

V. A SOCIOLOGICAL THEORY OF IMPERIALISM

Most attempts to combat the economic interpretation of war and imperialism have remained merely negative. One of the most ambitious and noteworthy attempts to give an entirely new and positive orientation to the theory of imperialism without completely abandoning the economic interpretation is found in Professor Joseph Schumpeter's "sociological" theory of imperialism. (122) Schumpeter at once limits the field of discussion by defining imperialism as the "objectless disposition of a state toward unlimited and violent expansion." (123) Thus are excluded all those activities of a state, no matter how brutal or warlike, which follow for a limited time some well-defined concrete purpose - the desire for natural unity, better economic or material advantage, an outlet to the sea, etc. But the sort of activity which feeds upon itself and is an end in itself, and which does not coincide with its professed aims, he regards as the essence of imperialism. (124)

At the outset Schumpeter declares that the socialist interpretation is the most earnest attempt thus far at a solution of the problem of imperialism, and he admits that much is to be said for the Marxian method. He finds no objection to the notion that institutions may be interpreted in terms of the modes of production, in economic terms; but he objects to the particular slant the Marxians give to the economic interpretation of history, particularly to their relating of modern imperialism to the contemporary, capitalistic mode of production. Schumpeter regards imperialism, on the contrary, as very definitely related to much older forms of social and economic organization than capitalistic.

Throughout his historical survey Schumpeter finds evidence that there has been a constant tendency for imperialistic activity, bad as it has been even in modern times, to decline. Even the medieval type tended to disappear as it accomplished its purpose; while today it is not only necessary to adopt

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(122) "Zur Soziologie der Imperialismen", *Archiv für Sozialwissenschaft und Sozialpolitik*, Vol. XLVI, No. 1 (1918-19). Hahagen ("Marxismus und Imperialismus", op. cit., pp. 205, 210 says that Schumpeter's theory was anticipated in 1900 by Franz Mehring, who held that capitalism at its highest point of development is openly opposed to imperialism. This is, of course, not the same as saying that industrial capitalism is indifferent or passive toward imperialism. Werner Sombart, in his *Das Wirtschaftsleben im Zeitalter des Hochkapitalismus* (1928), pp. 66-69, has a theory of imperialism similar to that of Schumpeter. See also, Walter Sulzbach, *Nationales Gemeinschaftsgefühl und Wirtschaftliches Interesse* (Leipzig, 1929), chap. iii, "Der Imperialismus")

(123) Op. cit., p. 3.

(124) *Ibid.*, p. 1. Schumpeter admits that in many individual cases it may be difficult or impossible to tell whether activity is motivated toward concrete aims outside itself or not; but he is only interested in establishing his principle, and not in individual cases (p. 2). He draws upon history by pointing to the imperialism of ancient Egypt, Persia, Assyria and Babylonia, as based on fanatical racial and religious hatreds, in which "war and conquest were not means but ends". Once started, their war machines went along of their own weight, only guided by a self-perpetuating military theocracy whose normal function was war (pp. 27, 31). German tribal expansions were generally an exception because the tribes ceased fighting when they attained their objects (pp. 31-32). Alexander's was a sort of personal imperialism, similar to, but not identical with, that of Caesar or Napoleon (p. 36). French history furnishes the best examples of the imperialism of absolute monarchs, resting on military power, and almost as all-pervading as the ancient Asiatic imperialism (pp. 275-76 ff).

adopt more "civilised" tactics than formerly but it is necessary to cloak such activity with idealistic motives and rationalizations. Ancient imperialism, on the other hand, was characterized by its ability to appeal unadorned and unexcused. (125) Despite its steady decline, however, imperialism has shown great survival qualities, and its appearance today is to be explained as an atavistic expression of forces which once could be explained as conditions of their environment but which are not only foreign to their environment but conflict with it. A purely capitalistic world could never give rise to the imperialistic impulse; (126) and imperialism had its beginning before, not after, the industrial revolution. (127)

