

I. Some Theoretical Considerations

Before we present a concrete analysis of Greek capitalism and discuss its specific class character, we need to begin with a summary of the theoretical approach of Marxists on this issue: What is the respective definition of an imperialist vs. a semi-colonial state? Our methodological understanding of imperialism is based on Lenin's theory, which became the basis for revolutionary Marxism from the early 20th century.⁴

I.1 What are the Respective Characteristics of an Imperialist vs. a Semi-Colonial State?

Lenin described the essential characteristic of imperialism as the formation of monopolies which dominate the economy. Related to this, he pointed out the fusion of banking and industrial capital into financial capital, the increase in capital export alongside the export of commodities, and the struggle for spheres of influence, specifically colonies.⁵

4 We have dealt with Lenin's theory of imperialism extensively in other publications. See, for example: Michael Pröbsting: Lenin's Theory of Imperialism and the Rise of Russia as a Great Power. On the Understanding and Misunderstanding of Today's Inter-Imperialist Rivalry in the Light of Lenin's Theory of Imperialism. Another Reply to Our Critics Who Deny Russia's Imperialist Character, in: *Revolutionary Communism* No. 25, August 2014, <http://www.thecommunists.net/theory/imperialism-theory-and-russia/>; Michael Pröbsting: The Great Robbery of the South. Continuity and Changes in the Super-Exploitation of the Semi-Colonial World by Monopoly Capital Consequences for the Marxist Theory of Imperialism, 2013, <http://www.great-robbery-of-the-south.net/>; Michael Pröbsting: Imperialism and the Decline of Capitalism (2008), in: Richard Brenner, Michael Pröbsting, Keith Spencer: *The Credit Crunch – A Marxist Analysis* (2008), <http://www.thecommunists.net/theory/imperialism-and-globalization/>

5 In *Imperialism and the Split in Socialism* – his most comprehensive theoretical essay on imperialism – Lenin gave the following definition of imperialism:

„We have to begin with as precise and full a definition of imperialism as possible. Imperialism is a specific historical stage of capitalism. Its specific character is threefold: imperialism is monopoly capitalism; parasitic, or decaying capitalism; moribund capitalism. The supplanting of free competition by monopoly is the fundamental economic feature, the quintessence of imperialism. Monopoly manifests itself in five principal forms: (1) cartels, syndicates and trusts—the concentration of production has reached a degree which gives rise to these monopolistic associations of capitalists; (2) the monopolistic position of the big banks—three, four or five giant banks manipulate the whole economic life of America, France, Germany; (3) seizure of the sources of raw material by the trusts and the financial oligarchy (finance capital is monopoly industrial capital merged with bank capital); (4) the (economic) partition of the world by the international cartels has begun. There are already over one hundred such international cartels, which command the entire world market and divide it “amicably” among themselves—until war redivides it. The export of capital, as distinct from the export of commodities under non-monopoly capitalism, is a highly characteristic phenomenon and is closely linked with the economic and territorial-political partition of the world; (5) the territorial partition of the world (colonies) is completed.” (V. I. Lenin: *Imperialism and the Split in Socialism* (1916); in: CW Vol. 23, pp. 105-106 [Emphasis in the original])

The formation of monopolies and great powers increasingly led to the division of the entire world into different spheres of influence among the rival imperialist states and the subjugation of most countries under these few great powers. From this follows an essential feature of Lenin's (and Trotsky's) analysis of imperialism: the characterization of the connection between the imperialist nations and the huge majority of people living in the capitalistically less developed countries as a *relationship of oppression*. In fact Lenin, and following him, Trotsky too, came to the conclusion that this division of the world's nations into oppressor and oppressed nations is one of the most important characteristics of the imperialist epoch:

