Imperialism: Historical Legacies and Contemporary Realities

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Abstract: Imperialism is a territorial process driving international conflict and economic exploitation both within and between nation states. How should imperialism be understood today, and how might an understanding of its mechanisms contribute to the analysis of contemporary political crises and help to shape appropriate policy responses? I contend that the idea of classical imperialism has been superseded by a conception of neo-imperialism, which is under challenge in an emerging bifurcated world order. Under neo-imperialism, dominant states develop their transnational interests based on proposals by coalitions of domestic and foreign elites-military and security, ideological and religious, political and national, as well as economic. Future trajectories may take the form of ultra-imperialism or super-imperialism or, consequent on the rise of challenger states, facilitate a move to socialist globalisation.

Keywords: Super-imperialism; ultra-imperialism; colonialism; Lenin; exploitation; capitalism; socialist globalisation

1 Classical Imperialism

The most influential form of classical "imperialism" was elaborated by Rudolf Hilferding (*Finance Capital*, 1910), Nikolay Bukharin (*The World Economy of Imperialism*, 1914) and Vladimir Lenin (*Imperialism: The Highest Stage of Capitalism*, [1917]1964). Imperialism was a distinct and higher form of finance capitalism having a territorial character. "The policy of finance capital has three objectives: (1) to establish the largest possible economic territory; (2) to close this territory to foreign competition by a wall of protective tariffs, and consequently (3) to reserve it as an area of

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exploitation for the national monopolistic combinations"(Hilferding, 1981). For these writers, the export of capital from core capitalist states to peripheral societies was a critical driver of imperialism. The extraction of profit in the advanced capitalist countries depressed wages reducing demand, which resulted in unemployment and slumps. Expansion abroad led to the cheapening of supply of materials as well as an enlarged market. The increased demand abroad for home products maintained, even increased, employment at home and, concurrently, raised profits which could be used for further investment. Conflicts between the capitalist states to redivide the world into different spheres of interest led to wars.

Lenin's prognosis was that the contradictions of capitalism had become international in character. His analysis of imperialism explained why the socialist revolution of the working class had not occurred in the advanced countries; why the tendency of the rate of profit to fall is reversed, and consequently, why the centre of the revolutionary arena moved to the dependent colonial countries, notably Russia in 1917. The territorial divisions cultivated competition between the colonial powers, and in doing so brought all nations into the capitalist orbit—but in different ways. Classical imperialism created another layer of exploitation: to the economic exploitation between worker and capitalist in nation states, it added a territorial dimension of exploitation between dominant imperialist states and peripheral ones.

Capitalist-inspired wars (between territorially divided capitalist classes), he argued, would realign classes: the suffering working classes in the hegemonic countries during World War I would ignite opposition to the ruling classes and they would support the ascendant exploited anti-imperialist classes in the colonies. In the semi-colonial and colonial territories, capitalism was weakest and provided a revolutionary socialist force. For Lenin, imperialism was a necessary but not a sufficient condition to create socialism, political leadership of the revolutionary socialist party was crucial in channelling the revolutionary forces. If linked to the western working class, led by the communist party, socialist revolution would follow (Lenin, [1917]1964).

2 The Political Drivers of Imperial Capitalism

The economic factors, mentioned above, were only one part of the explanation. Political drivers also propelled the European countries to found colonies and led to a second version of classical imperialism. John Hobson, a liberal British economist, writing in 1902, contended that only a minority, constituted by the political and trading economic elites, gained from the colonial connexion and it prevented consumption from rising in the domestic market. Imperialism was not an inevitable consequence of the development of capitalism. He believed that home markets were "capable of indefinite expansion" (Hobson, 1902). Due to the "overgrowth of certain manufacturing trades for the express purpose of effecting foreign sales" (Hobson, 1902), imperialism had unbalanced production. Without imperialism, the "unearned increments of income from the possessing classes" could be transferred to the working classes or to public income to ensure sufficient demand (Hobson, 1902). Following what we would now call Keynesian economics, the government could adjust the domestic economic system by increasing demand.

