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A Contribution to the Debate  
Between Orthodox and Radical Theorists

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Discussion Paper 32

November 1973

Center for Research on Economic Development  
University of Michigan  
Ann Arbor, Michigan 48108

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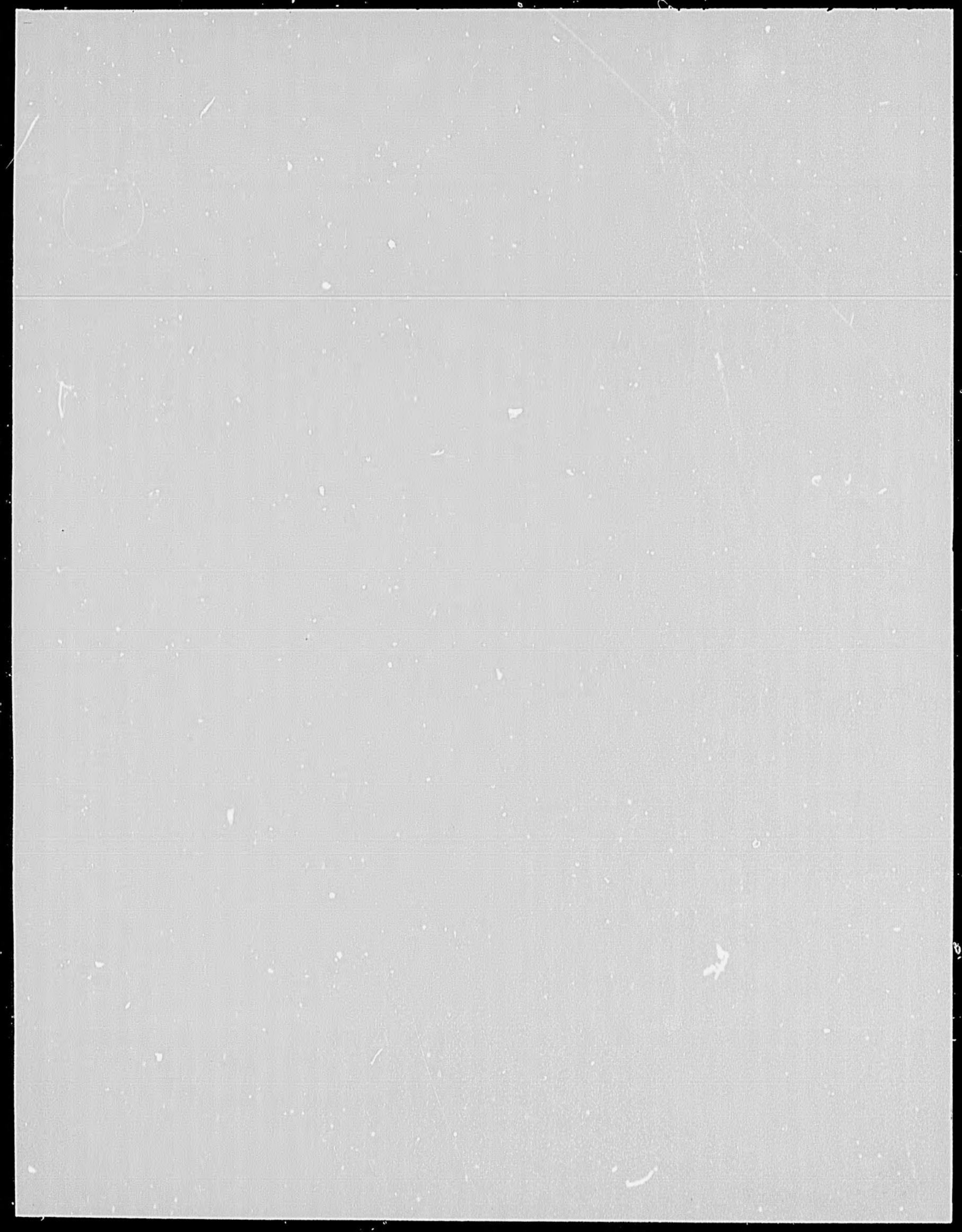
Abstract

This essay examines the relative merits of "orthodox" and radical" theories in explaining the sources of American imperialism. Orthodox theories attribute American imperialism primarily to the existence of an external international system of geographically distinct societies claiming independent political sovereignty. Radical theories assert that American imperialism results in considerable part from the specifically capitalist institutions that characterize the internal socioeconomic organization of the United States. After a review of a great variety of possible sources of imperialism and an examination of their relevance to the contemporary United States, it is determined that most of the plausible sources of American imperialism are indeed rooted to a significant extent in capitalist institutions.

This paper will be published in a revised form in James Kurth and Steven Rosen (eds.), Testing the Theory of Economic Imperialism (D.C. Heath, Lexington, Mass., forthcoming in 1974).

An earlier version of the paper was presented to the annual meetings of the International Studies Association in New York on March 16, 1973, under the title "On the Relationship Between Capitalism and Imperialism." I am grateful to many friends whose criticism of the earlier version led me to rewrite the paper entirely; Sam Bowles, Noam Chomsky, Arthur MacEwan and Harry Magdoff were particularly helpful in providing detailed and incisive comments that have influenced my work.

I am indebted also to the Center for Research on Economic Development of the University of Michigan for the use of its facilities during the preparation of this paper, and to Rebecca Dauer for her secretarial assistance.



## I INTRODUCTION

Almost a decade of overt war in Indochina; military interventions in Greece, Iran, Lebanon, the Congo, Cuba, the Dominican Republic, Colombia, Guatemala, Panama, Bolivia, China, Korea and Thailand; military missions throughout most of the "free world"; and American economic dominance of countless Third World countries have combined to impress upon all but the most recalcitrant observer the truth in the assertion that in the postwar period the United States has been a formidably imperialist power. Indeed, a brief review of American history points to a pattern of imperialist behavior that goes back long before the postwar period to the very beginning of the Federal republic.<sup>1</sup> That the United States is now and has long been an imperialist power is a proposition that is no longer subject to serious debate. Very much a matter of dispute, however, are the sources of American imperialism.

A great variety of alternative theories of imperialism have been advanced to explain the American experience, and these theories have given rise to sharp controversies over the years. Since the escalation of the war in Vietnam and the resurgence of a radical movement in the United States during the past decade, proponents of "radical" theories of American imperialism have challenged with increasing intensity the prevailing orthodoxy on the subject.<sup>2</sup> "Orthodox" theorists have in turn responded to the challenge with counter-attacks on the radical theorists.<sup>3</sup> The purpose

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<sup>1</sup>See, for example, the historical accounts of American imperialism in Zevin (1972), pp. 321-333; in Magdoff (1970a); and in Williams (1962).

<sup>2</sup>It would be impossible to list the names of all radical writers on the subject of American imperialism. For a representative sample of recent radical work, see Magdoff (1969), Kolko (1969), MacEwan (1972), and many of the essays reprinted in Fann and Hodges (1971).

<sup>3</sup>Orthodox critics of the radical theorists include Miller, Bennett and Alapatt (1970), Tucker (1971), and Cohen (1973).

of this essay is to examine these contending schools of thought with a view to determining their relative merit in analyzing the sources of contemporary American imperialism.

Given the variety of views and the differences of emphasis among theorists of each school, it is no easy matter to draw the line that separates radical from orthodox theories of imperialism. Sometimes it is suggested that the central distinctive feature of a radical approach is the prominence attributed to "economic" as opposed to other kinds of motivations for imperialism.<sup>4</sup> At other times it is contended that the key issue is whether or not the United States "requires" imperialism in order in some sense to survive.<sup>5</sup> While these may be important and interesting issues in their own right, they do not seem to me to go to the heart of the theoretical distinction between radical and orthodox approaches.

I believe that what fundamentally unites radical theorists is an insistence on analyzing societies as integrated social systems in concrete historical circumstances. The radical approach differs from the orthodox approach to the social sciences in the Western world (1) by emphasizing the interdependence of different spheres of a society rather than compartmentalizing these spheres and treating them independently, and (2) by analyzing a society in terms of its specific institutional structure rather than in terms of abstract universal propositions.<sup>6</sup> This distinction points to a criterion for distinguishing radical and orthodox theories of American imperialism which hinges on the significance attached to the particular form of socioeconomic organization that characterizes the United States.

The prevailing orthodox view attributes American imperialism primarily to the existence of a system of geographically distinct societies claiming independent political sovereignty. Orthodox theorists hold that the internal

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<sup>4</sup>See, for example, Kindleberger (1970), chapter 5.

<sup>5</sup>This is how the issue is posed by Miller, Bennett and Alapatt (1970).

