academic experts (such as Samuel P. Huntington [1996] and Paul Krugman [1996]) to self-styled (but often officially sanctioned) pundits (like the *New York Times's* Thomas Friedman [2000]). Both utopias and dystopias are imagined. They write and speak of the end of the nation-state, the civilizing power of free markets, the Lexus running over the olive tree, and the increase in world welfare and social harmony created by the lowering of trade and financial barriers and the expansion of world economic interdependence—or, alternatively, of the clash of civilizations and the intensification of regional conflicts.

Is there anything to learn here? Aside from the content (i.e., whether or

not one agrees with or finds suggestive one or another aspect of their analyses), it is a lesson in manufacturing consent, in establishing the discursive conditions of hegemony. We are confronted by an uncoordinated effort (uncoordinated, that is, at the global level, in the sense that no one/no body is dictating the various contributions to this neoliberal hegemony, although there are many decentralized coordinations taking place) that is in the process of naturalizing and depoliticizing the existence and consequences of globalization. What we have is a thought factory, an ideology-machine, that includes the research departments of the World Bank and International Monetary Fund (yes, alongside the conditionality of policies—the hostage-taking, with the consent of borrowing country political and economic elites, of economic policy—there is the production and distribution of knowledges about the conditions and consequences of globalization), the news reports and editorial pages of major newspapers and magazines, members of the economics profession, a wide variety of commentators (from TV talking heads to the authors of airport books), the Clinton and Bush administrations, and the wide range of North American Free Trade Agreement and World Trade Organization supporters that daily assault our senses and preach to us from their protected perches.

A good example is the 1996 World Bank study, *El Salvador: Meeting the Challenge of Globalization*. There, it is announced that the main goal for El Salvador's policymakers is to enhance "global competitiveness" by rapidly aiming for two main goals: "(i) promote domestic and foreign investment and incorporate the country into the global production chain by lowering the costs of operating in the country; and (ii) reduce the size of the State through accelerated privatization, while strengthening the public sector's role as facilitator of private sector development" (World Bank 1996, 1).

This is the "common sense" of international openness and privatization that is regularly manufactured and disseminated not only by the World Bank but throughout the globalization industry. This makes it not unlike the development industry critically analyzed by Arturo Escobar (1995) and the other so-called postdevelopment thinkers: a set of discourses, policy recommendations, and aid packages that runs from the highest level of World Trade Organization negotiators and administrators to nongovernmental organization project officers and extension personnel who, instead of social justice and the amelioration of poverty, now talk in terms of *microempresas* and entrepreneurial initiatives among Andean alpaca herders.

But, as the postdevelopment thinkers have been reminded by their critics, the development industry is not monolithic. Nor, for that matter, is the globalization industry. It is contested both inside and outside—by rank opportunists such as Jeffrey Sachs, who jumps on the anti-IMF bandwagon when it suits his wavering reputation after the economic and social disasters he helped to engineer in Bolivia, Poland, and Russia, and by concerned

neoclassical economists such as Dani Rodrik (1997), of the Institute for International Economics, and Brank Milanovic (2002), of the World Bank, who are worried that the case for free trade and the benefits of globalization are being mishandled because advocates have not taken into account either “legitimate” concerns with the increasing elasticity of the demand for unskilled labor or the “malignant side” of globalization. It is also challenged by well-meaning, committed development advisers and practitioners who work with all kinds of local groups—not only herders but artisanal cooperatives, women’s groups, savings and credit associations, trade unions, health clinics, treatment and prevention programs for sexually transmitted diseases, slum-dwellers, human rights observers and advocates, and so on. These people often work inside the globalization industry, attempting to open up the language to alternative visions of what specific sectors of society might look like, making do with the bits of federal or foreign aid, the networks and expertise of international nongovernmental organizations, and local movements and leadership that they can muster to improve the lot of people in both first world and third world countries. And, of course, we have the example of the organizers of and participants in campus groups, community meetings, and large-scale demonstrations in Seattle, Melbourne, and other cities around the globe who have attacked World Bank policies, the effects of IMF conditionality, the proliferation of Third World sweatshops, and the corporate dominance of what they consider to be the new forms of global economy.

It is this set of understandings of globalization, on the broadly defined Left, that I am most concerned about. As much as they have mobilized large numbers of people in demonstrations against the current forms of governance of the world economy—and, therefore, they pose an important political contestation—I worry about the ways in which they/we have come to accept the existence of globalization, to invoke it to explain everything that is happening in the world, to slide over or forgo concepts and modes of analysis that have long defined the Marxian tradition, to foreclose other ways of seeing and acting in the world. The concept of globalization has become a gift that is not offered freely (because that is impossible, the gift always annuls itself) but, instead, creates a debt that must be repaid, sooner or later.

Novelty of Globalization?

