

Imperialism, uneven development and sustainability: A critical evaluation of Marxist and Green perspectives

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Abstract

The classical Marxist tradition (Marx, Lenin, and Luxemburg) looks at imperialism either as the harbinger of capitalism in the Third World or as hindering capitalist development but none of these versions take into account the ecological limits to the growth or retardation of capitalism. The mainstream Green tradition, on the other hand, puts the sustainability at the centre of examining the nature of ‘developed’ economies but is ambivalent on the capitalist nature of these developed economies. This Green ambivalence leads sometimes to celebration of Third World poverty as the site of low consumption and ecologically friendly human condition.

This paper attempts to critique both the Marxist conceptions of the modern global economy as well as the Green perspective on the ‘rich –poor’ divide in the contemporary global economy. The critique of the Marxist tradition is focussed on the missing or the under-emphasised dimension of sustainability in understanding the dynamics of the global economy, and the critique of the Green perspective is focussed on the evasion of this perspective regarding the capitalist character of the modern global economy. Through this double critique, the paper hopes to outline an eco-Marxist synthesis of the Marxist and Green understandings of the modern global economy.

Introduction

Though global capitalism is expanding fast beyond the territorial boundaries of the traditionally rich advanced countries, the inequality between the richest and the poorest parts of the global capitalist economy is sharpening. Free market mechanism is not leading to a neat reallocation of capital from capital-intensive economies to labour-intensive economies as the theoretical assumptions of neo-classical economics will make us believe it should do. The uneven development of capitalism is leading to a highly complex mobility of labour and capital around the globe. How do we understand the role of ‘Third World’ poverty and underdevelopment in the global functioning of capitalism? Is poverty in one part of the world essential for prosperity in the other or does the prosperity of the advanced part requires elimination of poverty

in the other? There is no consensus in the Marxian theoretical tradition on this critical question.

The role of Third World poverty in the global functioning of capitalism is apparently even more confusing to understand when we introduce the dimension of environmental sustainability into an analysis of the ecological limits to the growth of capitalism. Can we say that Third World poverty associated with petty commodity production enables global capital to police the ecological limits to the further expansion of capitalism? (Harriss- White 2006). Is the expansion of capitalism in the Third World, therefore, a historically progressive development in so far as this expansion of capitalism is weakening the ecological limits to the continuous sustenance of capitalism? Or is it the case that the development of Third World is leading us even more closely to global environmental disaster and, therefore, to sharpening the ecological crisis of global capitalism? Green theoretical tradition is ambivalent, to say the least, on this critical question.

This paper is an attempt to look at the issue of Third World poverty to highlight the unsatisfactory state of Marxian and Green perspectives on the link between global inequality, global capitalism and environmental sustainability. The paper recognises the rich contribution of Marxism to the analysis of many dimensions of capitalism and that of the Green tradition to the understanding of the role of nature in the reproduction of our material and social world. However, the paper attempts to show that both traditions standing apart from each other are fatally flawed and, therefore, pins hope in the project of synthesising the two traditions to develop a richer ecologically-informed critique of capitalism.

Marxian tradition on North-South inequality, global capitalism and sustainability

Karl Marx had paid glowing tributes to capitalism in *Communist Manifesto* for unifying the world market and creating conditions for unlimited progress in technological development and labour productivity. For Marx, capitalism was creating the material foundations for communism: one, by unleashing productive potentialities that could end scarcity and lead to an era of abundance, and two, by creating an international working class which will be the agency to usher in the era of communism, an era of fulfilment of human needs. In visualising communism as an era of fulfilment of human needs, Marx was not aware of the ecological limits to the goal of fulfilment of human needs.