<sup>6</sup>I am indebted to Noam Chomsky for help in clarifying the distinctive characteristics of a radical approach.

socioeconomic organization of a society has relatively little to do with the propensity for imperialist behavior. Rather, it is the externally imposed competition among sovereign states that generates imperialism in general and American imperialism in particular.<sup>7</sup>

Against this orthodoxy there is arrayed a variety of revisionist radical theories, inspired largely by the Marxist tradition.<sup>8</sup> The unifying distinctive feature of the radical theories is the assertion that American imperialism results to a significant extent from the fact that the United States is a capitalist society. Thus radical theorists argue that the internal socioeconomic organization of a society does make a great deal of difference, and that American imperialism cannot be adequately explained without reference to American capitalism.<sup>9</sup>

In this essay I propose to evaluate the contending theories by considering whether or not it is reasonable to locate sources of American imperialism in certain specifically capitalist institutions. In so doing, I will consider a variety of possible causal links between capitalism and imperialism that have been hypothesized by radical theorists and I will suggest a few new ones as well.

I begin in section II by defining clearly what I mean by the term "imperialism" and by listing as comprehensively as possible various poten-

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<sup>7</sup> Thus Cohen (1973), p. 000, states that "the real tap-root of imperialism" is "the anarchic organization of the international system of states... The logic of dominion derives directly from the existence of competing national sovereignties"; and Tucker (1971), p. 73, asks: "Why may we not say simply that the interests of states expand roughly with their power and that America has been no exception to this experience?"

<sup>8</sup> Not all radical theorists of imperialism would describe themselves as Marxists, but they do share the Marxist methodological emphasis on analyzing the internal socioeconomic structure of a society in order to understand its behavior.

<sup>9</sup> The distinction that I am making here between radical and orthodox theories can be related to the exhaustive classification of explanations of the causes of war suggested by Waltz (1959). Waltz divides explanations of war into three categories according to whether they are (1) based on human nature; (2) based on the internal structure of particular states; or (3) based on the (external) structure of a system of separate states. Orthodox theories stress the third category of explanation and tend to ignore the second; radical theories emphasize the importance of the second category.

tial sources of imperialism. In section III I attempt to determine which sources can plausibly be regarded as contributing to American imperialist activity in the postwar period. In section IV I first define the term "capitalism" and then go on to consider whether each plausible source of American imperialism is independent of internal socioeconomic organization or is rooted in specific capitalist institutions. Finally I conclude in section V that the radical view of American imperialism is indeed a valid one, and I proceed to examine some of the implications of that conclusion for anti-imperialist movements.

## II ALTERNATIVE SOURCES OF IMPERIALISM

The word "imperialism" is notoriously imprecise. So many writers have used it in so many different ways and for so many different purposes that it is incumbent upon anyone intending to discuss the subject to define quite clearly what is to be understood by the term.<sup>10</sup>

Among a host of alternative definitions one can usefully distinguish at the outset between Marxist and non-Marxist definitions. For Marxists imperialism represents a stage of capitalism associated with the growth of monopolistic firms in the industrialized capitalist nations and the spread of the capitalist mode of production across national borders into previously non-capitalist areas.<sup>11</sup> Marxists may differ as to the precise characteristics of the imperialist stage of capitalism, but there is a general consensus that imperialism is a term that describes capitalism in a particular phase of its development. Under such a definition, the relationship between imperialism and capitalism is purely tautological: where there is imperialism, there must by definition also be capitalism. One can dispute and investigate the consequences of imperialism, but the sources of imperialism are necessarily found in the capitalist mode of production.

For the purposes of this essay, a Marxist definition of imperialism is inappropriate. I seek to investigate certain patterns of behavior associated with the notion of "American imperialism" and to determine the extent to which these patterns of behavior result from the capitalist form of socioeconomic organization that characterizes the United States. For this to be a meaningful inquiry, imperialism must be defined in terms that are independent of any particular form of socioeconomic organization.

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<sup>10</sup>For useful discussions of the problems involved in defining imperialism, see Zevin (1972), pp. 316-321, and Cohen (1973), chapter 1.

<sup>11</sup>Lenin (1917) has provided the best-known Marxist definition of imperialism as "the monopoly stage of capitalism" characterized by "(1) the concentration of production and capital...(2) the merging of bank capital with industrial capital...(3) the export of capital...(4) the formation of international capitalist monopolies...(5) the territorial division of the whole world...". The quotations are from pp. 88-89 of the 1939 edition of Lenin (1917).

Non-Marxist definitions of imperialism generally refer to a relationship of domination/subordination between two communities, where a community is characterized as a social collectivity with a strong sense of one-ness.<sup>12</sup> The agent of domination may be public and/or private organizations in the dominant community; the sphere of domination may be military, political, economic, or cultural; and the communities may represent nations or ethnic groups within nations. However delimited, a non-Marxist definition of imperialism suggests the use of superior power or authority by one community of people to exercise control over another.

In this essay I will use the term imperialism in a non-Marxist sense according to the following definition: imperialism is activity on the part of a national government which involves the use of power (or the threat of its use) to establish or maintain a relationship of domination or control over the government or (some of) the people of another nation or territory over which the imperialist government has no traditional claim to sovereignty. This definition deliberately focuses attention on the activity of government agencies rather than private organizations, thereby ignoring an important but separable component of American imperialism.<sup>13</sup> Among the imperialist activities of government agencies it includes not only the most obvious instances of territorial annexation and military occupation, but also any use of military, economic or diplomatic power to establish, maintain or expand spheres of control over foreigners. In short, imperialism is defined here essentially as an expansionary foreign policy.<sup>14</sup>

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<sup>12</sup>A typical example of a non-Marxist definition of imperialism is the one proposed by Cohen (1973, p. 000): "any relationship of effective domination or control, political or economic, direct or indirect, of one nation over another."

<sup>13</sup>By focusing attention on government activity, I am ignoring the variety of means by which private firms or organizations use their own power directly to affect conditions abroad. But I do take account of the way in which they do this indirectly through their influence on government; see the discussion of motivations for imperialism based on class interests in particular economic gains in sections II, III and IV of the paper.

<sup>14</sup>My definition of imperialism is not equivalent simply to intervention abroad, for it excludes instances of economic or military aid to foreign friends and allies which do not entail any relationship of domination and control.

Some theorists of imperialism are content to rest with the general argument advanced by Landes that "one has to look at imperialism as a multifarious response to a common opportunity that consists simply in a disparity of power. Whenever and wherever such disparity has existed, people and groups have been ready to take advantage of it."<sup>15</sup> Such a view appears readily confirmed by the fact that imperialist activity is now, and has always been, carried out by relatively powerful states. Obviously the opportunity to carry out imperialist activity depends on the disparity of power between the potential actor and the potential victim.

But imperialist activity requires more than the opportunity consisting in a disparity of power; it requires also a motivation for a government to take advantage of that opportunity. If a government applies its superior power in an imperialist activity -- indeed, if a government chooses in the first place to develop the kind of power that can be deployed in an imperialist manner -- then there must be some identifiable motivation for its behavior. No theory of imperialism is complete without an explanation for this motivation.

Every imperialist activity involves some expenditure of energy and resources by the imperialist government. The expenditure may be trivial -- as in the case of diplomatic pressure -- or it may be very substantial -- as in the case of military intervention. If such expenditure is undertaken by a government, it must be done with the expectation that some kind of benefits will result from it. Accordingly, one can distinguish alternative motivations for imperialism according to the alternative kinds of interests which might be promoted by imperialist activity.

In analyzing alternative interests in imperialism I will distinguish carefully between a "national interest" and a "class interest." I will say that there is a national interest in an imperialist activity when the activity is expected to benefit the imperialist nation as a whole, in the sense that the aggregate benefits to citizens of the imperialist nation are expected to exceed the aggregate costs. I will say that there is a class interest in an imperialist activity when it is expected to result in net benefits for a particular class of people from among the citizens of the imperialist nation. If there is a national interest in an imperialist activity there is bound to be also at least one class interest, although

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<sup>15</sup>Landes (1961), p. 510.

there may be other classes for whom the anticipated net benefits are negative. On the other hand, if there is a class interest in an imperialist activity, there may or may not also be a national interest.

If one can identify a national interest in an imperialist activity, there is a prima facie motivation for the government to undertake it. The government will refrain from the imperialist activity only if (1) there is some class which stands to lose by the activity, and (2) that class has disproportionate power to prevent the government from undertaking the activity even though other classes stand to gain more than the particular class expects to lose by it. If one can find no national interest in a potential imperialist activity, there may nonetheless be a motivation for the government to undertake it if (1) there is a class interest in the activity and (2) the interested class has the disproportionate power to induce the government to undertake the activity even though other classes stand to lose more than the particular class expects to gain by it.

In the remainder of this section I will attempt to review as comprehensively as possible the major kinds of motivations for imperialism which have been suggested explicitly or implicitly by both radical and orthodox theorists. I will first consider motivations based on an identifiable national interest and the assumption that there is no losing class strong enough to prevent the imperialist activity; these will be labeled "national motivations." I will then consider motivations based on a particular class interest and the assumption that the class is powerful enough to have the imperialist activity undertaken; these will be labeled "class-based motivations."