Colonies were a waste, propagated by economic and political interests. They had no economic benefit; the use of public funds to support private losses abroad was unacceptable. Angus Maddison has confirmed that the "Indian export surplus as a proportion of British net domestic product was 1.3 per cent in the period 1868—1872, 1.2 per cent 1911—1914 and 0.9 per cent 1926—1930 (Maddison, 2001), which was a considerable but not overwhelming gain to the economy and much less when the costs of empire are considered. The English Prime Minister, Benjamin Disraeli, in 1872, contended that "the colonies are millstones around our neck". The cost of Empire greatly outweighed its benefit. In 1810, for example, the British fleet had 183 cruisers, 152 battle ships and large amphibious craft—a total of 335 large ships. At this time, military expenditure came to 15 per cent of British GDP (Historic UK, n.d.). By comparison, in 2024, the spending target for European states in NATO was 2.5 per cent. The UK had only two aircraft carriers.

John Hobson provided a critique of empire based, not on any inherent expansion of capitalism necessitated by insufficient demand, but on the illegitimate benefits anticipated by state functionaries and self-promoting strata of the business classes. Possession of colonies provided the ruling classes in the metropolitan countries with political power and prestige. Colonies made British leaders great, but concurrently impoverished the country. For Hobson, in addition to economic drivers, political and social interests underpinned imperialism. Capitalism, from this point of view, is self-reproducing and would grow quite independently of colonialism. Competition for empire was a fetter on, and was not necessary for, the development of capitalism. It marked a period of capitalism, but not, as claimed by Lenin, its highest form.

The important point here is that imperialism can be driven by other than capitalist interests. The forces underpinning imperialism were privileged elites and classes: the aristocracy, government officials and political leaders, the military and arms producers; a cultural intelligentsia, widely conceived to include writers, professors, lawyers and teachers, and the popular media, which glorified the colonies. These social strata reasserted notions of national identity and sovereignty to legitimate colonial policies from which they benefitted.

3 The Transition to Socialism

For Bukharin, Lenin and Mao Zedong (Mao Tse-Tung) these benefits were short-lived. Imperialism amplified the contradictions of capitalism which could only be resolved through a transition to socialism. The imperial stage of monopoly capitalism was "moribund" (Lenin, [1917]1964). Its contradictions shifted the focus of revolution to the semi-peripheral countries. And Mao Zedong, as late as the 1960s, considered the "national-liberation revolutions in Asia, Africa and Latin America [to be] the most important forces … . The contradictions of the [capitalist] world are concentrated in Asia, Africa and Latin America" (*Peking Daily* [now *Beijing Daily*], 1963). Lenin and Mao identified the major contradictions of capitalism in the rising states and, in doing so, diverted the world socialist movement away from the contradictions in the advanced states.

The Hilferding and Lenin line of argument, however, captured the major changes in the late nineteenth century and identified major economic developments. Their views guided socialist movements in the twentieth century. Their emphasis was on the rising states in the East, not on the contradictions of capitalism in the dominant capitalist states. The October Revolution in Russia, initially, gave credence to the Leninist approach.

In the years following the October Revolution, the colonial and dependent countries broke away from imperial political control. Capitalism, however, was not defeated. The imperialist paradigm, defined as the territorial subordination of colonies to developed capitalist states, was a product of the rapid international growth and the spread of capitalism before World War I. The destinations of the export of capital shifted significantly over time from the developing colonial countries to the advanced capitalist ones. Monopoly capitalism remained and was capable of further development.

Classical imperialism dissolved after World War I for four main reasons. First, the rise of socialist states, led by the Soviet Union, limited the geographical spread of the capitalist states. Second, the success of national liberation movements in the colonies removed the political domination of Western states. Third, the shift in world investment from the developing countries to the developed ones denied the need for capitalism to expand to undeveloped economies. Fourth, the dependence of the former colonies continued but in more informal ways. Political changes and economic developments after 1917 led to the Marxist-Leninist paradigm of imperialism facing certain limitations in its explanatory value and political relevance.