Historical research discloses three things to Schumpeter: First, that although imperialism is irrational and objectless - in spite of the fact that most wars were fought without any intelligible basis - it has played a great role in human history. Second, that this warlike disposition cannot be explained by reference to any pugnacious instinct, but should really be traced back to the exigencies of a past situation in which people had to go to war in order to survive. And third, that there are underlying factors which make it easy for these old dispositions and institutions to survive. Chief of these is the fact that ruling classes find such dispositions convenient for their own ends, as do also those individuals who have something to gain, be it economic or social from fostering imperialism or war. (128) Schumpeter dwells at some length on the transition from the pre-capitalist to the modern period. The possibilities of producing for a general market the growth of large-scale production, and the opportunity of reaping large profits, drew leading personalities into the industrial field and thus built up a powerful entrepreneur class which came to favor free trade and eventually brought the state to its side. (129) This group as it became increasingly powerful and numerous, stamped its attitudes on the whole social fabric and thus created a new type, the bourgeoisie, which has tended to bring all other classes within the sphere of its influence. (130)

Freed of all the old restraints, of all the ancient fetters which had grown up under feudalism, industrial life developed into a society vastly different from the old. Democracy, individualism, and rationalism triumphed. Surplus energy, which formerly found an outlet in war, in an industrial society found its outlet in labor and industrial activity. Wars of conquest thus merely become unwelcome disturbers of the peace in such a society, for men have come from necessity to possess an unwarlike disposition. (131)

Proof of this thesis is found in the following considerations: First, a capitalist society inevitably becomes an opponent of war, expansion, cabinet diplomacy, preparedness, and professional soldiery. It produces philosophical radicalism, fosters economic liberalism in general and free trade in particular. Second, strong peace parties spring up, so that, whereas the ancient imperialistic expansion needed no cloak whatever and medieval imperialism only a scanty one, modern imperialism can be anything but frankly aggressive. It must be cloaked in every sort of rationalization, in itself adequate proof of the popular tendency to oppose imperialism. Even the word "imperialism" itself comes to be a term of reproach. Third, the working class is invariably opposed to imperialism. Fourth, in spite of powerful opposition, elaborate methods of preventing war have sprung up under capitalism - international conferences and agreements of all sorts. Fifth, countries like the United States, being least weighed down with precapitalist elements which make for imperialism, are least imperialistically inclined. Schumpeter regards it as significant that the movement for international disarmament originated in the United States, as did the idea of courts of arbitration. (132)

Schumpeter by no means pretends that factors of an imperialistic nature are lacking in our "capitalistic" society, but he holds that many elements which are called "economic" are political, or non-economic, and pro-capitalist

(125) Ibid., pp. 275-76, 284

(126) Ibid., p. 287

(127) Ibid., p. 284

(128) Ibid., pp. 282-83

(129) Ibid., p. 285

(130) Ibid., pp. 284-85

(131) Ibid., pp. 285-87

(132) Ibid., pp. 288-90

in origin. Take, for example, those most outstanding institutions commonly associated with imperialism - protective tariffs, cartels, trusts, and monopolies. (133) These, contends Schumpeter, are not necessary products of capitalism. The capitalist mode of production clearly leads to large-scale production; but the cases where the tendency toward large-scale production is also a tendency toward unlimited industrial combination are very exceptional, for there are well-defined economic limits beyond which it does not pay to go. Since the rise of cartels and trusts cannot be explained by reference to the nature of the capitalist system, what does explain their development? The answer brings Schumpeter directly to his critique of those theories which make imperialism depend upon capitalism.

In the first place, cartels and trusts can achieve their highest purpose, complete monopoly, only under the shelter of protective tariffs, but tariffs themselves do not spring spontaneously from a capitalistic society. In origin and nature they are political and pre-capitalist. (134) They had their origin as far as Europe is concerned, in the financial interests of the old feudal nobility. At first they were merely sources of income - a method of exploitation whose real character was gradually lost when tariffs came to be used for protection rather than for revenue. The effect of this use of tariff for protection was to build up a large group of economic interests dependent upon the monarch, and ultimately to tie in the bourgeois class with the princely powers in such an intimate way that their behaviour patterns of conduct thereafter carried forward into the industrial revolution. But where capitalism was not rapid and successful in its growth, as in Holland and in England, protection tended to give way to free trade; while on the Continent capitalism never succeeded in completely dominating the situation. Economic interests there remained dependent on the absolute state. The peasants and the Junkers were never absorbed by capitalism, with the result that a blend of capitalist and distinctly non-capitalist elements was effected. Add this, Schumpeter believes, is absolutely essential to an understanding of modern Europe. (135)