Most uses of the term globalization assert (or, at least, imply) that something fundamentally new characterizes the world today. This is akin to the oft-repeated argument that the commodification of culture (signaling the age of postmodernity) began in the 1960s—an argument that forgets about the

many ways in which the buying and selling of both popular and high cultural artifacts were a defining moment of modernism and even earlier. Let me suggest, in parallel, that the forms of global economic integration that we are witnessing today are, at least quantitatively, not so different from those of the late nineteenth and early twentieth centuries—say, the period 1870-1913.

Let us examine, if only briefly, some of the salient facts of this earlier period.

- From the 1860s onward, export growth and rising foreign trade shares were stimulated by the widening and deepening of capitalist class relations, along with breakthroughs in long-distance transportation (such as steamships) and communications (especially the telegraph). Thus, for example, the growth of international trade averaged 3.5 percent per annum compared with output growth of 2.7 percent. Of course, there was plenty of national and regional variation, including the United States, which erected high trade barriers and carried out a process of import-substitution industrialization (a form of industrialization that it and the entire globalization industry denies to El Salvador and many other countries today).
- The international economy was characterized by large and relatively stable capital flows, based on the spread of the gold standard, convertible currencies, and the financial hegemony of Great Britain. During the 1870-1913 period, the growth of portfolio investment exceeded the growth of trade, foreign direct investment, and output. In fact, by 1913, the volume of international capital flows had reached 5 percent of the gross national product of the capital-exporting countries, thereby establishing integrated international capital markets.
- Production was also internationalized during this earlier period, as foreign direct investment increased, the stock of which reached (according to the calculations of Paul Bairoch and Richard Kozul-Wright [1998]) 9 percent of world output by 1913, a level that was obtained again in the late 1990s. Of course, much of this foreign investment was directed into raw materials but a significant amount found its way into infrastructure (especially railways and utilities) and manufacturing (especially in the United States and Russia).
- Finally, international migrations of people were a significant phenomenon in the late nineteenth and early twentieth centuries. In absolute terms, the number of immigrants admitted to the United States during the 1901-20 period exceeded that of the twenty-year period beginning in 1981 and, in relative terms, as a percentage of the entire U.S. population, the earlier numbers far outweigh anything we've witnessed in the second half of the twentieth century.

To sum up, the activities of international trade, finance, production, and migration were evolving rapidly (if unevenly) from 1870 to 1913 and the levels in all these areas today have generally not surpassed the earlier ones.¹

Which is not to say that everything has remained the same. But we should be cautious about taking ours to be an absolutely novel time. For example, much ink has been spilt analyzing and proffering alternative solutions to the recent meltdowns in such countries as Indonesia and Argentina, as if financial crises associated with international flows of capital were something new. However, Charles Kindleberger (1996), among others, reminds us of the long history of “manias, panics, and crashes” that were characteristic of earlier periods of globalization.

Similarly, the development of biotechnology and new forms of telecommunication have not eliminated, in the North or the South, the existence of industry or manufacturing, whether steel or sneakers or silicon chips. Quite the contrary! What is being produced in various places has changed (e.g., textile production, which has moved, within the United States, from the Northeast to the South, then abroad, to China and elsewhere). But that doesn’t mean that capitalist production (of goods as well as services) has been eliminated from the United States and other advanced capitalist nations. Or that labor has been made “immaterial.” That is to confuse concrete labor with abstract labor, to conflate them. The labor that is performed in the “white factories” of the computer industry in Japan and the United States, no less than the labor performed in the steel factories of Brazil or South Korea, if and when it is organized in a capitalist fashion, involves a process of valorization—the extraction of labor from labor power—that begets surplus-value. Or so the capitalists—those who extract surplus-value as well as those who receive a cut of the appropriated and realized surplus-value—hope.

At the same time, we should not overstate the similarities between the two periods. There *are* new features within the most recent forms of globalization. For example, while both periods are characterized by a strong North-South orientation, the colonial structures of the late nineteenth century meant that many regions of Latin America, Africa, and Asia were forced to have the freedom to specialize in raw materials exports and manufacturing imports. This led to a deindustrialization of the South, whose share in global manufacturing production fell from one-third to under one-tenth of the world total. Today, in contrast, the internationalization of

1. See O’Rourke and Williamson (1999) for a comprehensive analysis of the ways in which both the forms of globalization that characterized the late nineteenth and early twentieth centuries and the debates and “backlashes” that accompanied them prefigure those of the post World War II period. Other insightful comparisons of the two periods include Baldwin and Martin (1999), Bairoch and Kozul-Wright (1998), and Hirst and Thompson (1996).

economic activity has been accompanied by a reindustrialization of the Third World and a decline in manufacturing activity in the North.