4 The Rise of Neo-imperialism

The division of the world into colonial territories was a phase, not the highest point, in the evolution of capitalism. In the first half of the twentieth century, the colonial politically dependent states were replaced by sovereign states with varying degrees of independence. Many writers contend that when the colonial political links with the home country are cut, there remain economic and cultural forms of power, which had seeped into the social structure of the former colonies (Magdoff, 1972). Foreign direct investment sustained financial and non-financial transnational corporations and perpetuated economic dependence; but this was not a form of political state colonisation but one based on market exchange. Colonial cultural identity, through European languages and educational institutions, continued. During the course of the twentieth century, the former colonies returned to the dominant capitalist bloc, not as colonies, but economically, as client and dependent states.

"Imperialism" was not a "moribund" form of capitalism but was superseded by an even higher stage of post-industrial globalised capitalism. The transnational coordination of capitalism—by multi-national corporations, international institutions and a dominant transnational capitalist class—superseded the imperialist national form of monopoly capitalism. Lenin's political prognoses were correct in one respect: capitalism broke down at some of the weakest links in the capitalist chain in what were at the time peripheral countries. But the strongest links held firm and the chain was reinstated and strengthened. The rise to power of the Soviet Union and the formation of a European socialist bloc was short-lived. It was an interregnum. Rather than an inexorable metamorphosis of capitalist imperialism to socialism, in the late twentieth century, the European communist states, under pressure from the hegemonic West, were dismantled by their own political leadership.

But that is not all. Imperial capitalism has grown into another stage in which international organisations coordinate the global economy and, in its formation, a hegemonic state, the USA, played a dominant economic, political, military and cultural role. Rather than as a particular advanced stage in the periodisation of capitalism, neo-imperialism is defined by multiple forms of formal and informal domination of a core of capitalist countries, led by the hegemonic USA.

Classical imperialism involved the territorial occupation and domination of the host country by the home country. Whereas neo-imperialism, enhanced by the freedom of movement and exchange afforded by globalisation, involves not only foreign economic investment but also cultural "bridgeheads" to secure approval (moral, economic, political, cultural) by the host country of the home country's dominant role (Galtung, 1971). This widening of the scope of imperialism has made it a vast political landscape. It retains from the nineteenth century, the idea an exploitative relationship expressed between hegemonic and dependent states. In addition, it moves on from the economic and political to the cultural and ideological. The greater collective economic and political power of the core Western states gives rise to a neo-imperial form of authority. The "collective West" is able to prevail over other areas of the world—an asymmetrical relationship favouring the former. There has been a shift in the forces driving imperialism: from the classical economic colonial-state interests to socio-political structures with multiple objectives. In various combinations, economic, political, cultural, religious, military, civilisational and national/ideological interests, promote expansion of the hegemonic Western core to envelop subordinate societies.

5 Post Classical Imperialism: the Alternatives

If classical imperialism no longer explains divisions in the world economic system, and neo-imperialism is unstable, what social formation replaces, or could replace, them? Four possible trajectories have entered political and economic discussion. Such trajectories are ideal constructions: part theories, part observations of recent developments, and part desirable political and economic developments. First, *ultra-capitalist imperialism*: a coalescence of multi-national corporations form a dominant transnational economic cluster. Second, *super-state imperialism*: a hegemonic state arises as a single world authority. Third, *a bifurcated world system*, composed of a hegemonic capitalist core, and a contender counter-core. Fourth, *globalised socialism*: a new social formation which transcends capitalism.

What makes the trajectory unpredictable is how different sections of the ruling elites combine in response to counter elite challenges:

Whether global corporations, located in competing political blocs, can fuse to form a unitary global ruling class;

Whether ascendant political elites will prefer to play a subsidiary role under the hegemonic political state, the USA (Desai, 2013);

Whether there are sufficiently powerful political groups in the ascendant contender states to replace neo imperialism with an alternative social and economic formation.

6 Ultra-Capitalist Imperialism

The idea of an ultra-capitalist imperialism predates the twenty-first century. Karl Kautsky, writing on imperialism at the beginning of World War I in 1914 (Kautsky, 1914), foresaw a coalescence of compatible capitalist states. "Imperialism is irrational", he contended, war destroys life and property; capitalists seek trade and profits, not war. Far-sighted rational capitalists should propose: "capitalists of all countries, unite!". "Ultra-imperialism" would follow: the "great imperialist powers may [form] a federation of the strongest, who renounce their arms race" and in doing so, they would "replace [competitive] imperialism by a holy alliance of the imperialists" (Kautsky, 1914). In this scenario, wars between the major capitalist states would not occur; the ruling capitalist classes would then peacefully exploit the working classes. Kautsky, however, underestimated the power of military suppliers and other factions of the ruling classes to foster war and to perpetuate nation state forms of political power.