A major national motivation for imperialism that is always cited and most strongly emphasized by orthodox theorists is to enhance national security.<sup>16</sup> It is argued that every nation has a collective interest in defending its territory against possible attack by other nations that may be or may become hostile and aggressive. Nations that are sufficiently powerful to engage in imperialist activity will find that efforts to control other nations can contribute significantly to national security by improving the military posture of the imperialist nation vis-a-vis its actual or

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<sup>16</sup>See, for example, Tucker (1971), esp. pp. 55-82, and Cohen (1973), chapter 7.

potential enemies.

A second possible national motivation for imperialism is one that is suggested in the work of many radical theorists: to maintain macro-economic prosperity, i.e., to avoid economic crises that threaten the viability of the whole economy.<sup>17</sup> A variety of different arguments have been advanced to explain how the pursuit of an imperialist foreign policy can help to maintain the prosperity of an economy. The arguments are usually presented in the context of capitalist economies, although some of them may conceivably apply to non-capitalist economies as well. In the following paragraphs I shall discuss alternative lines of reasoning that have been developed to link imperialism with macroeconomic prosperity.

The first line of reasoning is derived from the classical theory of underconsumption and associated with the work of Hobson, Luxemburg, and -- apparently erroneously -- Lenin.<sup>18</sup> Although various writers have expressed it in different ways, the basic argument can be summarized in a consistent and logically valid form as follows: (1) there is a chronic tendency in a capitalist economy for aggregate demand to be insufficient to absorb all of the output that is produced; (2) there is consequently a continual need to find new outlets for surplus production in order to avoid an economic crisis; (3) foreign countries and territories represent important potential markets for the domestic surplus; and (4) an imperialist foreign policy provides access to these markets for the imperialist country.

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<sup>17</sup>The desire to maintain macroeconomic prosperity is often presented by radical theorists in the context of a capitalist society as a class-based rather than a national motivation for imperialism. The reasoning is that only the dominant classes have a real interest in maintaining prosperity because it is primarily they who benefit from the existing economic system, while most of the people would be better off under another system which might replace a crisis-stricken capitalism. But this long-run outcome is problematic: in the short run everyone stands to lose if the economy is in crisis. Thus there is at least a short-run national interest --and possibly also a long-run national interest-- in maintaining economic prosperity. This kind of national interest is quite distinct from the kind of class interests discussed later in which the short-run and the long-run benefits accrue only to particular classes.

<sup>18</sup>See Hobson (1902), Luxemburg (1913), and Lenin (1917). Although some writers --e.g. Alavi (1964)-- associate Lenin with an underconsumption/surplus-capital theory of imperialism, drawing mainly on Lenin (1917), chapter 4, Harry Magdoff has stressed to me that this is a misrepresentation of Lenin's overall approach to imperialism.

Hobson regarded the problem of underconsumption/overproduction as potentially solvable through a redistribution of income, while Luxemburg argued that the problem was inherent in the structure of capitalism. Hobson emphasized the notion of "surplus capital" seeking outlets abroad and the need for capital exports, while Luxemburg stressed overproduction and commodity exports. But the underlying logic of the argument is the same in each case: surplus capital or overproduction at home can be alleviated by net capital exports, i.e., by selling more goods abroad than are purchased abroad for home consumption.

A variant of this line of reasoning can be formulated by extending the work of modern Marxists on the problem of surplus absorption in a capitalist economy.<sup>19</sup> This variant begins with the same premise of underconsumption or insufficient aggregate demand. However the solution to the problem is attributed not to net capital exports but to military expenditures. In this case a motivation for imperialism arises from the need to legitimize such expenditures: an interventionist foreign policy creates a climate in which it is easy to justify the maintenance of a large military establishment and high levels of military spending.

Apart from arguments linking imperialism to macroeconomic prosperity via the need to maintain a high level of aggregate demand, there is an alternative line of reasoning which focuses directly on a need to maintain access to foreign economies. Arguments along this line have been advanced by many radical theorists examining contemporary American imperialism<sup>20</sup>, and they are clearly inspired by some aspects of the work of early Marxist theorists of imperialism such as Hilferding, Luxemburg and Lenin.<sup>21</sup>

One such argument emphasizes a need for opportunities to undertake direct

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<sup>19</sup>Baran and Sweezy (1966), chapter 7, and Reich and Finkelhor (1970) have developed the argument that military expenditures are an important source of surplus absorption in the American capitalist economy. Although these authors do not suggest that imperialism is necessary in order to sustain such expenditures, Baran and Sweezy do stress the strong compatibility of militarism and imperialism.

<sup>20</sup>The work of Magdoff (1969) is probably the best known; other radical theorists arguing along related lines include Kolko (1969), Julien (1971), O'Connor (1971) and Dean (1971).

<sup>21</sup>See Hilferding (1910), Luxemburg (1913) and Lenin (1917).

capital investment in foreign countries or territories. It is argued that there tends to be an inadequate supply of profitable investment opportunities at home, and that access to more profitable investment opportunities abroad is necessary to maintain overall economic prosperity. Imperialism is motivated by the desire to assure adequate opportunities for such foreign investment.

A second argument focuses on a need for opportunities to export domestically produced commodities to foreign markets. It is argued that exports contribute significantly to economic prosperity -- e.g., by strengthening the balance of payments -- and that imperialism helps to provide the access to foreign markets needed to keep up the flow of exports.

A final argument stresses the importance of imported raw materials for an industrialized economy. This argument begins with the observation that there are a variety of key industrial raw materials whose domestic supply is inadequate to meet the input requirements of the economy. It is then contended that the economy would be severely crippled without access to foreign supplies of these materials, and that an imperialist foreign policy can play an important role in maintaining that access.

The desire to maintain macroeconomic prosperity and to avoid major crises is not the only possible national economic motivation for imperialism. Most writers would agree that imperialism may be motivated on national economic grounds simply in order to increase the aggregate economic gains accruing to the imperialist nation from its economic relations with other nations. The conditions under which private or public enterprises in one nation enter into trade or investment activities with or in other nations are obviously susceptible to the exercise of power. To the extent that one nation can exercise some degree of control over another, there are a variety of ways in which it can secure greater economic gains for its nationals than would be possible under a relationship of equality. The imperialist nation can use its power to improve the terms of trade and thereby lower the effective price of various imported commodities; it can enlarge export markets and increase the country's export earnings; it can secure more favorable conditions for its investors and thereby increase their repatriated profits; and in general it can open up new trade and investment opportunities in areas which for whatever reasons might otherwise not be receptive to economic intercourse. In all such cases there are of course particular classes of

people who have the most to gain from imperialism, and there are others who may have something to lose. But there is always a potential national interest -- in addition to a class interest -- so long as the overall benefits realized by citizens of the imperialist nation exceed the associated costs.

A fourth kind of national motivation for imperialism that has been suggested by some writers is based on a generalized missionary spirit.<sup>22</sup> It is argued that the people of a nation can be so imbued with a belief in the desirability of their own institutions and values that they feel morally justified -- indeed morally obliged -- to extend their system to other parts of the world, even where this requires the use of power to impose the system on recalcitrant foreigners. The gains arising from imperialism of this kind are neither military-strategic nor economic; they are psychic gains involving a sense of satisfaction derived from promoting (what is perceived to be) a better world.

A final national motivation for imperialism resembles the missionary spirit in that it involves psychic rather than military-strategic or economic gains: this arises simply from a generalized urge to dominate. Proponents of this view often contend that there is inherent in human nature an aggressive instinct that applies both on an individual and a group or national level.<sup>23</sup> People derive satisfaction from domination, from being "number one." Hence nations that can develop and apply the power to dominate other nations will be inclined to do so if only to satisfy the atavistic urge among their people to achieve a position of supremacy over others. Whether or not one considers the urge to dominate a natural human instinct, one can argue that in certain historical periods it has helped to motivate imperialist activity.

Among possible class-based motivations for imperialism one can identify first a motivation based on the interest of the dominant classes of any

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<sup>22</sup>The notion of a missionary spirit as one among several sources of imperialism is implicit in the work of Williams (1962), and it is suggested explicitly by Zevin (1972), pp. 357-360.

<sup>23</sup>The view that imperialism results from an atavistic human urge to dominate is most prominently associated with Schumpeter (1919), but it is also implied by Landes (1961).

unequal society in promoting their own social legitimacy.<sup>24</sup> There are several ways in which imperialist actions might serve to legitimate the dominance of some classes over others within a nation. By generating or accentuating antagonisms between the nation and other nations on an international level, imperialism can deflect attention and concern away from internal conflicts between dominant and subordinate classes and rally all people behind the leadership of the dominant classes. By maintaining or extending the geographical spread of institutions and values characteristic of the imperialist nation, and by limiting the spread of alternative institutions and values, imperialism can discourage the notion that there are any real alternatives to the existing system with its particular class relations. For such reasons a national "missionary spirit," and indeed excessive concern over "national security," may actually result from the efforts of dominant classes to promote their own social legitimacy on an ideological plane.