Other new features of the contemporary global economy, compared to the 1870-1913 period, include the following:

- A growth in the number and size of transnational corporations (the number of TNCs from the major industrial countries rose from 7,000 in 1970 to 24,000 in 1990, while the number of people employed by TNCs rose over 80 percent during the same period. And trade within the TNCs went up as a proportion of world trade, from 20 percent in the 1970s to more than one-third in the 1990s). Transnational corporations were not absent in the earlier period but their global reach certainly increased in the closing decades of the twentieth century.
- The internationalization of service-sector activities (such as the retail and wholesale distribution of goods, banking and finance, insurance, hotels and tourism, business services, health, and telecommunications) that, again, played a role in the late nineteenth and early twentieth centuries, but their growth has far outpaced that of manufacturing and raw materials of late.
- The speed of capital flows around the world and the role of short-term capital movements, as national financial markets have been deregulated and liberalized (under the aegis of the World Bank and IMF) and new financial instruments invented.

The list of new dimensions of current globalizing tendencies could go on. My point is that concentrating solely on either “what is new” or “what is old” can only lead to errors for Marxist thinkers and activists. We need to pay attention to the current conjuncture for points of rupture, new challenges and new possibilities, but we don’t need to rush into the wholesale movement to globalization.

Like those who take the Internet and other new modes of information to be the defining characteristic of the current period, a culmination of the various stages in the development of capitalism, that which has turned commodities into signs, which commodifies the signs themselves. There is clearly something new here, which has enabled new forms of global marketing as well as forms of communication that allowed the organizers of the conference in which I first presented remarks on this subject to contact participants and attendees and for the various antiglobalization groups in Seattle and Genoa to coordinate their efforts.

But, again, let’s be careful about the extent to which such new forms of communication govern everything or mark all social relations in a fundamentally new manner. It is not that nothing is new here, but we should allow it to be more local, partial, and incomplete. For example, some young

people are learning new forms of exchange—noncapitalist, nonmarket exchange significantly—in downloading and trading music files. Such a new practice (and others like it) is important for us to track and make sense of, precisely because it represents an exception to and a break from the presumed global dominance of capitalist markets.

So I want to suggest with globalization. In quantitative terms, it has increased in the last fifty years, but still (on many scales) only reaching the levels of the earlier period. And there are new elements, such as “hot money” and large, market-dominating and cross-border producing TNCs, along with new forms of global opening and governance, embodied in the WTO, the World Bank, and IMF. But we exaggerate that which is new, different, and all-encompassing at our peril.

The Globalization Debates

All of which leaves us trapped in sterile debates—for example, between a truly global economy versus the continued relevance of nation-states, international organizing versus national-level politics, free trade versus regulated trade, and so on. The result is to limit our conceptions of the possible, nowhere better represented than in the determined efforts on the part of radical economists to assert the continued relevance of domestic macroeconomic policy, capital controls, the Tobin tax, and so on. In their hands, progressive economic policy is reduced to a modified Keynesian project of national and international economic regulation, domestic expansionary policy and international stability, as if encouraging capitalist economic growth and productive capital accumulation—and discouraging speculative financial investment—did not also provide some of the conditions of existence of exploitation. How and when did left political economy become confined to the choice between different patterns of capitalist development—more or less regulated, more or less state intervention, more or fewer controls, so-called profit-led versus wage-led growth?

This, it seems, is an effect of focusing on and opposing “neoliberalism,” a mode of regulation and a celebration (especially within neoclassical economics) of free markets, international trade, and well-defined private-property rights. But this is a battle that takes place *within* mainstream economics, not a battle that is ours. For or against free trade, freer or more regulated forms of international economic activity (whether production, distribution, or finance). For every defender of untrammelled free trade, there is someone sounding the alarm that the system is about to collapse of its own, uncontrolled, unregulated weight. For every Paul Krugman, a Joseph Stiglitz (2002); for each Thomas Friedman, a George Soros (and, for that matter, for every Soros who issues a warning that the global economy

faces imminent crisis [1998], and becomes required reading for many on the Left, a more recent one who recants much of his earlier dire prognostication [2000]). We have to recognize that there has been a battle within liberal (or, if you prefer, neoliberal) economics from the very beginning, for Adam Smith as well as his classical and neoclassical successors, a tension born out of the desire to promote the widening and deepening of free capitalist markets and, since that is always a fragile and precarious project, to regulate all potential disruptions, whether of the feudal state then or the protectionist state now. There has been a project both to celebrate the existence of capitalist markets and to regulate their creation which, as Karl Polanyi well understood, required the intervention of the state, then as now.

One of the most creative attempts to rethink and to regulate the effects of international markets is George DeMartino's (2000) ethical critique of both global neoliberalism and the kinds of competitiveness-enhancing and "leveling-down" policies advocated by mainstream economists and policy-makers in the United States and elsewhere. DeMartino then devises a "leveling-up" strategy to fundamentally change the global trading regime, based on what he calls a social-index tariff structure that, while it presupposes global markets, seeks to remove critical aspects of social life from international competition.