The capacity of the princely and feudal elements to absorb the bourgeois and other elements is explained, thinks Schumpeter, by the very simplicity of their creed, by their absolute standards of true and false, by their stability and their gentility. The bourgeois class not only copied these cultural features of the nobility but became its willing ally and disciple. Thus was it disciplined, loyalized, nationalized and finally imperialized by the prince. Having taken over the ideology of the princely tradition, even in democracies like France, the bourgeois demands soldiers. Just as the prince has to expect attack at any time, so the bourgeois ascribes warlike feelings to his neighbours. Thus the military tradition, which is particularly strong, turns into militarism when the army becomes a political power, which is very likely to happen when its officers are drawn from the ruling classes.

The doom of imperialism is, of course, implicit throughout Schumpeter's diagnosis. It is destined, like all statisms, eventually to disappear. There is no room for it in a capitalistic world; but while it does last, it is only proof of the ancient truth that "immer die Toten über die Lebenden herrschen" (136)

Needless to say, this sort of analysis seems utterly ridiculous to those who are already convinced that capitalism, by its very nature, produces such phenomena as imperialism. Even those who are inclined to agree that there is a conflict here between ancient behavior patterns and certain aspects of capitalism are dubious of any attempt to separate such dynamic forces by the "static" method used by Schumpeter. Adolf Lowe, for example, admits that the forces which direct the process of exchange toward imperialism are of feudal origin and not a result of the process of pure exchange itself; but he holds that the social forces which operate in the world are an amalgamation working in the same direction and not merely coexisting elements battling for supremacy, as disclosed by static analysis. Only by regarding the process from the viewpoint of a broad social economy, says Lowe, can the truth be known; and thus viewed, imperialism and capitalism are moving together in the same

(133) Ibid., p. 295

(134) Ibid., pp. 302-3

(135) Ibid., p. 306

(136) Ibid., pp. 306-10

direction - presumably toward socialism - and it is only a matter of logic to say that imperialist expansion is a phase or stage in this process. (137)

To many socialists such an analysis as that presented by Schumpeter is, in the words of Bukharin, absolutely untrue because it explains everything, that is, "it explains absolutely nothing". Or: "Imperialism is a policy of conquest. But not every policy or conquest is imperialism". (138) Still others are likely to regard the theory as inadequate because it seems to stop at exactly the point where the real problem of modern imperialism, which appears to be anything but "objectless", begins.

It has not been the purpose of this paper to add one more contribution to the definition of imperialism. Rather the purpose has been to call attention to the difficulties which have been encountered in using and defining the term. From the first it has been a term to conjure with, and time has not lessened its usefulness as a Schlagwort. The farther the concept departs from its political connotations the more ambiguous it becomes, despite the belief of many that it is thus being endowed with a scientific respectability by association with the economics of capitalism. The word "empire" itself, as a convenient name for political - territorial agglomerations which have been deliberately called the Roman, British, French, or German empire is at once convenient, useful, and harmless. Such political realities have to be called something, and Rome supplied the name - but Leviathan, or Reich, or many another name would have done as well.

It is the dynamics of the process by which empires come into being that has called for analysis, and at this point confusion begins. The simultaneous appearance of great and dramatic forces is bound to suggest that some causal relation exists between them, and the attempt to relate capitalism and modern empire-building stands as one of the most notable endeavours to prove such a relationship. The Roman Empire, being far more dramatic than the simple economic system from which it drew sustenance and which it used for military and imperial ends, is unthinkable as the product of that system. And there seems to be no more valid reason for supposing that modern empires, in the process of becoming or in the throes of maintaining their existence, have done more than call upon the most effective economic system that has yet existed to lend them support. Nor does it seem likely that communism would refuse to employ the methods and follow the traditions of "imperialism" to gain its ends, that is, to use every economic means at its disposal.

Empire-building is, by its very nature, competitive; and empires are relative. It is commonly assumed, however, that competition is of necessity and fundamentally economic, and peculiarly the essence of capitalism. But competition in the political realm, and failure to realize this is the basis of most of the confusion which arises when writers undertake to fuse the economic and the political. The capitalistic order, despite its imperfections and maladjustments, is essentially co-operative. The division of labor, which characterizes it, would be impossible were this not true.