A second possible class-based motivation for imperialism may arise from the interest of civilian or military government bureaucracies in organizational expansion.<sup>25</sup> Members of virtually any organization have something to gain from an expansion in the volume of activity for which the organization is responsible: it leads to more promotions, more prestige, more power, if not more pay. This general phenomenon is no less true of the civilian and military agencies of government that are directly involved in imperialist activity. Such agencies will have a natural inclination to favor the expansion of imperialism wherever it is at issue.

One last major class-based motivation for imperialism, most frequently stressed by radical writers, arises from opportunities for particular firms, agencies or classes to increase their particular economic gains from international economic relations. Such opportunities are as varied as the opportunities cited earlier for increasing the aggregate economic gains from international economic relations, the only difference being that in this case there may be losses to other groups within the society which outweigh

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<sup>24</sup>Social legitimacy as a class-based source of American imperialism is stressed by MacEwan (1972), esp. pp. 49-51.

<sup>25</sup>Emphasis on the military bureaucracy as a source of American imperialism is common among contemporary "liberals"; see, for example, Bosch (1968) and Melman (1970).

the gains from imperialism. Improving terms of trade, widening export markets, providing privileged access to raw materials, securing better conditions for investors, opening up new areas for trade and investment any and all of these can lead to economic gains for particular firms, agencies or classes. They will therefore be motivated to press for imperialist acts to achieve such results, whether or not the net benefits to the nation as a whole are positive.

### III MOTIVATIONS FOR AMERICAN IMPERIALISM

The pattern of American imperialism in the postwar period is susceptible to a variety of interpretations. Each act of imperialism is consistent with several different explanations based on some of the different motivations for imperialism listed in the previous section. Hence it is impossible to isolate one particular source of imperialism as the only or even the major explanatory factor. It is most likely in any event that several different factors have contributed to American imperialism, and the most one can expect to do in examining competing explanations is to determine which are plausible and which are not. In this section I propose to examine each motivation for imperialism cited earlier to evaluate its plausibility in the context of the contemporary United States.

To demonstrate the plausibility of a motivation for imperialism one must first identify an interest in imperialism and then show that the structure of power is such that the interest in imperialism will be reflected in government policy. In the case of a national interest one need only show that there is no class opposed to imperialist activity which has sufficient power to prevent it. In the case of a class interest one must show that the interested class has sufficient power to promote imperialist activity. In the following paragraphs I will first consider whether or not there have been interests in American imperialism corresponding to each of the motivations discussed in section II. I will then turn to an examination of the distribution of power to affect government decision-making about imperialist activity.

Explanations for American imperialism based on a national security interest have a ring of plausibility. American political leaders have not hesitated in the postwar period to brand the Soviet Union or China as an aggressive hostile power and to justify military interventions and military bases around the world as necessary to protect the United States against enemy attack. Yet it is difficult to see how any rational calculus based on national security considerations could explain many instances of

American intervention that have taken place in small and/or distant countries such as Vietnam, the Dominican Republic, Guatemala, etc., which pose no visible threat to American security no matter with whom they might be allied. Nor is it plausible that national security considerations could require American economic dominance of many countries in the world with little economic or military potential. Of course, an irrational calculus might give rise to exaggerated notions of what is required for American national security, but to appeal to irrationality to explain such a persistent pattern of behavior is to place much too heavy a burden on a thin reed. Granted that a national security interest probably plays some role in motivating American imperialism, it cannot by any stretch of the imagination be regarded as the primary tap-root.<sup>26</sup>

The possibility that American imperialism has been motivated by a national interest in promoting macroeconomic prosperity is one which has given rise to a great deal of controversy. Several orthodox theorists<sup>27</sup> have undertaken detailed analyses which purport to demonstrate that the American economy is not structurally dependent upon imperialism for its prosperity, i.e., that it could maintain its prosperity without resorting to any imperialist activity. This proposition may well be true. But even if imperialist activity was not absolutely necessary to maintain prosperity, it remains perfectly possible that imperialist activity has been -- and will continue to be -- motivated by an interest in promoting prosperity. One need only show that imperialism can contribute to prosperity, and that it is plausible to attribute some American imperialist activity of this motivation.

The first two variants of the macroeconomic prosperity motivation for imperialism are based on the presumed need to maintain a high level of aggregate demand. There can be little question that the maintenance of an adequate level of aggregate demand has been an important economic

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<sup>26</sup>The notion that a national security interest is the primary tap-root of imperialism is advanced by Cohen (1973), chapter 7.

<sup>27</sup>See Miller, Bennett and Alapatt (1970); Tucker (1971), pp. 117-138; and Cohen (1973), chapter 4.

policy problem of the United States government. Several postwar recessions attest to the persistence and the difficulty of the problem. It is also undeniable that increases in net exports (exports minus imports) and/or military expenditures contribute to higher levels of aggregate demand. And one can envision circumstances in which imperialist activity could promote both of these sources of demand. Hence, these arguments for a macroeconomic prosperity interest in imperialism are logically valid; the only question is whether they are empirically plausible in the context of the postwar United States.

A glance at the relevant macroeconomic statistics casts great doubt on the significance of net capital exports in maintaining aggregate demand. Throughout the postwar period net exports from the United States have rarely exceeded 1% of the gross national product (GNP), and in recent years they have actually become negative.<sup>28</sup> One might argue that in the absence of imperialist activity the net export figures would have been even lower, but the quantities involved are so small in relation to total GNP that it is quite implausible to suggest that American imperialism has been motivated to any significant extent by a national interest in promoting macroeconomic prosperity through higher net exports.

The case that military expenditures have been undertaken to bolster aggregate demand is much stronger. The rate of military spending as a proportion of GNP has varied between 7% and 13% since 1950, and military spending has been by far the largest single component of aggregate demand under government control.<sup>29</sup> Moreover, there has been an unmistakable correlation between periods of relatively high military expenditure and periods of relatively high levels of aggregate demand.<sup>30</sup>

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<sup>28</sup>This can be verified by a glance at the annual figures of U.S. net exports and gross national product displayed in Table C-1 of the 1973 Economic Report of the President.

<sup>29</sup>Annual figures for U.S. "national defense" expenditure as well as gross national product are given in Table C-1 of the 1973 Economic Report of the President.

<sup>30</sup>This correlation is documented in the Appendix to Weisskopf (1972b)

Such observations are suggestive, although by no means conclusive. Even granting a significant role to military spending in maintaining aggregate demand, one must still consider whether it is plausible that imperialist activity has been motivated by an interest in keeping up military spending. Certainly many kinds of imperialist activity -- from the maintenance of military bases abroad to actual military interventions abroad -- serve to increase the demand for military expenditures. Moreover, by antagonizing other nations imperialist activities can increase the threat of military action against the imperialist nation or its nationals abroad and thereby indirectly contribute to a greater demand for military expenditures. But the fact that imperialism often results in higher military expenditures does not prove that it is undertaken even in part for that purpose. There are many ways in which an increase in military spending can be and has been justified by the American government (e.g., in terms of national security), and it seems rather implausible to suggest that imperialist activity has been intended to legitimize military spending.

The three remaining motivations for imperialism based on a national interest in macroeconomic prosperity focus on the need for foreign investment, exports and imports, respectively. Two questions must be addressed in an assessment of the plausibility of such motivations in the postwar United States: how important are foreign investment, exports and imports for the prosperity of the American economy, and to what extent does imperialism contribute to sustaining the flow of foreign investment, exports and imports?

Turning first to foreign investment, there is no doubt that the magnitude and rate of growth of U.S. direct private investment abroad in the postwar period has been formidable. The total value of U.S. direct private foreign investment rose from \$11 billion in 1950 to \$86 billion by 1971.<sup>31</sup> As a proportion of the corresponding total value

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<sup>31</sup>These figures are drawn from articles on the international investment position of the United States published annually in one of the monthly issues of the Department of Commerce's Survey of Current Business.

of U.S. corporate assets at home and abroad, direct private foreign assets represented approximately 5% in 1950 and 10% in 1971.<sup>32</sup> The relative importance of after-tax profits from this foreign investment appears to have been even greater, rising from less than 10% of total after-tax corporate profits to approach 20% two decades later.<sup>33</sup>

Should the United States economy suddenly be deprived of access to these foreign investment assets, it is likely that macroeconomic prosperity would be threatened. At the very least there would be a very difficult period of economic readjustment. Yet it does not follow that U.S. imperialist activity can plausibly be ascribed to an interest in assuring sufficient investment opportunities abroad to preserve macroeconomic prosperity. For many of these opportunities are available and will remain available whether or not the United States undertakes any imperialist activity. More than two-thirds of the total investment assets and more than one-half of the profits therefrom result from investment undertaken in the "developed" capitalist countries<sup>34</sup> whose borders are generally open to foreign investors without serious hindrance.<sup>35</sup> Of the remaining U.S. assets and profits generated in the "underdeveloped" countries, some might well be dependent on the pursuit of an imperialist policy while others would not. But it is difficult to argue that the overall prosperity of the American economy would be seriously affected by the loss of investment opportunities that accounted for substantially less than 5% of total corporate assets and substantially less than 10% of total after-tax corporate profits. The United States economy -- and certain particular firms -- would suffer some economic losses, but there is every reason to believe that the economy would remain buoyant with a somewhat lower level of direct private investment abroad.