And to those liberal thinkers who wring their hands about making cross-cultural ethical judgments (such as Martha Nussbaum and Amartya Sen, who think that the only alternative is a neoclassical relativism of individual calculations, and then attempt to establish universal foundations for such judgments), Marxism has a unique challenge and contribution: the recognition that people are not just standing around, waiting for enlightenment, but struggling to change the conditions that determine their lives.² And the goal of Marxist thinkers and radical activists is precisely to identify with many (but, of course, not all) of those struggles, to debate their significance, and to participate in them, within and across countries.

If the terms of the debates concerning globalization are not ours, even less so is the inclination to invoke the economy (or some element thereof, such as computer and communications technology) as a demiurge, propelling all other elements of society to some endpoint, whether utopia or dystopia. Too much has been accomplished, including in the pages of *Rethinking Marxism* and elsewhere, with the aim of recovering and reinventing the noneconomistic elements of Marxism to return to such traditional formulations. The critique of political economy is, among other things, a critique of this economizing tendency, embodied, for example, in mainstream (especially neoclassical) economics. This is the approach of Gary Becker and many other mainstream economists: to reduce the economy to a central organizing

2. See Sandbrook (2000) for a critique of Sen's "pragmatic brand of neoliberalism."

principle, and then to economize all other spheres of social existence (the household, gifting, the treatment of the environment, and so on).

Too much work has been carried out both to decenter society from the economy and to decenter (fragment and disperse) the economy itself for us to return to the economism of traditional Marxism. Theoretical and empirical work by Stephen Resnick and Richard Wolff (1987), J. K. Gibson-Graham (1996), Jack Amariglio and Antonio Callari (1993), Stephen Cullenberg (1994), and many other contemporary Marxist thinkers in political economy. They have not eliminated the economy from our work (in favor of some other instance, such as culture or politics, thereby creating a false choice) but, instead, have sought to revise existing Marxian conceptions—for example, by tracing through the complex and changing patterns of appropriations and distributions of surplus labor; examining the forms of economy that cannot simply be reduced to capitalism (thereby reminding us of the existence, today and not in some far-distant future, of various forms of noncapitalism); the forms of subjectivity associated with commodity fetishism that are not determined, socially or historically, by the economy itself; the overdetermination of the rate of profit; and so on. And much more needs to be done. In any case, we shouldn't let globalization be the way economism sneaks back into our theorizations of the contemporary world.

The irony, of course, is that one finds Marxists and other critical thinkers in the humanities—who spend their time analyzing literary and cultural texts and discourses—increasingly invoking unified, singular, and totalizing conceptions of capitalist economy, as if texts and discourses don't matter when it comes to the economy, as if the economy were simply “out there,” beyond all textual and discursive determination and interpretation. While, at the same time, those of us in and around the discipline of economics (the best example of the fact that the Left has not captured the academy—would that it were true!) have worked long and hard to undermine and provide alternatives to such modernist conceptions of the economy, precisely by examining the effects of the models and metaphors of economy (on discourse and politics as well as on the economy itself) that have operated not only within mainstream economics but also in various heterodox traditions, including Marxism.

Finally, the focus on globalization (and, with it, neoliberalism and other such terms) has displaced other concepts or ways of making sense of the world. I am thinking, in particular, of the notion of imperialism.

Imperialism

Historically, let's remember that imperialism, as it is often used, refers both to what Edward Said (1993) calls the age of high or classical imperialism and to the configuration of conditions that Lenin (1964) referred to as the highest

stage of capitalism—exactly the time period (the carving up of the world by the European powers in the nineteenth century and the conditions leading up to World War I) that can be characterized by a process of internationalization or globalization that, at least quantitatively, is very similar to our own. So, if we want to argue that the concept of imperialism held at least some validity for that time (and many of us do), what fundamentally has changed to all but eliminate its use today? Not that the exact definitions need apply as theoreticians deployed it or as it emerged (as Said has so eloquently shown us) in the writings of novelists and others at the time.³ Nor will the documents today necessarily mirror those collected by Barbara Harlow and Mia Carter (1999) in their recently published “documentary sourcebook” on imperialism and orientalism.

Today, such “formal empires” no longer (or, better, hardly) exist—precisely because the thinkers and movements of anti-imperialism and national liberation (from Mariátegui and Gandhi to Fanon and Che, from Peru and India to Algeria and Cuba) were successful, because imperialism was opposed both by broad alliances of subaltern, colonized peoples and by equally broad alliances within the imperial nations themselves. Not that the results were always what we (or they) had hoped. But since when, as Marxists, have we ever expected purity or finality in the real, concrete processes of history in the making?

But, for all that, we are witnesses to events and activities that can only be understood in terms of some notion of imperialism—and that can only be opposed by sustained, broad, anti-imperialist intellectual and political work. How else are we to understand the wars in the Gulf, Kosovo, and, after 9/11, in Afghanistan and countless other countries where U.S. troops, advisers, and intelligence operatives are located? Are such massive military interventions so far away from the invasions of Grenada and Panama or the support for the contras in Nicaragua and Honduras? Or the efforts to establish NAFTA and the WTO? The activities of the World Bank and the IMF?