*„Imperialism means the progressively mounting oppression of the nations of the world by a handful of Great Powers (...) That is why the focal point in the Social-Democratic programme must be that division of nations into oppressor and oppressed which forms the essence of imperialism, and is deceitfully evaded by the social-chauvinists and Kautsky. This division is not significant from the angle of bourgeois pacifism or the philistine Utopia of peaceful competition among independent nations under capitalism, but it is most significant from the angle of the revolutionary struggle against imperialism.“*⁶

From this, Lenin concluded that the division between oppressed and oppressor nations must constitute a central feature of the Marxist program:

*“The programme of Social-Democracy (this is how the Marxists called themselves at that time, Ed.), as a counter-balance to this petty-bourgeois, opportunist utopia, must postulate the division of nations into oppressor and oppressed as basic, significant and inevitable under imperialism.“*⁷

The relationship between states has to be seen in the totality of its economic, political, and military features – *“the entire totality of the manifold relations of this thing to others“* (Lenin).⁸ Thus, a given state must be viewed not only as a separate unit, but first and foremost *in its relation to other states and nations*. Similarly, by the way, classes can only be understood in relation to one other. An imperialist state usually enters a relationship with other states and nations whom it oppresses, in one way or another, and super-exploits – i.e., appropriates a share of its produced capitalist value. Again this has to be viewed in its totality, i.e., if a state gains certain profits from foreign investment but has to pay much more (debt service, profit repatriation, etc.) to other countries' foreign investment, loans etc., this state can usually not be considered as imperialist.

The economic basis of the relationship between imperialist and semi-colonial states is what Lenin called the *super-exploitation* of these oppressed nations by the imperialist monopolies. Because of this super-exploitation, monopoly capital can acquire – in addition to the average profit rate – an extra profit.

6 V. I. Lenin: The revolutionary Proletariat and the Right of Nations to Self-Determination (1915); in: LCW 21, p. 409

7 V. I. Lenin: The Socialist Revolution and the Right of Nations to Self-Determination (1916); in: LCW 22, p. 147

8 V.I.Lenin: Conspectus of Hegel's Science of Logic (1914); in: Collected Works Vol. 38, p. 220

These extra-profits are important additions to the profits which monopoly capital already extracts from the workers in the rich countries. They are, by the way, an essential source to bribe the upper, aristocratic sectors of the working class and in particular the labour bureaucracy in the imperialist countries and this helps to strengthen the rule of monopoly capital.

In our book, *The Great Robbery of the South*, we have elaborated basically four different forms of super-exploitation by which monopoly capital obtains extra profits from colonial and semi-colonial countries:⁹

- i) Capital export as productive investment
- ii) Capital export as money capital (loans, currency reserves, speculation, etc.)
- iii) Value transfer via unequal exchange
- iv) Value transfer via migration (based on the super-exploitation of migrants, a nationally oppressed layer of the working class)

Finally we want to stress the need to consider the totality of a state's economic, political, and military position in the global hierarchy of states. Thus, we can consider a given state as imperialist even it is economically weaker, but still possesses a relatively strong political and military position (like Russia before 1917 and, again, in the early 2000s). Such a strong political and military position can be used to oppress other countries and nations and to appropriate capitalist value from them.

Naturally, it is not sufficient to divide countries into categories of imperialist or semi-colonial states. There are of course many different shades. This already begins with differences among Great Powers. There are Great Powers like the strongest one, the US, but also others which were economically strong but militarily much weaker in recent decades (like Japan or Germany). Then we have to differentiate between Great Powers and smaller imperialist states (like Australia, Belgium, Switzerland, the Netherlands, Austria, the Scandinavian countries, etc.). Obviously they are not the equals of the Great Powers, but rather are subordinated to them. These smaller imperialist states are politically and militarily dependent on one or several Great Powers in order to participate in the global imperialist order. Hence, they ensure their privileged position by entering economic, political, and military alliances with the Great Powers like the EU, OECD, IMF, World Bank, WTO, NATO, and various "partnerships." However, these smaller imperialist states are not super-exploited by the Great Powers but rather participate in the super-exploitation of the semi-colonial world by appropriating a significant amount of value from semi-colonies.