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<sup>32</sup>These percentages are drawn from Weisskopf (1972c), table 10-B; the figure for 1971 is based on an extrapolation of the trend through 1969.

<sup>33</sup>See footnote 32.

<sup>34</sup>For documentation see Weisskopf (1972c), Table 10-D.

<sup>35</sup>Among the "developed" capitalist countries only Japan places strict limitations on foreign investment in the domestic economy.

The case of exports is similar to the case of foreign investment: the magnitude of exports dependent upon the pursuit of an imperialist foreign policy appears too low to render plausible the hypothesis that American imperialism has been motivated to some extent by an interest in maintaining macroeconomic prosperity through export promotion. Throughout the postwar period exports have constituted less than 5% of the total GNP of the United States; moreover, approximately two-thirds of these exports have gone to the "developed" capitalist countries whose markets generally remain accessible with or without American imperialism.<sup>36</sup> And even in the "underdeveloped" countries the accessibility of most markets to American exports does not seem likely to depend upon imperialist activity. Once again, the United States economy -- and particular exporting firms -- would suffer some losses if accessibility to certain export markets dependent upon imperialism were denied. But it seems very implausible that such losses could precipitate a general economic crisis, and it is therefore implausible that any imperialist activity has been motivated by an interest in maintaining overall prosperity through exports.

At first glance it might appear that a similar case could be made for imports, whose total value as a proportion of GNP in the United States is virtually the same as that of exports. But imports can have a significance far greater than their nominal value if they consist of raw materials required as imports into some production process. For unless the flow of raw materials is maintained, the production of an entire industry may have to be cut back, and this in time can have significant repercussions throughout an interdependent industrialized economy.

The extent to which the American economy has come to make use of imported raw materials has been extensively documented in a variety of sources.<sup>37</sup> Imports account for a large fraction of the supply of key

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<sup>36</sup> Figures on the value of U.S. exports to "developed" and "developing" countries, respectively, are given in Table C-89 of the 1973 Economic Report of the President.

<sup>37</sup> See Magdoff (1969), esp. pp. 45-54; Kolko (1969), Chapter 3; Julien (1971); Dean (1971) and Brown (1972).

metals such as tin, nickel, manganese, mica, platinum, titanium, chromium, tungsten, and cobalt. Moreover, imports account for an increasingly significant fraction of the supply of such common minerals as iron ore, copper, bauxite, lead and zinc. And the current "energy crisis" has highlighted the growing extent to which American oil supplies are likely to come from abroad. The foreign sources of most of these raw materials are located not in the "developed" capitalist countries, which are relatively accessible from the point of view of the United States, but in the "underdeveloped" countries to which access can be unreliable.

Granted that the United States currently imports significant quantities of key raw materials from "underdeveloped" countries, it remains to be determined whether imperialist activity may plausibly be motivated by an interest in keeping up the flow of such imports. Critics of this view<sup>38</sup> have argued (1) that possibilities for substitution in the process of production or in the composition of end-products consumed are plentiful enough to provide alternatives to the import of any particular raw material, and/or (2) that imperialism is not necessary to assure access to needed imports because the exporters of key raw materials have nothing to gain (and much to lose) by denying their products to the huge American market. These arguments may hold in some long-run sense, and they may well support the proposition that the American economy is not critically dependent upon imperialism for its ultimate survival. But they do not rule out the possibility that imperialist activity may have been intended to contribute to macroeconomic prosperity within a shorter time horizon by preventing critical raw material shortages from arising. For in the short-run it is very difficult to change production processes or consumption patterns, and in the short run it is quite possible that a raw material exporting country (or several such countries acting together) might withhold their exports from the

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<sup>38</sup>See Miller, Bennett and Alapatt (1970), pp. 16-17; and Tucker (1971), pp. 118-126.

United States for economic or political reasons. In conclusion, it appears that the only plausible argument that some American imperialist activity has been motivated by an interest in maintaining macroeconomic prosperity is one which is based on the importance of ensuring regular and dependable access to foreign sources of key raw materials.

Quite apart from any incentive for imperialism based on considerations of macroeconomic prosperity, there can be little doubt that an interest in aggregate economic gains has played some role in motivating American imperialism. Whether or not the preservation or the expansion of foreign investment opportunities, export markets and import sources have been essential to maintain macroeconomic prosperity, they have certainly made possible some net economic gains for the American economy. American domination of many poor countries in the world has increased the share of the gains from trade and investment accruing to Americans rather than to citizens of the dominated countries or to citizens of rival industrialized capitalist countries. It would be quite implausible to suggest that the U.S. government would refrain from taking advantage of potential aggregate economic gains made possible by imperialist activity.

Turning now to national interests in imperialism based on psychic gains, one must consider the plausibility of the missionary spirit and the urge to dominate as contributing elements in motivating American imperialism. It cannot be denied that since American independence the notion that the United States is a uniquely great nation ("God's own country") and the notion that the American way of life represents a supreme human achievement have been systematically fostered and have gained wide currency among the American people. One can be as cynical as one wishes about the sources and purposes of this chauvinist ideology, but one cannot deny that it exists. It follows that it is quite plausible to attribute popular support for many imperialist ventures to a belief that American domination of other peoples and countries may in fact be good for them. Certainly the United States government has often cast its imperialist activities in the light of a modern "white man's burden", and this has made imperialism more palatable for those involved in carrying it out. Without yet inquiring

into the roots of the missionary spirit itself, one can plausibly attribute to it a role in encouraging American imperialism.

Like the missionary spirit, the urge to dominate would seem to be applicable to a significant extent to contemporary American society. It is trite but no less true to point out that most Americans are steeped in a competitive ethic that places a tremendous premium on winning. That there are always winners and losers, that some must be dominant and others subordinate -- these are propositions that generally go unquestioned. It follows that there is a great urge to dominate, if only to avoid being dominated. And this individual urge is easily translated into a national urge to dominate other nations, whether or not there is a serious danger of being dominated. Again, without inquiring into the origins of the urge to dominate, it seems quite plausible to ascribe to it a role in motivating American imperialism.

Class interests in imperialist activity are almost invariably cloaked in an ideological cover that emphasizes alleged national interests. Postwar American imperialism has most often been justified by appeals to national security and/or to the missionary spirit. For example, many imperialist activities have been associated with an anti-communist ideology that stresses both the threat to American national security allegedly posed by communist powers and the benefits accruing to non-communist nations as a result of United States efforts to "protect" them from communism. Other imperialist activities have been represented as important to protect American national economic interests in a competitive world economy. Sometimes a national interest is actually involved, but often the rhetoric of national interest merely serves to obscure situations in which only a class interest is really at stake.

One can quite plausibly ascribe to the dominant classes in the postwar United States a class interest in imperialism based on the desire to promote their own social legitimacy. By encouraging imperialist activity against actual or potential socialist societies in various parts of the world, the dominant classes in American society could hope to restrain the territorial spread or the success of institutions and values

that might ultimately undermine the legitimacy -- and hence threaten the viability -- of the American capitalist system in which they dominate. Indeed, it is plausible to suggest that the ideology of anti-communism so prevalent in the United States and so often used to justify American imperialism has been promoted by the same interest of the dominant American classes in preserving American capitalism against competing alternatives identified with socialism or communism.

The interest in organizational expansion of the civilian and especially the military bureaucracies involved in American imperialist activity has surely also been a force favoring postwar American imperialism. No student of contemporary history can fail to note the enthusiasm of the Pentagon for military interventions and military bases around the world. A similar enthusiasm for intervention into the affairs of foreign societies can be found in the ranks of American political, economic and cultural agencies abroad. All such civilian and military agencies thrive on foreign involvement, which can both lead to and result from the domination of foreigners.

Probably the most significant class interest in imperialism in the postwar United States has been based on the opportunity for particular economic gains by private enterprises. There can be no doubt that in the postwar period many -- if not all -- American firms have had an economic interest in some kind of imperialist activity. First of all, those firms that have invested abroad, that export to foreign markets, or that import from foreign sources, have stood to gain by having the power of the American government exercised on their behalf in shaping the terms and conditions of foreign economic relations. Secondly, private firms without any past involvement in foreign economic relations may nevertheless have looked forward to future opportunities made possible by imperialist actions that help to preserve or to extend the areas open to American private enterprise. Finally, even those firms that never trade or invest abroad have stood to gain to the extent that imperialism promotes an increasing internationalization of the division of labor, for this places relatively scarce American labor in increasing competition with relatively

abundant foreign labor.<sup>39</sup> For all of these reasons it is no exaggeration to suggest that there exists a substantial class interest in imperialism on the part of the American capitalist class.