No, these do not involve a political or economic carving up of the world, the imperialism that Jan Pieterse describes as “territorial, state driven, centrally orchestrated and marked by a clear division between colonizer and colonized” (2000, 132). Not exactly. It’s not individual parts of the world but the world as a whole, a project to recolonize the entire world, to remake it, with the zeal of a humanizing mission precisely reminiscent of the “Civilization, Christianity, and Commerce” theme that, according to the legendary David Livingstone, was the basis of the European colonization of Africa. Today, for the imperial presidencies of Reagan, Bush I, Clinton, and Bush II, the mission can be summed up as “Democracy, Anticommunism, and Free Trade.”

3. See Boehmer (1998) for a good selection of texts from the colonial literature of the 1870-1918 period.

And, just like the classic imperialisms, the new one involves subject peoples who are producing their own vigorous cultures and economies of opposition and resistance.⁴

Wherein, then, resides the resistance to invoking imperialism to characterize and oppose at least some significant events and activities, frameworks and projects, in the world today? Let me venture at least a couple of reasons there may be such resistance, and respond (if only briefly) to each in turn.

1. One reason may be the “messiness” of recent military interventions—for example, the Gulf War. George Bush versus Saddam Hussein? One of the most discouraging personal episodes of that war was watching my liberal and even left-wing colleagues become supporters of the U.S.-led “smart-bomb” alliance to drive Iraq out of Kuwait and, they hoped, into the grave. I watched my colleagues, at Notre Dame and elsewhere, become the liberal supporters of imperialism, exactly the professors I opposed when I was a high school and college student. But when did imperialism ever come dressed in the clearcut white and black cowboy hats of a John Huston or Clint Eastwood movie? It was never a question of choosing between the two but of opposing the war based on an understanding of the history that gave rise to both—the invasion of Kuwait *and* the effort of the United States to obliterate Hussein, the failed negotiations, the massacre on the highway, and so on—in the first place. The fact that the victims of colonialism and imperialist aggression (or even many who have resisted them over the years) are never so innocent should not prevent us from understanding the institutions, practices, and projects that constitute what I’d like to call imperialism.
2. A second reason may be the association of globalization with the universalization of capitalism—the idea in the minds of some at least that “every human practice, every social relationship, and the natural environment are subject to the same requirements of profit-maximization, capital accumulation, the constant self-expansion of capital” (Wood 1999, 8)—while imperialism has traditionally been associated with the relationship between capitalism and noncapitalism, the colonization of one by the other. However, it is a mistake to assume that, because capitalism has become global (was there ever a time when it was not?), all forms of noncapitalism have been eliminated or that they can simply be ignored. It is the effect of our concepts of capitalism, as J. K. Gibson-Graham (1996) has so eloquently shown, that the wide variety of noncapitalist class processes that can be said to exist in the world are read out of the economic and social landscape.

4. See the examples collected in Wignaraja (1993) and Gills (2000).

So, the historical similarities between then and now constitute one reason to support the idea of invoking imperialism—alongside or in place of globalization or neoliberalism—to understand what is taking place in the world today.

Another reason to deploy the concept of imperialism has to do with its effects, its performativity if you will. Imperialism, different from globalization or other such terms, is a multidimensional set of practices (economic, political, and cultural) with no necessary unity or inevitability about them. They may and often do work together, but with no singular purpose or organizing entity. And just as they are set in motion, they can be resisted, deflected, and even stopped. Globalization, on the other hand, has a depressing inevitability about it. And that's because it is configured as an unfolding of an economic (and, often, below that, a technological) logic. Globalization is gigantic and apocalyptic. Imperialism, as I am using it, is partial and incomplete, a project that is both powerful and fragile, less a description of an entire stage of capitalist or world development than a project *in* that world, an attempt to make and remake that world.⁵

I think it shares these features with another venerable Marxist concept: exploitation. Exploitation, the extraction of surplus labor from the direct producers by those who don't perform the labor, is a doing, a ripping-off (or, to use Marx's even more colorful phrase, a sucking of blood from the laborers), an activity that fits uneasily within bourgeois norms and sensibilities. There is nothing inevitable about exploitation, either in general or in its specific forms—capitalist, feudal, slave, individual, and so on. There is no single exploiter, no national or world bourgeoisie, nor single exploited, no national or international working-class. Exploitation—in its capitalist form, the extraction of labor from labor power, the self-expansion of value—is a process, one among many within the social totality. Class, in this rendition, refers not to groups of people but to a process in which people participate, in which they are positioned as performers or appropriators of surplus labor. Qua exploiters, the boards of directors of capitalist enterprises appropriate the surplus-value produced by the laborers within those enterprises. This surplus is, in turn, distributed to merchants, bankers, the