In short, we define an imperialist state as follows: *An imperialist state is a*

⁹ Beside the extensive analysis in our book *The Great Robbery of the South* (see above) we refer readers also to our booklet on the super-exploitation of migrants (in German language): Michael Pröbsting: *Marxismus, Migration und revolutionäre Integration* (2010); in: *Revolutionärer Kommunismus*, Nr. 7, <http://www.thecommunists.net/publications/werk-7>. A summary of this study in English-language: Michael Pröbsting: *Marxism, Migration and revolutionary Integration*, in: *Revolutionary Communism*, No. 1 (English-language Journal of the RCIT), <http://www.thecommunists.net/oppressed/revolutionary-integration/>

*capitalist state whose monopolies and state apparatus have a position in the world order where they first and foremost dominate other states and nations. As a result they gain extra-profits and other economic, political and/or military advantages from such a relationship based on super-exploitation and oppression.*¹⁰

Likewise, one also has to differentiate between different types of semi-colonies. Obviously there are huge differences today between Peru and Argentina or Brazil, Congo and Egypt, Pakistan and Turkey, Nepal and Thailand, Kazakhstan and Poland. Some countries are more industrialized than others, some have achieved a certain political latitude and others not. Hence, we can differentiate between *advanced or industrialized semi-colonies* like for example Argentina, Brazil, Egypt, Turkey, Greece, Iran, Poland or Thailand on the one hand and *poorer or semi-industrialized semi-colonies* like Bolivia, Peru, the Sub-Saharan African countries (except South Africa), Pakistan, Afghanistan, Indonesia etc.

Nevertheless, it is important to bear in mind that these different types of semi-colonies have much more in common than what differentiates between them, as Trotsky has already pointed out:

*“Colonial and semi-colonial – and therefore backward – countries, which embrace by far the greater part of mankind, differ extraordinarily from one another in their degree of backwardness, representing an historical ladder reaching from nomadry, and even cannibalism, up to the most modern industrial culture. The combination of extremes in one degree or another characterizes all of the backward countries. However, the hierarchy of backwardness, if one may employ such an expression, is determined by the specific weight of the elements of barbarism and culture in the life of each colonial country. Equatorial Africa lags far behind Algeria, Paraguay behind Mexico, Abyssinia behind India or China. With their common economic dependence upon the imperialist metropolis, their political dependence bears in some instances the character of open colonial slavery (India, Equatorial Africa), while in others it is concealed by the fiction of State independence (China, Latin America).”*¹¹

To summarize our definition of semi-colonies we propose the following formula: *A semi-colonial country is a capitalist state whose economy and state apparatus have a position in the world order where they first and foremost are dominated by other states and nations. As a result they create extra-profits and give other economic, political and/or military advantages to the imperialist monopolies and states through their relationship based on super-exploitation and oppression.*

10 We think such a definition of an imperialist state is in accordance with the brief definition which Lenin gave in one of his writings on imperialism in 1916: *“... imperialist Great Powers (i.e., powers that oppress a whole number of nations and enmesh them in dependence on finance capital, etc.)...”* (V. I. Lenin: *A Caricature of Marxism and Imperialist Economism* (1916); in: LCW Vol. 23, p. 34)

11 Leon Trotsky: *The Chinese Revolution* (Introduction to Harold R. Isaacs, *The Tragedy of the Chinese Revolution*, London 1938); <http://www.marxists.org/archive/trotsky/1938/xx/china.htm>

I.2 Is a Transition from Being One Type of State to Another Possible?