It remains now to consider whether the distribution of power in the United States has been such as to permit the interests in imperialism identified above to be translated into imperialist government policy. To answer this question one must first seek to identify those groups within American society who have something to lose by imperialist activity and might therefore possibly oppose it. First of all, there are all the taxpaying citizens and firms who ultimately bear the financial burden of imperialism. In the case of military action there are the soldiers who suffer injury or death. There may also be particular groups whose interests are adversely affected by the results of an imperialist activity: for example, the consumers of oil who pay higher prices when the monopolistic position of the oil companies is protected; or the workers who lose their jobs because a firm shifts its operations to a more profitable foreign location; or the businesses which find themselves at a competitive disadvantage because a rival firm secures a privileged position abroad.

In the case of a national interest in imperialism the losses to such groups are by definition outweighed by the aggregate gains to the whole population. There may even be offsetting gains to groups that have something to lose. Only if a group that suffers net losses has also a vastly disproportionate power to influence government decisions on imperialism can it be expected to prevent imperialist activity that is in the national interest. A glance at the categories of possible losers listed above reveals little political strength. The financial costs of imperialism are diffused widely among the taxpaying public and may be offset by diffused aggregate gains. Soldiers are disproportionately drawn from the poorest and politically weakest strata of society. Consumers, workers and businesses who lose from a particular imperialist activity tend to be

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<sup>39</sup> I was reminded of this point by Sam Bowles; it follows from the neoclassical theory of international trade and was first emphasized in a classic article by Stolper and Samuelson (1941).

isolated and organizationally weak. In sum, there is every reason to believe that in the postwar United States a national interest in imperialism is sufficient to motivate government policy without serious opposition.

To demonstrate that a class interest in imperialism is sufficient to motivate government policy, even in the absence of a national interest, one must make a stronger case. It must be shown not only that the potentially anti-imperialist opposition tends to be weak, but also that the pro-imperialist class is disproportionately strong.

There are several factors that work to favor the beneficiaries of imperialist activity over the losers in the determination of American foreign policy. First, although the beneficiaries may be much fewer in number, they typically command much greater wealth and power than the losers and therefore have a vastly disproportionate influence on decision-making even in the most democratic of political frameworks.<sup>40</sup> The dominant classes with an interest in promoting their own social legitimacy have by definition a dominant position and correspondingly disproportionate power to shape foreign policy. The civilian and military bureaucracies interested in organizational expansion can count on the potent political force represented by the Pentagon and its allies in the military-industrial complex in contemporary American society. And the capitalist class with its interest in particular economic gains is obviously much stronger economically and politically than the rest of American society. Moreover, within the capitalist class, the firms most directly involved in foreign economic operations include many of the most powerful corporations in the United States. In 1965, nine of the largest ten and at least 18 of the largest 25 corporations (ranked by sales) were significantly involved in foreign operations.<sup>41</sup> These 18 corporations alone accounted for almost 20% of the total sales and almost 30% of the after-tax profits of all

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<sup>40</sup> Miliband (1967), chapters 6 and 7, describes many of the means by which powerful groups are able to wield disproportionate power in a capitalist democracy.

<sup>41</sup> This is documented in Weisskopf (1972c), Table 10-E.

American industrial corporations.<sup>42</sup> Hence even when there are conflicts of interest within the capitalist class over particular imperialist activities, the balance of power often tilts in favor of the pro-imperialists.

A second factor that enhances the effective power of the beneficiaries of imperialism is that the gains from an imperialist action tend to be large for the immediate beneficiaries while the losses tend to be spread widely and therefore thinly over the much larger number of losers. Under such circumstances, the gainers are always better motivated and better situated to mobilize themselves as an effective political force. It is not necessary that the beneficiaries of imperialism dominate all policy-making in order that the government be induced to undertake imperialist activities that serve particular class interests; it is only necessary that the beneficiaries exercise disproportionate influence in the sphere of foreign policy, which they can more easily do if the losers have less at stake and hence less interest in foreign policy decisions than the beneficiaries.<sup>43</sup>

Finally, the gainers from imperialism can often generate support -- or at least consent -- from among the objective losers by playing upon compelling ideological themes that suggest a national rather than a class interest. It has already been suggested that the presumed national interest in national security and the apparent national missionary spirit in the United States may in fact be traceable in considerable degree to class interests in imperialism, even though such national interests may come to exert an independent influence on foreign policy.

In sum, the balance of power seems likely to tilt in favor of imperialism in contemporary American society unless the costs of a given activity become so high as to weigh heavily and obviously on large segments of the population, or unless the activity involves a sharp conflict of interest among powerful classes themselves. Such situations do arise from time to time (e.g., the war in Vietnam), and they set limits on the extent to which -- or the manner in which -- the United States government is motivated to pursue imperialist policies. But it is clear that long before

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<sup>42</sup>See footnote 41.

<sup>43</sup>I am indebted to Sam Bowles and Noam Chomsky for making this point.

such a point is reached there is a great deal of scope for American imperialism based on class interests without any national interest necessarily at stake.

One final point deserves mention here. The analysis in this essay has been developed in a framework of assumed rationality. Motivations for American imperialism have been attributed to the interests and power of various classes within American society, under the assumption that people and groups generally perceive their interests and act upon them insofar as their power permits. It is of course quite conceivable that some American imperialist activity has resulted either from gross misperceptions of reality, or from highly irrational drives. That such possibilities have been excluded from the analysis reflects a belief not that they do not exist, but simply that they are not of great importance. To attribute a major role to misperceptions and irrationality in explaining American foreign policy is to subscribe to a fundamental cynicism about human behavior that would make social studies difficult and meaningful action virtually impossible.

#### IV CAPITALISM AND AMERICAN IMPERIALISM

Like "imperialism", "capitalism" is a word that means many different things to many different people; hence it is important to define clearly what is intended by the term. I will attempt to define capitalism so as to reflect the general usage of radical writers whose views on the relationship between imperialism and capitalism are at issue in this essay.

Capitalism is a form of socioeconomic organization (or a "mode of production", to use the Marxist term) which is characterized by all of the following conditions.<sup>44</sup> (1) Private ownership of the means of production: a significant share of the productive wealth of the society is owned by private individuals pursuing private profits. (2) Proletarianization of the work force: a large proportion of the population has virtually no claim to ownership of the means of production and is obliged to sell its labor services in the labor market in order to receive any income. Conversely, a small proportion of the population owns most of the means of production. (3) Hierarchical control of the production process: economic activity is carried out by units of enterprise in which decision-making control is vested in (at most) a few top owners and managers while the great majority of workers have no such control. (4) Individual material gain incentives: labor is allocated and work is motivated by a system of differential economic rewards in the form of money wages and profits received by individual workers and owners of the means of production.

There can be no doubt that the form of socioeconomic organization prevailing in the contemporary United States as well as in Canada, most of Western Europe, Japan, Australia and New Zealand, conforms to each aspect of the above definition of capitalism. Not so obvious, perhaps, is the fact that there is nothing inevitable or universal about the capitalist form of socioeconomic organization. Not only have earlier historical eras displayed examples of societies that are characterized by few or none of the conditions associated with capitalism, but contemporary "socialist"

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<sup>44</sup>For a very similar characterization of the capitalist mode of production, see Edwards, Reich and Weisskopf (1972), introduction to chapter 3.

societies show evidence of varying degrees of departure from the four basic features of a capitalist society listed above.<sup>45</sup>

Certain consequences of the capitalist form of socioeconomic organization deserve emphasis here. The viability of any social system requires that there be a prevailing set of institutionalized values which encourage patterns of behavior consistent with the smooth functioning of the system.<sup>46</sup> These values are an essential complement to the basic socioeconomic institutions that define the system. In the case of capitalism, the successful operation of individual material gain incentives requires that people behave as "homo economicus", the economically rational man.<sup>47</sup> Homo economicus strives for individual gain; he seeks to maximize his money income in order to satisfy his wants; he is concerned about the extrinsic rewards for his productive activity rather than the intrinsic quality of the activity itself. Such behavior must be sustained by a set of values that emphasize the importance of the individual rather than the larger community, that urge competition rather than cooperation, and that stress the primacy of material goods and services (purchasable with money income) for satisfying human needs and promoting human welfare. These capitalist values place a tremendous premium on increasing the supply of marketable goods and services available to the society, while other conceivable social goals -- e.g. greater equity, greater economic self-sufficiency at a local or national level, development of more meaningful and less fragmented communities, improvement of the quality of the work experience -- are viewed as subordinate to the primary goal of economic growth.

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<sup>45</sup>China appears to have moved furthest from a capitalist mode of production; Cuba to a lesser degree; and the Soviet Union only to the extent of abolishing private ownership of the means of production. For useful discussions of the contemporary Chinese mode of production, see Gurley (1971) and Riskin (1973).

<sup>46</sup>This proposition has been elaborated in the work of Gintis (1972), who combines elements of Marxian and Parsonian theories of the structure of social systems.

<sup>47</sup>See Edwards, Reich and Weisskopf (1972), introduction to Chapter 3, as well as Gintis (1972) for discussion of this point.