5. So as not to be misunderstood, I am not claiming that globalization, as a concept, is *necessarily* totalizing or essentialist. Indeed, various commentators—including Gibson-Graham (1996/97, 2003), Ruccio and Kayatekin (1998), and Dirlík (2000)—have worked hard to deconstruct and transform existing theorizations of globalization, rendering them less unified and complete. My claim is, rather, that most concrete uses of the term, on both the Right and the Left, exhibit the “depressing inevitability” I refer to in the text. I think a similar problem arises with the concept of empire. As much as I admire many aspects of the project undertaken by Michael Hardt and Antonio Negri (2000), their approach relies too much on the idea that there is a single order to the world, which can be characterized as the full realization of the capitalist world market. Still, there are many overlaps between my notion of the imperial-machine and their notion of empire.

state, other capitalists, stockholders, and so on who, as occupants of so-called subsumed class positions, provide some of the economic, political, and cultural conditions under which that exploitation continues to take place. Such distributions—whether to the state in the form of taxes or private shareholders as dividends, to finance capital as interest payments or to citizen “shareholders” to organize daycare centers or community outreach programs—profoundly shape the social and natural environment within which we live. What we call capitalism, then, is that constellation of conditions and effects that are associated (not abstractly or inevitably but concretely and contingently—in other words, historically) with the extraction of surplus labor in the form of surplus-value.

Imperialism, in turn, is the set of conditions that shape and are shaped by the existence of this exploitation. Yes, *capitalist* imperialism—not because capitalists always get what they want, nor because forms of colonial expansion and domination did not predate the emergence and development of capitalism, nor finally because imperialism can be reduced to or explained entirely in terms of the economy (capitalist or otherwise)—but because the particular forms of imperialism I am referring to, from the British annexation of India to the U.S. military barrage on Iraqi forces and the new “war on terrorism,” cannot be divorced from those (complex, changing) conditions and effects of capitalism to which I just referred. And that is as true in the metropolitan centers as in the Southern periphery. Moreover, these conditions and effects can be felt throughout society, in culture, politics, and economics.

Imperial Economies

But let me stay with the economics for the limited purposes of this article (leaving the remainder, not because they are any less important, to those with more expertise than I). As I see it, we need to understand both the economic dimensions of contemporary imperialism and the role of economic discourse in constituting and reproducing imperialism. That is, no less than the novels, movies, and other cultural artifacts analyzed by literary and cultural critics, economic discourse plays an important role within the imperial frame of contemporary capitalism.

I won't attempt to describe, in this brief essay, the myriad international economic activities that we witness today. Let me, instead, focus on one particular set: the flows of value associated with the class dimensions of capitalism. And, since I cannot cover the entire landscape, let me focus on the value flows and class dimensions of three activities that have been prominent in recent discussions: (a) subcontracting to foreign sweatshops, (b) foreign direct investment, and (c) international lending. The current imperial project (from the activities of individual multinational corporations

to those of multilateral governmental organizations) includes a series of measures designed to make all three of these activities easier to carry out. But these examples also give us a sense of the complex class dynamics and forms of anti-imperialist politics that can be and are being carried out.⁶

Briefly, in Marxian class terms, the subcontracted sweatshop production of Nike and other transnational manufacturers does not represent foreign exploitation (as is often believed) but, rather, an exchange relationship in which Nike and other such companies purchase commodities (goods or services, from sneakers, other forms of apparel, and computer software to grocery-coupon counting and data entry) from foreign suppliers. The fact that the purchaser is a capitalist enterprise does not, in and of itself, tell us the class character of the production that takes place on the other end. And even if the supplier is a capitalist sweatshop (as many, although not all of them, are), we do not have any form of foreign exploitation taking place. An important part of the inducement to exploit (and to improve—or, from the perspective of the laborers, worsen—the conditions of exploitation) comes from the attempt to get and maintain the subcontract, but the capitalists of the domestic (in this case, U.S.) buyer do not extract the surplus labor of the laborers within the foreign shop.

This makes transnational subcontracting different from the kinds of foreign direct investment in and through which foreign exploitation *does* take place—not nation by nation but by the capitalists located in one country who extract the surplus-value from laborers working in another country. While the performance and appropriation of surplus-value occur at the same time (during what Marxists call the process of valorization or the self-expansion of capital), they take place in different nations. In such cases, the capitalist appropriators of surplus-value may be and often are located in cities and countries distant from where the process of production (and, thus, the extraction of labor from labor power) is taking place.

What *is* true is that the “imperial-machine” creates the conditions for both relationships to exist precisely by defining private property rights and opening up markets, reducing tariffs and other so-called barriers to trade, and encouraging the flows of goods and services (whether produced by subsidiaries, in which case we’re dealing with intrafirm trade, or by subcontractors) to take place between countries.