The analysis and division of countries into different types must not be understood in a dogmatic, mechanistic way, but rather in a Marxist, i.e. dialectical, way. Lenin already pointed out that definitions are not abstract dogmas but have to be understood as elastic categories: „...without forgetting the conditional and relative value of all definitions in general, which can never embrace all the concatenations of a phenomenon in its full development...“.¹²

Hence, it would be wrong to imagine the Great Wall of China Wall separating the two categories, imperialist and semi-colonial states. As we have argued on other occasions there have been several examples where, under exceptional circumstances, a dependent state was able to become an imperialist country as well as the other way round. The central reason for this is the law of uneven and combined development which explains the different tempos of development of productive forces in different nations and their interaction which again results in instability, clashes, wars and transformations of existing political and social relations.¹³ It is therefore only logical that such developments can bring about the emergence and growth of new capitalist powers as well as the decline of old powers.¹⁴

12 V. I. Lenin: Imperialism, the Highest Stage of Capitalism; in: LCW 22, p. 266

13 We will deal with the law of uneven and combined development more in detail in the chapter “The Marxist Tradition and the Law of Uneven Development of Capitalism” in our forthcoming book on the Marxist theory of imperialism.

14 We have dealt with the issue of the emergence of new imperialist powers extensively. On this see, for example:

On China as an emerging imperialist power:

Michael Pröbsting: The Great Robbery of the South (Chapter 10), <http://www.great-robbery-of-the-south.net/great-robbery-of-south-online/download-chapters-1/chapter10/>; Michael Pröbsting: China’s transformation into an imperialist power. A study of the economic, political and military aspects of China as a Great Power, in: *Revolutionary Communism* (English-language Journal of the RCIT) No. 4, <http://www.thecommunists.net/publications/revcom-number-4/>; Michael Pröbsting: No to chauvinist war-mongering by Japanese and Chinese imperialism! Chinese and Japanese workers: Your main enemy is at home! Stop the conflict on the Senkaku/Diaoyu-islands in the East China Sea! 23.9.2012, in: *Revolutionary Communism* No. 6, <http://www.thecommunists.net/worldwide/asia/no-war-between-china-and-japan/>; Michael Pröbsting: Russia and China as Great Imperialist Powers. A Summary of the RCIT’s Analysis, 28 March 2014, in: *Revolutionary Communism* No. 22, <http://www.thecommunists.net/theory/imperialist-china-and-russia/>; Michael Pröbsting: More on Russia and China as Great Imperialist Powers. A Reply to Chris Slee (Socialist Alliance, Australia) and Walter Daum (LRP, USA), 11 April 2014, in: *Revolutionary Communism* No. 22, <http://www.thecommunists.net/theory/reply-to-slee-on-russia-china/>; Michael Pröbsting: The China Question and the Marxist Theory of Imperialism. Again on China as an imperialist Power. Reply to a Polemic from CSR (Venezuela) and PCO (Argentina), December 2014, in: *Revolutionary Communism* No. 32, <http://www.thecommunists.net/theory/reply-to-csr-pco-on-china/>

On Russia as an emerging imperialist power:

Michael Pröbsting: Lenin’s Theory of Imperialism and the Rise of Russia as a Great Power. On the Understanding and Misunderstanding of Today’s Inter-Imperialist Rivalry in the Light of Lenin’s Theory of Imperialism. Another Reply to Our Critics Who Deny Russia’s Imperialist Character, in:

Lenin himself has explicitly pointed out the possibility that backward, semi-colonial countries could transform their class character:

*“Capitalism is growing with the greatest rapidity in the colonies and in overseas countries. Among the latter, new imperialist powers are emerging (e.g., Japan).”*¹⁵

Indeed, as we have pointed out elsewhere, there have been various historical examples of such transformations. There is the example of Czechoslovakia which was a colony in the Habsburg Empire but became – after the implosion of the latter in 1918 – a minor imperialist power. Likewise, South Korea and Israel became imperialist states in the 1990s as did Russia and China in the early and late part of the first decade of the 2000s respectively.¹⁶ On the other hand, Portugal most likely lost its imperialist status during the last four decades following the loss of its colonies in 1974.