After World War I, the victorious capitalist states pursued their own national interests and competed one against another. National politicians secured further territories for France and Britain, whereas Germany suffered major losses. National interests (of which national capital was one) proved to be stronger than the aggregate of common capitalist economic interests. Kautsky's anticipated international "holy alliance" did not happen. Here the class consciousness and self-interest of the transnational bourgeoisie was overwhelmed by national and state political interests. The ultra-imperialism, contemplated by Kautsky, did not arise, as capital was embedded in national economies with which economic elites identified.

Another move to ultra-capitalist imperialism, however, occurred at the end of the twentieth century. The political, economic and social processes of globalisation supported ultra-capitalist imperialism. Globalisation in its most general sense may be defined as "a process that erodes national boundaries, integrates national economies, cultures, technologies and governance, and produces complex relations of mutual interdependence"(Gygli, et al., 2018). The international coordinating economic organisations (the IMF, WTO), operating within globalisation processes, weakened nation states, which consequently lost, or shared, power with regional or international bodies.

Territorial political control by dominant states over dependent ones (classical imperialism) was replaced by intransitive forms of power exerted through control of transnational exchanges defined in international or regional agreements and laws, defined by transnational economic and political organisations. Capitalism in the sense of profit maximising privately owned competing economic corporations remained. Globalised capitalism led to a new geo-political and economic social formation. It included the competitive interdependent post-socialist Eastern European economies, the former USSR, and China. But again ultra-capitalist imperialism did not arrive.

While globalisation promoted conditions for the rise of ultra-capitalist imperialism, two major developments impeded it. First, the socialist parties which came to power following the formation of the Soviet Union in 1922 adopted political state formations with their own national ruling classes and nationally owned economic corporations. This added a layer of state owned and controlled corporations rather than inter-state economic interests. Secondly, the "fusion of capital" through mergers and acquisitions of national companies took place on a regional continental basis. States intervened to limit the globalisation of ownership through economic blocs such as the European Union and the Eurasian Economic Union. Intercontinental imperialist competition and wars continued. States became "sub-colonies" within these blocs.

The ultra-capitalist imperialist vision appeared as a possibility after the dismantling of the European Soviet bloc at the end of the 1980s. The reformers in Eastern Europe, following the lead of President Gorbachev, sought to return to their European home, and to join the world capitalist system. During the period of radical economic reforms in the European state socialist societies, the Western privatisation of state enterprises and the adoption of market principles at the expense of planning, dismantled state socialism. Membership of international economic organisations, such as the IMF and World Trade Organisation, giving corporations the world-wide right of settlement, moved the post-socialist economies into the capitalist world system. New forms of collaboration arose between regional associations, such as the European Union and the Eurasian Economic Union, and international organisations, such as the IMF, the WTO, the World Bank, the United Nations, and the World Economic Forum. The welfare states of Western Europe, as well as China, adopted market economic system and extended private ownership of productive assets. Membership of capitalism's coordinating bodies increased in number and power. By 2001, over 185 countries were members of the IMF and over 150 were members of the WTO. Foreign direct investment flowed to these states as they built capitalism. The enlargement of the European Union with the addition of the post-socialist east European economies was a step towards ultra-capitalism.

The main reasons why it did not materialise were that national capitalisms recognised a threat to their own existence; the politically controlled state-capitalist countries denied foreign acquisitions of domestic capital; and the political interests embedded in capitalist nation states were averse to losing their powers and used their control of state power to protect national corporations. When the national interest was threatened by an ascendant globalised capitalist class, national political classes turned against globalisation. Consequently, there was no "fusion of capital" on a global basis. Intercontinental imperialist competition continued. Ultra imperialist capitalism gave way to national capitalisms which became subordinate to a super-state capitalism.