But what are the implications of this class distinction between market-mediated subcontracting and foreign direct investment? On one level, it makes no difference, at least insofar as consumers, workers’ rights activists, religious groups, and others have joined together to hold the host companies responsible for the conditions (of pay, safety, working conditions, and so on)

6. See Resnick and Wolff (2001) for other examples of the spatial dispersion of the production and appropriation of surplus labor in the context of older and newer forms of globalization.

that obtain within their “affiliated” foreign plants, whether subcontractor or subsidiary. This is a significant achievement, as conditions of exploitation are put on the agenda, not only for those who produce the goods but also for those who consume them. This is an important anti-imperialist moment in contemporary politics. But, on another level, there are at least two important consequences that stem from making this distinction. First, as I mentioned above, the subcontracting enterprise need not be a capitalist one. One of the characteristics of markets is precisely the idea that commodities need not be capitalist commodities. Or, to put it differently, the existence of a particular class process cannot be read off or deduced from the existence of exchange-values and market relations. Noncapitalist producers can and do sell subcontracted goods and services to capitalist—including the largest transnational—corporations. Second, if and when the subcontractors are capitalist enterprises, then determining how and when exploitation takes place will depend on the nature of the enterprises. When they are local manufacturers, or even multinational subcontractors (which run many sweatshops for Nike and other such multinational buyers), then we have local (or regional) capitalists extracting surplus-value from their laborers, not the transnational “partner.”

What this analysis helps us to do is to challenge the economic—in the case of particular interest to us here, the class—homogeneity imposed by most uses of the term globalization—the idea, for example, that capitalism has become singular and universal. We can begin, instead, to see a heterogeneous class landscape, filled with both different forms of capitalism and various types of noncapitalism, in the midst of the global reach of certain capitalist enterprises, private capital flows, and free international markets for goods and services. And yet we can still identify the imperialist project and devise an anti-imperialist political practice.

A similar conclusion derives from a class analysis of international lending. Again, we do not have the case of international exploitation because, when the interest on loans is paid to foreign banks, no surplus-value is being extracted. Rather, in the instances when the loans are being used to support capitalist exploitation, the banks receive a cut of the surplus-value extracted from foreign laborers. However, that is not the only possibility. As we have seen in Latin America and elsewhere, loan funds can and often do take the form of capital flight, in many cases to the same countries in which the loans originated—not only to purchase luxury condominiums in Miami but also to purchase shares of U.S. corporations. In such cases, the effect of the loans is to provide the conditions of existence of exploiting workers there and elsewhere in the world, for which the peripheral stock-owners receive an aliquot share of the extracted surplus-value.⁷ The world

7. See Ruccio (1992) for a class analysis of external debt.

is seemingly turned upside down, as capital flows from the periphery and semiperiphery of the world economy into the metropolitan center, thereby strengthening the conditions of exploitation within the center.

This encourages me, at least, to borrow from Deleuze and Guattari and to think of imperialism as a machine—as against either a particular stage of capitalism (Lenin’s preference) or merely a political choice (the approach of Lenin’s nemesis, Kautsky). Precisely the options that are repeated today. In contrast, the machinelike quality of imperialism gives a sense of the ways in which it has various parts that (often but not always) work together, a set of energies, available identities and categories that propel individuals and groups, institutions and structures, to enact designs and to civilize those who attempt to resist its apparent lessons, to make them succumb to the naturalized logic. Not a stage of capitalism but rather a machine that energizes and is energized by capitalism at various points in its history.⁸ Not a mere political choice available to ruling governments and regimes, although it does include various options: military bombardment or invasion, economic carrots and sticks, cultural hegemony and worldwide news reach . . .

. . . and the knowledges produced by economists, especially (but not only) in the United States. Economic analysis, as it has descended from Adam Smith, and as it is practiced today in the U.S. academy, think tanks, and government agencies, cannot be maintained apart from the imperial-machine that attempts to discipline “us” as well as “them.” It is the support and strategy of empire, along with the weak opposition to the effects of empire, that have to be laid at the doorstep of the so-called queen of the social sciences, the one most under the thrall of physics-envy. In other words, the disciplinary-machine dovetails and works with the imperial-machine. Without conducting a detailed history of economic thought, what I am referring to are the elaborate theoretical models and empirical estimations of the Hecksher-Ohlin-Samuelson theory of comparative advantage and the mutual benefits of free, international trade. Then, the seven Nobel laureates stand shoulder to shoulder to stamp their scientific imprimatur on NAFTA while lesser lights attempt to convince us of the evils of economic regulation and of the welfare-enhancing effects of, first, the General Agreement on Tariffs and Trade (GATT), and, now, the WTO. Or the development economists who arrive at the conclusion, then repeated as if a holy

