

Imperialism, the Highest Form of Capitalism by V.I. Lenin 1916

Excerpt

X. THE PLACE OF IMPERIALISM IN HISTORY

We have seen that in its economic essence imperialism is monopoly capitalism. This in itself determines its place in history, for monopoly that grows out of the soil of free competition, and precisely out of free competition, is the transition from the capitalist system to a higher socioeconomic order. We must take special note of the four principal types of monopoly, or principal manifestations of monopoly capitalism, which are characteristic of the epoch we are examining.

Firstly, monopoly arose out of the concentration of production at a very high stage. This refers to the monopolist capitalist associations, cartels, syndicates and trusts. We have seen the important part these play in present-day economic life. At the beginning of the twentieth century, monopolies had acquired complete supremacy in the advanced countries, and although the first steps towards the formation of the cartels were taken by countries enjoying the protection of high tariffs (Germany, America), Great Britain, with the system of free trade, revealed the same basic phenomenon only a little later, namely, the birth of monopoly out of the concentration of production.

Secondly, monopolies have stimulated the seizure of the most important sources of raw materials, especially for the basic and most highly cartelised industries in capitalist society: the coal and iron industries. The monopoly of the most important sources of raw materials has enormously increased the power of big capital, and has sharpened the antagonism between cartelised and non-cartelised industry.

Thirdly, monopoly has sprung from the banks. The banks have developed from modest middleman enterprises into the monopolists of finance capital. Some three to five of the biggest banks in each of the foremost capitalist countries have achieved the "personal link-up" between industrial and bank capital, and have concentrated in their hands the control of thousands upon thousands of millions which form the greater part of the capital and income of entire countries. A financial oligarchy, which throws a close network of dependence relationships over all the economic and political institutions of present-day bourgeois society without exception - such is the most striking manifestation of this monopoly.

Fourthly, monopoly has grown out of colonial policy. To the numerous "old" motives of colonial policy, finance capital has added the struggle for the sources of raw materials, for the export of capital, for spheres of influence, i.e., for spheres for profitable deals, concessions, monopoly profits and so on, economic territory in general. When the colonies of the European powers, for instance, comprised only one-tenth of the territory of Africa (as was the case in 1876), colonial policy was able to develop by methods other than those of monopoly--by the "free grabbing" of territories, so to speak. But when nine-tenths of Africa had been seized (by 1900), when the whole world had been divided up, there was inevitably ushered in the era of monopoly possession of colonies and, consequently, of particularly intense struggle for the division and the redivision of the world. . . .