7 The Hegemonic World Super-state

The second alternative to classical imperialism is super-state imperialism. Super-state imperialism is an economic formation in which a single capitalist power emerges as a hegemon and other powers "sink to the status of semi-colonial powers" (Mandel, 1975). Immanuel Wallerstein calls this a "world-empire", which means simply a "single political authority for the whole world-system" (Wallerstein, 2004).

After World War II, the USA exercised multiple forms of control. It was not a world-empire however. A hegemonic world power is a better description which denotes the indirect use of power beyond the borders of the dominant state over other subordinate states. By hegemony, Immanuel Wallerstein means that a state "for a certain period [is able] to establish the rules of the game in the interstate system, to dominate the world-economy (in production, commerce and finance) to get their way politically with a minimal use of military force …. and to formulate the cultural language with which one discussed the world" (Wallerstein, 2004). A hegemonic system for Wallerstein can operate in a world-economy with a "single division of labor, multiple state structures albeit within an interstate system, … multiple cultures albeit with a geo-culture" (Wallerstein, 2004). Such a system promotes the "endless accumulation of capital" (Wallerstein, 2004). The hegemonic power, in the present time, is the USA,

The strategy adopted by American power was to develop an international political and economic system composed of institutionally compatible countries, legally and ideationally bound into the Western liberal competitive capitalist model. Michael Mann defines this as a "new imperialism" in terms of its values: the collective west, led by the USA, brings wealth, peace, freedom, and democracy. The policy of democracy promotion through regime change was designed to create such compatible countries; to "save the oppressed from their own 'rogue' leaders" (Mann, 2003). The United States, according to its leaders and supporters, combines might and right: it possesses the political will and armed forces to establish democracy and human rights which provide the basis for wealth creation.

Territorial domination, however, continues in the form of neo-imperialism: countries modelled on a transnational form of liberal economy, the rules of which are enforced by the super-state both directly and through intermediaries. As we note in Figure 1, the United States maintains a massive global military presence. In 2020, it secured 750 bases in 80 countries and territories. The only significant US military presence was in industrially

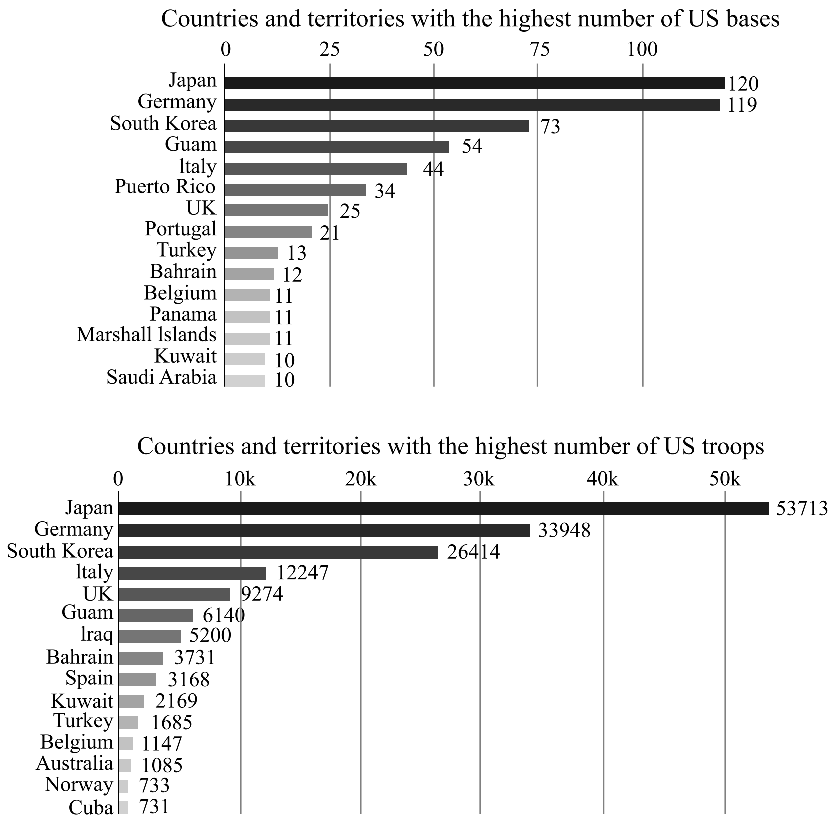

Figure 1 Countries and territories with the Most US Bases and Troops (2020)