8. What is distinctive about the term machine, as it used by Deleuze and Guattari (1983, 1987), is that it has no subject, in two senses: (a) there is no intention or intelligence (whether human or systemic, such as capitalism) that stands behind it and directs its operation, and (b) it is created by other machines, in an infinite regress, not by a subject (again, whether individuals or a system). Machines simply operate on flows and other machines, cutting and connecting them, thereby forming other machines. Thus, imperialism, conceived as a machine, is not a thing but a process, an act of producing that has no goal or telos. Like Deleuze and Guattari’s desiring-machines, the imperialism-machine (and, as I discuss below, the disciplinary-machine) can never be “satisfied” or bring its tasks to completion.

mantra, that the hothouse for industry in the third world, import-substitution industrialization, did not and could not work—while forgetting about the levels of industrialization that were achieved and the macroeconomic turbulence of the seventies and eighties that threw into crisis national economies that were not quick enough and did not have the foreign exchange reserves (and, in the recent case of Argentina, the right connections in Washington) to ride out the storm.⁹ Or, finally, the macroeconomists who debate the relative merits of neoclassical and structuralist stabilization and adjustment policies that need to be adopted by third world countries—countries that are presented, as Suzanne Bergeron (2001) has shown, in exactly the gendered and racialized terms that were applied to the subaltern groups of classical imperialism: out of control (instead of rationally directed), driven by passions (instead of interests), lazy, profligate—in need of the expert advice of objective, disinterested academic and institutional (World Bank and IMF) economists.¹⁰

This is precisely the position of academic economists with respect to all heterodox and nonacademic—in their terms, ersatz, or, as Jack Amariglio and I have referred to them, everyday—economic knowledges and practices.¹¹ It is an imperial position, a disciplinary-machine, that is turned on noneconomists as it (in perfect Foucauldian fashion) serves to discipline economists themselves. Thus, the disciplinary-machine of economics works to safeguard the core of neoclassical economics from other approaches, whether produced outside the discipline (among scholars in other disciplines, from anthropology to political science, as well as economic activists who live and work outside the academy) or inside (including among orthodox

9. Kalyan Sanyal (1993) has argued that the “new” mainstream development economics, based on the recognition that there are institutional conditions of and barriers to participation in markets, represents “an attempt to integrate community and commodity” (128) in order to reproduce (in new and changing ways) the hegemony of capital. Of course, we also have to be open to the possibility that the development-machine may, via its microenterprise and other programs, end up creating and promoting noncapitalist (including communal) class structures. This would be a Marxian class success, notwithstanding the terms under which such noncapitalist class processes were instigated.

10. Michael Bernstein, in his analysis of the evolution of U.S. economics during and after World War II, concluded that “far from being a product of dispassionate inquiry, some of the major advances in modern economic theory . . . were the result of a symbiosis, a mutual interaction with the wartime concerns of government and the national security agenda of the Cold War years” (1999, 111).

11. We develop this argument in much greater detail in Amariglio and Ruccio (1999). A good example of the disciplinary-machine’s treatment of the “ersatz” economic analyses produced outside the machine is the response by the Academic Consortium on International Trade (ACIT) to the campus-based campaigns to secure a living-wage to sweatshop workers abroad. Jagdish Bhagwati and his colleagues applaud the ethical concerns of antisweatshop activists but then treat their economic theory—which contravenes the free-trade dictates of neoclassical theory—as, at best, a clumsy parody of economic science. ACIT’s “Anti-Sweatshop Letter” and other relevant materials can be found at the following website: <http://www.spp.umich.edu/rsie/acit/>.

economists who, by virtue of disciplinary procedures and protocols, are forced to curtail what they say and how they say it).¹²

That's the mainstream. And then there is the weak opposition within the discipline, which testifies to the ravages committed in the name of the imperial-machine—the growing income gap between rich and poor nations (excluding, of course, India and China) and the increasing inequality of the world distribution of wealth, the swelling of the parking lot for the poor in the cities, the fragility of national macroeconomic accounts and policies in the face of volatile international capital flows, and so on—but then limits the political options available by arguing in favor of more regulation of trade and finance, faster growth rates through expansionary macroeconomic policies, and devising the appropriate enterprise strategies to achieve success within the global economy.

Our Marxian project is radically different. We need to theorize the imperial-machine—reminding ourselves of the complex, changing determinations and effects of capitalism's worldwide expansion. And, alongside our resolute opposition to imperialism, we also need to formulate and enact our own desires—for new, noncapitalist class arrangements and forms of globalization.

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12. To say the disciplinary-machine works does not imply it is always successful. Indeed, I would argue that, precisely because it has worked in a particular fashion in the postwar period, producing a neoliberal economic orthodoxy with respect to globalization, it has created a vacuum that has been filled by theories and analyses that often run counter to the orthodoxy among neoeconomists, both inside and outside the academy. Thus, the disciplinary-machine not only presupposes and but serves to bring into existence its "other."

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