I.3 Is the Category of “Sub-Imperialism” Useful?

A number of progressive theoreticians support the conception of a “transitional” or “sub-imperialist” state as a third, additional category of countries in addition to colonial and semi-colonial countries. We have elaborated our criticism of the theory of sub-imperialism in *The Great Robbery of the South* and we will only summarize here briefly some conclusions.¹⁷

Naturally if states undergo a process of transformation from an imperialist to a semi-colonial country or the other way around, they are “in transition” and in this sense it can be useful to describe a temporary process of transformation. However, the supporters of the theory of sub-imperialism don’t understand this as a category to describe the transition process but rather see it as a separate, independent category. And here lies the fundamental problem.

Capitalism unites all nations in the world via economic and political expansion and the formation of a world market. This process has taken place from the beginning of the capitalist mode of production and has tremendously accelerated in the epoch of imperialism. Under these conditions, no nation

Revolutionary Communism No. 25, August 2014, <http://www.thecommunists.net/theory/imperialism-theory-and-russia/>; Michael Pröbsting: Russia as a Great Imperialist Power. The formation of Russian Monopoly Capital and its Empire – A Reply to our Critics, 18 March 2014, in: *Revolutionary Communism* No. 21, <http://www.thecommunists.net/theory/imperialist-russia/>

15 V. I. Lenin: Imperialism, the Highest Stage of Capitalism (1916) ; in: LCW Vol. 22, p. 274

16 We have analyzed South Korea’s transformation into a minor imperialist power in Michael Pröbsting: Der kapitalistische Aufholprozeß in Südkorea und Taiwan; in: *Revolutionärer Marxismus* Nr. 20 (1996). A shortened version of this article appeared as “*Capitalist Development on South Korea and Taiwan*” in: *Trotskyist International* No. 21 (1997), <http://www.thecommunists.net/theory/capitalism-in-south-korea-taiwan/>. On Israel as a minor imperialist power see Michael Pröbsting: *On some Questions of the Zionist Oppression and the Permanent Revolution in Palestine*, in: *Revolutionary Communism* Nr. 10 (June 2013), p. 29, <http://www.thecommunists.net/worldwide/africa-and-middle-east/permanent-revolution-in-palestine>

17 See Michael Pröbsting: *The Great Robbery of the South*, pp. 220-228. See <http://www.great-robbery-of-the-south.net/great-robbery-of-south-online/download-chapters-1/chapter9/>

escapes the formation of ever closer economic and political ties with the dominant imperialist powers. Such close relations automatically create, modify, and reproduce mechanisms of exploitation and super-exploitation. In other words, under capitalism – and even more under imperialism – all nations are sucked into the process of super-exploitation. Either they are strong enough and become part of the oppressing nations, or they are pushed into the camp of the majority of humanity – the oppressed nations. There is no “third camp” in between.

Of course, there are significant differences in the development of the productive forces among the imperialist states as well as among the semi-colonial countries. This is only logical given the unequal dynamic of development between nations. Hence, it is indeed true that there are bigger and smaller imperialist countries which are unequal. However, the point is that the smaller are not exploited by bigger imperialist powers. For example the USA and Canada are certainly not equal but also don't systematically exploit each other. The same is true for Germany and Austria or France and Belgium, Luxemburg or Switzerland. However they are all imperialist nations. Why? Because they have developed significant monopoly capital and financial capital which is used to systematically exploit and transfer value from the South, and they are part of an international imperialist order from which they profit and defend by various means. Likewise there are advanced semi-colonies which have a certain regional influence (e.g., Brazil, India, Greece) and others which have none; some are stronger and others are weaker. But as Marxist we must focus on the law of value and the transfer of value between countries and the political order associated with this. And here it is obvious that the industrialised semi-colonies are also dominated and super-exploited by the imperialist monopolies. For these reasons we reject the usefulness of the category of “*Sub-Imperialism*” as part of the Marxist analytical apparatus.