Data as of 2020. Source: ALLEN M A, FLYNN M E, MACHAIN C M, VINE D. 2021. *Global US Military Deployment Data 1950—2020*; Lists of US Military Bases Abroad, 1775—2021. American University Digital Research Archive. Available at: https://www.aljazeera.com/news/2021/9/10/infographic-us-military-presence-around-the-world-interactive [Accessed 30 July 2024].

developed countries: Japan, Germany, and South Korea, where such forces could be used against China and Russia. It is notable that a large land mass covered by China, Russia, India, Pakistan, and Latin America contains only a token American military presence. Most of the USA's bases are small stations which could be used in emergencies or reinforced for combat roles. They are not occupying forces appropriate to maintain rule in distant empires. Political and economic agreements and ideological accord between the hegemonic state, often working through international agencies define the rights and responsibilities of host states. The enforcement of the collective interests of the hegemonic state is carried out through economic (particularly financial) sanctions and, in the final analysis, by sea and air power.

8 Limitations on the Super-state

In the period following World War II, the USA remained the world hegemon. It had a global supremacy politically (military and intelligence); economically (dominant transnational corporations, control of dollar currency and transnational coordinating economic organisations); influence over world communications (the world wide web); and vast popular appeal as a model consumer society.

Following the reform and opening up of China in 1978, and the dismantling of the Soviet European economic and political bloc at the end of the 1980s, the USA became the world hegemonic state. Globalised neoliberal capitalism opened up the relatively free movement of commodities, capital and (to a much lesser degree) labour between the Western core and the rest of the world economic system. Coordination was secured by transnational world organisations: the International Monetary Fund, the World Bank, the World Trade Organisation and the Organisation for Economic Coordination and Development. These organisations were either led, or strongly influenced, by the United States.

With the ending of the European socialist bloc, the USA emerged as a world hegemon, but it was never a super-imperial power-there were always forms of competitive interdependence. Only between 1990 (birth of post-Soviet Russia) and 2014 (Russia's claim over Crimea) did the USA have no global political challengers. Even then China maintained a different form of economy, polity and culture. During this limited period, the USA was a super imperialist state, but never the ruler of a world empire.

While the USA had the military capacity, the economic resources and political will, neither the American state nor its capitalist class had sufficient ownership of corporate assets on a world scale to establish a dominant transnational political class. There arose multi-national, transnational and state economic corporations which lay outside the control of any hegemonic country. The USA was (and still is) the headquarters of a majority of the world's multi-national corporations; in the late twentieth century, China came second. Blocs of capitalist countries (NATO, the European Union) remain, and in the Shanghai Cooperation Organisation (SCO) state corporations predominate. In the formation and enlargement of the European Union, the movement was towards ultra-capitalism on a continental scale. It moved to a single European economy, with rules set in Brussels. But it had no collective military power which was delegated to NATO which in turn was dependent on the USA.

The power of the super-state, the USA, was challenged in February 2014 during Russia's claim over Crimea. Limitations on cross-border acquisitions and severe economic sanctions were imposed on Russia and presented a major impediment to the rise either of a super-state or ultra-capitalist form of imperialism. From the beginning of the twenty-first century, marked by the rise of President Putin, the oppositional movements of "coloured revolutions" (2004) promoting Western values and the Russian operations against Crimea (2014) and Ukraine (2022), the world political and economic system has slowly divided into two major political and economic blocs—a form of neo-imperialism.

By the twenty-first century, imperialism had been transformed. The world system in a geo-political sense was no longer dominated by the core Western states. Some commentators (Jacques, 2009) considered China's economic and political development to mark the end of Western domination and the beginning of a shift of power on a world scale to the East (Li, 2008). There was no longer any unitary "global system". One must take account of the diversity of, and conflict between, states and regions which have bifurcated the world's leading powers. China and Russia have emerged from a state-socialist political formation and retain features of state ownership and political control quite distinct from the core capitalist societies of Europe and the USA. The balance of economic power has shifted away from the core capitalist countries to the rising states led by China.