A second important consequence of capitalism concerns the process and the outcome of income distribution.<sup>48</sup> Private ownership of the means of production and reliance on individual material gain incentives imply that in a capitalist society income distribution is linked directly to the process of production. Property income and labor income are distributed to the owners of property and the sellers of labor essentially according to the market-valued contribution of their property and their labor to the output of goods and services. Income distribution is therefore not a matter for political determination by the society as a whole; instead, it emerges largely from the process whereby the market mechanism allocates resources to production. This process of income distribution is bound to create great inequalities of income. Not only does the small proportion of the population that owns most of the means of production receive the lion's share of property income, but also labor income is very unequally distributed because of the need to allocate and motivate work through differential economic rewards. Hence, a capitalist society is inherently an economically unequal society.

A final important consequence of the capitalist form of socio-economic organization stems from its inherent economic inequality and from the inherent social inequality that results from hierarchical control of the production process. Economic and social inequality (which are bound to be highly correlated) imply political inequality. A society that is predicated upon significant economic and social differentials is a society in which there cannot be genuine democracy, in the sense of equal participation in political decision-making by those affected by the decisions. So long as some people have much greater access to economic resources than others, they can have much greater influence on political decision-making; and so long as the structure of decision-making at the workplace is highly authoritarian, one cannot expect the structure of decision-making at the community or national level to be egalitarian.<sup>49</sup>

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<sup>48</sup>The process and the outcome of income distribution in a capitalist society is analyzed in greater detail by Weisskopf (1972a).

<sup>49</sup>That democracy at the workplace is a prerequisite for democracy in other spheres of life is emphasized by Pateman (1970).

Thus capitalism is fundamentally incompatible with democracy.<sup>50</sup>

The question to be considered now is whether the sources of American imperialism identified in section III are related in any significant manner to the capitalist institutions that characterize the contemporary United States, or -- alternatively -- whether they have little to do with the specifically capitalistic character of American socioeconomic organization. In the following paragraphs, I will examine each plausible source of American imperialism to evaluate its relationship to capitalism.

The first motivation for imperialism that appeared applicable to the contemporary United States was based on a national interest in national security. To the extent that this interest is not merely an ideological cover for other interests, it is one which arises as a result of potential external threats to the nation. The existence and strength of such threats depends upon the disposition of foreign powers towards the United States. Whatever the character of American internal socioeconomic organization, there is always a possibility that foreign powers will prove hostile. So long as the world is divided into nation-states without an accepted and respected superior authority to maintain world peace, each individual nation-state will have some justifiable concern about its national security. Hence the national security motivation for imperialism is one which would not seem to be attributable in any significant sense to capitalism, or to any other specific form of socioeconomic organization.

Among various motivations for imperialism arising from a national interest in macroeconomic prosperity, the only one that appeared plausible in the context of the contemporary United States was based on a need to secure access to foreign sources of key raw materials. At first glance such a need does not seem to be peculiar to capitalism. If the American economy is critically dependent upon key raw materials, it is hard to see why this dependence should be any less significant under some form of socioeconomic organization other than capitalism. Yet closer examination of the question suggests a line of reasoning which might well link raw-material-oriented imperialism in some degree to capitalism.

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<sup>50</sup>I am indebted to many critics of the earlier version of my paper for stressing this point.

The demand for raw materials in an economy depends upon both the aggregate level and the sectoral composition of output. The higher the level of output, and the more heavily the sectoral composition of output is weighted toward industries requiring imported raw materials, the greater will be the demand for such imports. Given the emphasis placed on economic growth in a capitalist society, one can argue that capitalism is likely to generate a more rapid rate of growth of output and correspondingly higher levels of demand for imported raw materials than might an alternative form of socioeconomic organization. Moreover, the very unequal distribution of income associated with capitalism may lead to a sectoral composition of output that is oriented more heavily towards products requiring imported raw material inputs than would be the case under conditions of greater equality. For the kind of products whose production is most dependent upon the import of key raw materials tend to be industrial and technologically sophisticated (e.g. jet engines), and such products cater disproportionately to the demand of rich consumers. The demand of the poor and middle-income classes is more heavily concentrated on agricultural and simpler industrial products whose production is less dependent on scarce raw materials. Assuming that the composition of output reflects to some extent the structure of demand,<sup>51</sup> inequality in the distribution of income will be associated with greater dependence on key raw material imports.

Obviously a non-capitalist society could also generate a motivation for imperialist activity designed to secure access to foreign sources of raw materials. But there are nonetheless grounds for believing that under otherwise similar circumstances such a motivation would be especially strong under capitalism because of its emphasis on economic growth and its inherent economic inequality.

A national interest in aggregate economic gains -- like a national interest in macroeconomic prosperity -- could serve to motivate imperialist activity both in capitalist and in non-capitalist societies. But again there is good reason to believe that such a motivation would be particularly

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<sup>51</sup> In principle foreign trade can break the link between the composition of domestic output and the structure of domestic demand, but in practice trade is never carried out so extensively as to divorce the two entirely.

forceful under capitalism. First of all, the emphasis placed on the desirability of increasing the available supply of goods and services in a capitalist society puts a great premium on the ability of a government to promote economic growth. In a society where there is such pressure to "deliver the goods", the government will be more highly motivated to seek out and exploit opportunities for economic gain through imperialism than it would in a society where other social goals were relatively more important.

One alternative social goal that is notably de-emphasized under capitalism is economic self-sufficiency. Capitalism encourages a relatively high degree of economic specialization in order to reap the economic gains made possible by a wide division of labor. Hence capitalism discourages efforts to promote self-sufficiency at a local or national level, for this requires deliberate diversification rather than specialization of economic activities. But the greater the emphasis placed on specialization, the more extensively a society will undertake international trade and investment whose purpose is precisely to reap the economic efficiency gains from extending the division of labor from a national to an international level. Hence a capitalist society is likely to be more heavily involved in international economic relations than an alternative society with a greater orientation to self-sufficiency and a capitalist government would have correspondingly greater opportunities as well as a greater incentive to secure economic gains from imperialism.

The existence of a national missionary spirit that motivates imperialism requires that two conditions be satisfied. On the one hand, there must be a strong belief by the people of a society that their own way of life is a superior one. On the other hand, there must be a belief in the acceptability of imposing a way of life on others through the use of dominant power. The first of these conditions cannot be identified more strongly with one form of socioeconomic organization than another. For good or bad reasons, people in both capitalist and non-capitalist societies may well come to believe in the superiority of

their own system. But whether people will find acceptable the use of power to spread a system depends upon the extent to which concern about outcomes overrides concern about the processes whereby those outcomes are achieved. The more highly the values of a society stress genuine democracy -- participation in decision-making by those affected by the decisions -- the less acceptable will be the imposition of a system on others no matter how "good" for them it may appear to be. Hence the more truly democratic the form of socioeconomic organization, the less will be the motivation for imperialism based on a missionary spirit. And because capitalism precludes true democracy, a capitalist society will be more susceptible to undertake missionary imperialism than an alternative society more compatible with democracy.

The urge to dominate as a source of imperialism is often described as an innate human drive, an element of human nature impervious to the social environment. Yet it seems quite unreasonable to insist that the form of socioeconomic organization and the values that complement it have no influence on the attitude of people towards one another. Instead, one would expect rather different attitudes to emerge from (1) a society which stresses the importance of the individual and competition among individuals and (2) a society which stresses the importance of the community and cooperation among its members. The more competitive a society, the more an individual is likely to be motivated to dominate others, and the more the society as a whole may be motivated to dominate other societies. Without question capitalism is a highly competitive form of social organization, and the urge to dominate is therefore more likely to motivate imperialism in a capitalist society than in many other less competitive social systems.

For a class interest alone to motivate imperialism, there must be a class with both the interest and the power to influence the government to undertake an activity that is not in any national interest. In studying the relationship between capitalism and class-based imperialism, one must therefore examine both the nature of class

interests and the distribution of class power. Turning first to the question of power, it is clear that there can be no class-based motivation for imperialism in a genuine democracy. For if everyone in a society participated equally in the political process, the government could not undertake imperialist activities whose anticipated costs to the society as a whole were greater than the anticipated benefits to a particular class. Since capitalism is incompatible with true democracy, a capitalist society offers a potential for class-based imperialism of various kinds which would not be possible in an alternative democratic society. If only for this reason, the fact that a particular society is capitalist does affect the likelihood of imperialist activity.

It can also be argued, however, that capitalism generates certain class interests in imperialism that would either be absent or be less forceful under other possible forms of socioeconomic organization. This appears to be true of at least two of the three types of class interest that were cited in section III as applicable to the contemporary United States.