Political competition, on the other hand, is not in itself co-operative. There are no "even exchanges", or fundamental divisions of labor as a condition of efficiency, such as underlie economic competition, but a tendency toward exclusiveness. When political rivalry takes the form of nationalism, or imperialism, or militarism, the truth of these observations becomes evident. And when political rivalry, in whatever form it takes, makes use of economic forces, it is easy to forget the former, in which personalities and political forms are highly transient, and see only the latter, which seem so much more tangible and permanent. Thus it is easy to identify the political and the economic; and economics not only becomes another word for politics, but capitalism becomes identified with imperialism. It is as absurd, however, to try to identify capitalism with imperialism as it would be to try to identify the "handicraft" or the "domestic" methods of production with contemporary political forms.

(137) Lowen "Zur ökonomischen Theorie des Imperialismus", Wirtschaft und Gesellschaft (Festschrift für Franz Oppenheimer, 1924) Salzburg (op. cit., p. 128) holds that there are too many proofs that imperialism has a rational basis to argue that it is wholly atavistic.

(138) Bukharin, op. cit., pp. 112, 114.

As regards the various concepts so commonly used in "explaining" imperialism, they are either wholly fallacious or beside the point. The suggestion for remedying "economic" imperialism by keeping the surplus of goods or capital at home in order to cultivate more intensively the domestic resources not only assumes that in some mysterious way an industrial society can expand indefinitely on a given quantity of resources so long as they are utilized intensively but assumes that it would pay it better to do so under all circumstances. But if the law of diminishing returns means anything, it means that there must be a balance between the intensive and the extensive margin of the utilization of resources; and if experience proves anything, it is that vast modern industrial societies owe their very existence to "outside" resources and markets.

It is also invariably assumed that surplus production appears first and that the search for markets follows. It is far more likely, however, that the reverse is nearer the truth (if one must have a cause-and-effect relationship of this sort), and that industries seek wider markets in order to be able to expand their own productive capacity and thereby produce their "surpluses" at the lowest possible cost. (139) The chief impediment to industrial rationalization which agitates the world so much these days is admittedly the lack of broad markets. The problem is to widen the market, by abolishing tariff walls or by opening up new areas, so that already established industry can produce to the limit of its existing capacity.

Reference is often made in the theoretical writings on imperialism to "commercial", "industrial", and "financial" capital, and to the roles played by each in the various stages of capitalism. Viewed historically, such a division into stages has some meaning, particularly when it is desired to emphasize that "commerce dominated industry" in the days before the rise of the modern factory system, with its vast possibilities in the realm of industrial production, while today industry dominates commerce. But when such methodology turns into a contrast between financial capital and industrial capital under capitalism, as if one desired a peaceful policy and free trade, while the other naturally tends toward war, protective tariff barriers, and imperialism, the variance with facts becomes too great. Finance and industry, credit and enterprise, go hand in hand, and constitute the very essence of the capitalist system, and only become meaningless under any attempt to divide or contrast them. Banks, industry, and commerce have too high a degree of mutual obligations and common purpose to make the question of "domination", so often stressed, a significant one.

But these, after all, are minor questions in the theory of imperialism. So, also, are quibbles as to under what conditions capital exports, military occupations, mandates, customs receiverships, zones of influence, concessions - in short, all the elements of international intercourse - are "imperialistic" and when not. All of these issues rest on the assumption that capitalism has some necessary and active part in carrying imperialism, or empire-building, to the ends of the earth. When the question is squarely faced, which can be done only when capitalism itself is properly understood, the way is opened for the suggestion that imperialism may have been the active agent, using capitalism for its own ends, and, in so doing, carrying it with it.

Viewed in this way, most of the "issues" take their place for what they are - political issues. This, of course, does not solve the problems or political difficulties which it may be highly desirable to push toward solution. But it does go a long way toward putting them where they belong, and removes the ones from capitalism and economics, where it does not belong.

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(139) Cf. A. A. Young, "Increasing Returns and Economic Progress", *Economic Journal*, December, 1928.

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**RECORDS RELATING TO THE 'TREASON TRIAL' (REGINA vs F. ADAMS AND OTHERS ON CHARGE OF HIGH TREASON, ETC.), 1956 1961**

**TREASON TRIAL, 1956 1961**

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