A new geo-political scenario has become apparent, formed by countries which challenge the hegemony of the Western core states (USA, UK, EU, and Japan). The emergence of state capitalism and state controlled capitalism created a major barrier to the emergence of ultra-imperialism and presented a challenge to American super-state imperialism. Running in parallel with developments in the political and international spheres, considerable advances have been made in the level of advanced electronic technology which have enabled global transformations in communication, interaction and exchange. The monopoly capitalism of the early twentieth century was superseded. Classical imperialism constituted a political economy of capitalism predicated on the territorial political division of the world by nation states. Globalised neoliberal capitalism opened up the relatively free movement of commodities, capital and (to a lesser degree) labour between the core, semi-periphery and periphery. Coordination was secured by privately owned transnational economic corporations and international intergovernmental (WTO) financial (IMF) organisations.

Even in the period of US hegemony in the world unipolar system (1990 to 2014), Russia and China were excluded from key institutions of power. Russia joined the G7in 1997, when the latter recognised Russia's intention to conform to the norms of the collective West; following Russia's claim over Crimea, it was expelled in 2014[①]. Russia and China have never been members of the North Atlantic Treaty Organisation (NATO) which defends the institutions and economic and political values of the hegemonic core. Despite the limited "right of establishment" promoted by the WTO and the EU, members of the core and semi-core have restrictions on the purchase of assets (and products) by each other in their respective blocs.

States retain important powers to restrain the rise of a transnational ultra-imperialism. Members of the post-socialist states were and remain excluded from the transnational capitalist class. Russia and China are barred from the leading political Group of 7 and the military alliance of NATO. Few Russian or Chinese nationals are included in the boards of Western registered transnational companies. William Carroll has shown that they contain very few representatives from outside the dominant Western countries. Writing in 2010, he concluded that China and other "semi-peripheral" states (in which he included India) had very few of their citizens among the economic elites of the transnational capitalist class (Carroll, 2010).

9 The Rise of a Bifurcated World System

By the second decade of the twenty-first century, the USA remained the world's most powerful state but was losing its hegemonic role. The classical imperial formation of core, dependent semi-periphery and periphery has been

① The Group of Seven (G-7) is composed of Canada, United Kingdom, France, Germany, Italy, Japan, the United States. Russia was briefly a member from 1997 until 2014.

replaced by a bifurcation in the international system: the Western core of states was challenged by a semi-core of rising states. The USA's military weakness had earlier been exposed in North Korea, Vietnam, and Afghanistan. The Russia-Ukraine conflict was a watershed. The collective West had lost its dominant position. The world system has bifurcated into two competing though economically interdependent blocs. As illustrated in Figure 2, the world system is composed of a dominant economic and political core led by the United States and a countervailing group of rising states, notably the BRICS countries[①].

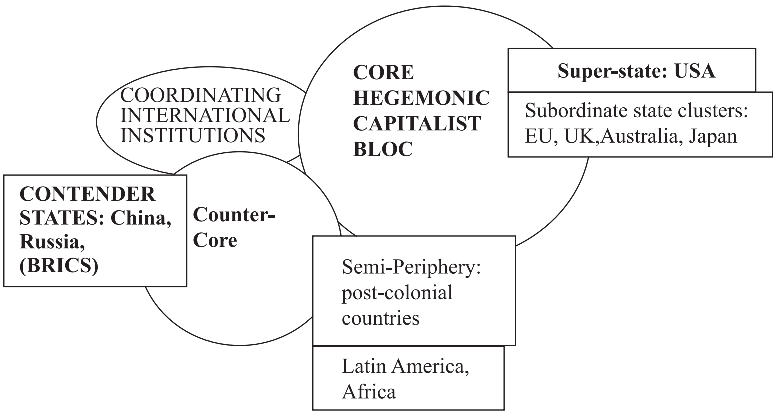

Figure 2 Hegemonic Capitalist Bloc and Counter Core

A twenty-first century form of "neo-imperialism" has replaced classical imperialism. Neo-imperialism is defined as an asymmetrical exploitative relationship between the collective dominant Western core countries (including the sub-cluster states) and dependent client states. This relationship takes multiple forms: economic, political, military, cultural, ideological and social (Galtung, 1971). Neo-imperialism retains the division of power on a territorial basis in the form of the hegemony of the collective dominant Western states, led by the USA. Such hegemony has political, cultural, military, and ideological dimensions in addition to the economic. It is backed by military power (NATO) and sustained economically and politically by transnational institutions (IMF, WTO, World Bank). But it does not involve the permanent territorial occupation of dependent territories. The dominant powers rule through an international law-governed order backed by military pacts.