A class interest in promoting social legitimacy through imperialism becomes significant whenever dominant classes in a society have reason to be concerned about the acceptance of their dominance by the rest of the people. As a very unequal form of socioeconomic organization, capitalism obviously generates some dominant classes, and these classes have a potentially greater concern about their social legitimacy than would (less) dominant classes in a more equal society. But while its basic economic institutions imply profound inequalities, the value system associated with capitalism -- with its emphasis on the right (and obligation) of individuals to compete with one another in striving for personal advancement -- suggests an ideal of free and fair competition. As people within a capitalist society come to recognize how unfree and unfair the competition often is (because of the inequality inherent in the underlying institutions), they are unlikely to accept the domination of the dominant classes. Thus under capitalism a contradiction

between the socioeconomic base and certain aspects of the ideological superstructure will increase the interest of dominant classes in providing some kind of legitimacy for their dominance. For the reasons suggested in Section II, imperialism can help to serve this purpose.

A class interest in promoting organizational expansion through imperialism would not appear to be more or less likely under capitalism than under any other form of socioeconomic organization. One might possibly argue that because the capitalist system of private enterprise limits the role of government bureaucracy in domestic affairs, civilian and military agencies would be all the more enthusiastic about satisfying their growth imperative abroad. But it has become clear that modern capitalism calls for a substantial government role in many domestic economic and social spheres, so that the potential for organizational expansion is not significantly limited to foreign affairs.

Of the three types of class interest in imperialism discussed in this paper, it is the class interest in particular economic gains that is most clearly linked to capitalism as a form of socioeconomic organization. This is not only because of the importance attached to strictly economic objectives in a capitalist society. Nor is it due simply to the fact that under capitalism most of the means of production are privately rather than publicly owned. There is a more fundamental reason why in a capitalist society particular groups should seek to promote imperialism as a means for realizing particular economic gains. This reason has to do with the manner in which income is distributed under capitalism.

To see this one must recognize that an imperialist activity motivated by a class interest in economic gain involves in effect an anticipated redistribution of economic benefits from the rest of the population to the particular interested class. This redistribution does not involve any direct transfer, but it results indirectly from (1) taxing (or otherwise burdening) the society as a whole for the cost of the activity

and (2) benefiting the particular class by bringing about changes in the international economic situation which increase its income-earning opportunities.

It is precisely the indirect character of the redistribution that makes it attractive to particular classes in a capitalist society. For under capitalism income is supposed to be distributed to individuals in accordance with their market-valued contribution to production. The only legitimate source of income is the production process itself, as mediated by the market mechanism. Direct transfers of income without any quid pro quo are limited to somewhat exceptional circumstances. This means not only that the poor cannot expect substantial relief from poverty through transfers of income from the rich, but also that the rich cannot expect to get the government to transfer income directly from others to themselves -- no matter how powerful they may be. Hence any significant redistribution in favor of the rich and powerful can be brought about only indirectly by government activity which affects the process by which the market distributes income.

In a society where income were distributed according to explicitly political criteria rather than according to an apparently apolitical economic mechanism, it would make no difference whether redistribution of income were brought about directly or indirectly. The outcome of the income distribution process would be the object of concern rather than the process itself. In such a situation a powerful group would find it no easier to get income redistributed to itself indirectly than directly. Moreover, it would not seek to get income redistributed by an activity that might reduce the size of the aggregate economic pie. But under capitalism redistribution in favor of powerful groups can be brought about only indirectly. Hence in a capitalist society there are bound to be strong class interests in any government activity which indirectly redistributes income in favor of particular classes, even if the activity involves aggregate economic losses. There are a variety of ways in which a government can indirectly redistribute income, through domestic as well as foreign programs. But imperialist activity clearly

offers many such opportunities, and a class interest in achieving particular economic gains through imperialism is therefore significantly linked to the capitalist form of socioeconomic organization.

## V CONCLUSIONS

The analysis in section IV leaves no doubt that postwar American imperialism can be traced in significant respects to the capitalist character of American society. Most of the plausible sources of American imperialism owe their existence and/or their strength to characteristics of a capitalist society which need not necessarily characterize alternative forms of socioeconomic organization. The only relevant source of imperialism that appears to be quite unrelated to the internal socioeconomic organization of the United States is the one based upon a national interest in national security. Not surprisingly, this is the source that is given the greatest (if not the sole) attention by orthodox theorists. But every other relevant source of American imperialism based upon a national interest, as well as every source based upon a class interest,<sup>52</sup> is conditioned by certain aspects of the (capitalist) internal socioeconomic organization of the United States. The radical view that American imperialism cannot be adequately explained without reference to American capitalism is therefore fully confirmed.

There are three specific characteristics of a capitalist society which appear to be most significant in enhancing its propensity for imperialism. The first is the emphasis on individual economic gain as a primary objective of human activity, which derives from the institutional values of a capitalist system. The second is the linking of income distribution directly to the process of production, which is based upon the operation of the capitalist market mechanism. And the third is the unequal and therefore inherently undemocratic nature of the society, which results from the basic economic institutions of capitalism. The capitalist emphasis on economic gain intensifies national interests in imperialism to promote macroeconomic prosperity, to achieve aggregate economic gains, and to satisfy an urge to dominate; and it intensifies class interests in particular economic gains. The capitalist process of income distribution intensifies class interests in particular economic gains and contributes to the unequal and

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<sup>52</sup>All class-based motivations for imperialism are conditioned by capitalism because they depend for their force on the absence of genuine democracy, and capitalism precludes genuine democracy.

undemocratic nature of capitalist society. This inequality and lack of effective democracy in turn intensifies national interests in imperialism to promote economic prosperity and to exercise a missionary spirit; it intensifies a class interest in social legitimacy and makes possible the translation of each major type of class interest in imperialism into an actual motivation for imperialist activity.

While these relations serve to link imperialism to capitalism in a causally significant manner, there are certain conclusions that do not follow from the analysis. It cannot be argued that capitalism is the only form of socioeconomic organization that leads to imperialism, nor even that capitalism is more likely than any other form of socioeconomic organization to lead to imperialism. For some of the sources of imperialism discussed here are at least in some degree independent of capitalism, and other possible sources of imperialism that are independent of capitalism may be relevant in a different context than that of the contemporary United States. What does follow from the analysis of this paper is that capitalism leads to substantially more imperialist activity than would result from at least some alternative forms of internal socioeconomic organization under similar external circumstances.

The analysis also lends no support to the proposition that a capitalist society requires imperialism in order to survive. This proposition may be asserted by some radicals, but it is more often attributed to radicals by orthodox theorists who find it convenient to present radical views in simplistic and therefore vulnerable form. It is virtually impossible to prove that imperialism is necessary for the survival of a capitalist society, for there are many means by which a capitalist society could conceivably remain viable. Yet the fact that a capitalist society may in theory be able to survive without imperialism in no way diminishes the extent to which capitalist institutions can and do in practice stimulate imperialist activity. As one radical theorist of imperialism has observed, the (capitalist) United States does not

require imperialism any more than it requires Texas and New Mexico; but one might as confidently expect the (capitalist) United States to abandon its imperialist activity as to return Texas and New Mexico to the Mexicans.<sup>53</sup>

The analysis of the relationship between capitalism and imperialism in this paper does suggest certain directions for anti-imperialist movements in capitalist countries such as the United States. By identifying the specific characteristics of capitalism which contribute most significantly to imperialism, one can gain some understanding of the kinds of reforms that might help to limit the extent of imperialist activity under capitalism and the kinds of radical changes in basic institutions that would be necessary to develop an alternative and much less imperialist society.

Within the context of a capitalist society, the motivations for the government to undertake imperialist activity may be lessened to the extent (1) that the primacy of economic gain as a social objective can be diminished, (2) that the distribution of income can be made a more explicitly political issue; and (3) that income inequality can be reduced and democracy can be made more effective. Progress in these directions depends largely upon the ability of the disenfranchised groups and the dominated classes in capitalist society to organize themselves and develop a stronger political force with which to oppose the power of the dominant classes who have the most to gain from the status quo. There is some hopeful evidence that the war in Indochina has served to galvanize more effective opposition to American imperialism in particular and to the oppressive aspects of American capitalism in general.

But one must recognize that the very nature of capitalist society places significant limits on the extent to which political reform movements can expect to curtail imperialism under capitalism. So long as the basic institutions of American society remain capitalist, economic gain will remain an important goal, inequality will persist and genuine democracy

<sup>53</sup>This point is made by Magdoff (1970b) in response to Miller, Bennett and Alapatt (1970).

will be unattainable. The kinds of institutional changes necessary to make substantial progress in eliminating the imperialist urges of a capitalist society would involve the development of a radically different form of socioeconomic organization in which (1) economic activity would be motivated by an incentive system that did not rely primarily on the prospect of individual economic gain in competition with other individuals; (2) income and wealth would be shared in an egalitarian manner; (3) control over the process of production would be exercised by all those involved, and the distinction between owner and worker would disappear. An egalitarian society in which economic activity was based upon collective rather than individual incentives and cooperative rather than competitive behavior would encourage a set of institutionalized values in which social goals other than economic gain were paramount and would facilitate the functioning of a truly effective democracy. Utopian as such a system may appear to contemporary observers, it represents the kind of long-run goal toward which an anti-imperialist movement must be directed if it is to achieve any significant and lasting progress.

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