Unanticipated by the theorists of classical imperialism, a transcontinental

① The BRICS association of countries was formed on 1 June 2009. By 2024, it was composed of Brazil, Russia, India, China, South Africa, Iran, Egypt, Ethiopia, Saudi Arabia, and the United Arab Emirates.

group of "contender" states, with their own ruling classes, has arrived. Their economic power base rests on state controlled capitalism. Contender states are interdependent with, as well as (paradoxically) competitors to, the hegemonic core. They provide a potential political, economic and military challenge to the capitalist core states in the world geopolitical system.

The key to understanding neo-imperialism is to distinguish which interests constitute and influence the ruling political elites of the United States. Such interests involve informal (ideological and cultural) as well as formal power (political and economic), and they include foreign and transnational interests. The media (print and electronic communications) and the policy institutions (universities and research advisory bodies) form the ideational structures. The security agencies (CIA, DIA, MI5) and top military (the Pentagon, the Military Committee of NATO) are crucial in creating policies (revealing the "threats") driving political decision makers who in turn, through electoral democracy, pledge to safeguard their publics. Even more important is the role of the media and security apparatuses in excluding alternative interpretations ("unmasking the enemies") and voiding critical policies.

Intercontinental capitalist neo-imperialism presents a novel capitalist formation. The world system is evolving in the direction of a bi-polar grouping of interdependent and economically competing states. The greater political coordination of advanced capitalism during the late twentieth century in the form of transnational economic bodies ensured political control of processes of globalisation by the hegemonic core. Nevertheless, states retained significant powers. They possess and control their armed and security forces. They define citizenship, police their borders and usually have their own currency.

The USA, by virtue of its size, population, geographical position, human and physical assets, has emerged as the predominant political and economic power backed by immense military force. Its economic strength makes it the supplier of advanced military technology, and its knowledge based services deliver intelligence to its client states. However, it rules not over a world empire. In the twenty-first century, the rising states led by China and Russia retain significant levels of independent state power as well as state owned and controlled national and global corporations. They remain under state control, and state political interests are able to withstand imperial domination. State capitalist societies and statist societies with socialist characteristics present a challenge as their institutions combine national and transnational economic and political power.

10 What Follows Neo-imperialism?

Current developments of capitalism and the world system have shifted the nature of imperialism away from the classical form of geo-political competition between capitalist states seeking economic exploitation of colonies. By the twenty-first century, contender states, with support from the global South, confront the neo-imperialism of the USA and its dependent core (Mearsheimer, 2001). Despite the convergence of economic institutions and processes following the dismantling of the socialist planned economies, the rising states possess significant independent economic, military, cultural and ideological powers.

The leaders of China and Russia propose an international system distinct from the collective West's competitive market economy and adversarial political framework. Such an approach envisions a multipolar world order based on the recognition of "civilisational differences" and the strengthening of multilateral institutions (Tsygankov, 2025). Under President Xi Jinping, global economic development is proposed, aiming at the "common prosperity of the world and a brighter future for humanity" (State Council of the People's Republic of China, 2024). In such a cooperative, multipolar political order, priority would be placed on peace-building and mutual prosperity. This vision poses a significant ideological, as well as an economic and political, challenge to Western liberalism. Some academic commentators suggest that there could be a shift towards globalised socialism: a form of globalisation safeguarding national interests and promoting ecological sustainability, participatory democracy, social equality and human rights (Sklair, 2002; Lane, 2023).

One can only speculate on future outcomes. The trajectory of policy remains uncertain, shaped by how different constituencies of the ruling classes align internally and how external forces respond. It is unclear whether the emerging counter-transnational and national political elites will accommodate themselves to an independent yet complementary role within a U. S.-led order, or whether China will emerge as the vanguard of a post-imperialist global system.

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