Lenin in *Imperialism: the latest/highest stage of capitalism* was less enthusiastic than Marx about the positive implications of expanding capitalism. He viewed export of capital from the advanced industrialised economies to the less industrialised ones as driven by the falling rate of profit in the rich economies and the expected higher rate of profit in the colonies. He saw this search for external markets for capital as the root cause of military conflicts and considered this as the main reason behind the First World War. He looked upon expanding global capitalism as creating permanent conditions for global wars and, therefore, argued for socialist revolution as the solution to this dangerous scenario of wars. Though he was more critical of expanding capitalism than Marx was, he also did not examine the ecological dimensions of the militarist capitalism.

Rosa Luxemburg's analytical framework which accorded a key importance to consumption in the analysis of the functioning of a capitalist economy had the potential to incorporate ecology but it merely remained a potential. Ecology did not become integral to Luxemburg analysis. She argued that capitalist expansion was dependent upon creating markets for its products and, therefore, imperialism was an extension of markets beyond the saturated markets of advanced capitalist countries.¹ If for Lenin, the essence of imperialism was search by surplus capital in the advanced economies to find investment outlets abroad, for Luxemburg it was search for markets abroad to unload surplus commodities. Luxemburg attributed this incessant search for markets for commodities as the driving force behind imperialist competition and rivalry leading to wars. Her slogan 'barbarism or socialism' was meant to highlight that unless socialist revolution overthrew capitalism, there was a danger of imperialist wars bringing humanity to a barbaric end. Joan Robinson in an extension of Luxemburg's work theorised military expenditure as an extension of the capitalist market and looked upon this expenditure as essential for the continuous growth of capitalism. Neither Luxemburg nor Robinson looked upon the ecological limits to the expansion of capitalist markets. It is not necessarily wars which could lead humanity to a barbaric end; it could simply be global warming which could lead to an end of the planet earth.

In the post-Second World War period, Paul Baran and Andre Gunder Frank produced some of the most influential analysis of global capitalism and Third World underdevelopment but both had no place for ecology in their theoretical frameworks. For Baran, the process of colonisation led to drain of surplus from the colonies to the metropolitan economies and it was this drain of surplus which had left the colonies in an underdeveloped state. Baran's analysis provided justification for and hopes in the national governments in the Third World. According to this analysis, national governments by using the economic apparatus of planning could stop the drain of their economic surplus to the advanced economies. By utilising this surplus within their own economies, national governments of the ex-colonies could initiate the process of economic development. Baran's neat analysis gave birth to a whole tradition of radical political economy which abandoned the dominant internalist explanations of Third World underdevelopment and highlighted the externalist dimension to this underdevelopment. However, Baran's diagnosis of the phenomenon of underdevelopment and the prescription for development strategies was not accompanied by an analysis of the implications of these possible developments in the Third World for capitalism as a global system. Nor did his analysis look at the environmental implications of Third World development and underdevelopment.

Andre Gunder Frank's dependency analysis attributed Third World underdevelopment to the integration of the Third World economies into global capitalist economy. He advocated that Third world countries should delink from the global economy in order to initiate the development process. His emphasis on delinking the underdeveloped economies from the global capitalist economy had the potential to open up new investigations into decentralisation, local economy and local control. These in turn could have opened up new ways of looking at control and utilisation of resources, including natural resources. That potentiality still exists. Frank's work, along with that of Baran, Amin and Wallerstein, have contributed enormously to highlighting the externalist dimension to Third World development and have provided a powerful

critique of internalist schools of thought on underdevelopment e.g. Rowstow's stages of growth model. However, all of them look upon problems of capitalist underdevelopment and development without bringing into their analysis the dimension of complex interaction between the development process and environment resources.

Bill Warren (1973, 1981) reverted to classical Marxism when he looked upon imperialism not as an impediment to Third World development but as the harbinger of development albeit of the capitalist variety. His was the most challenging critique of the neo-Marxist dependency schools of underdevelopment. His analysis was inspired by the success of East Asian capitalism in overcoming underdevelopment through closer integration with the global capitalist economy rather than by delinking from the world economy as had been proposed by Frank. Warren's untimely death prevented the fuller development of his argument which would have brought into sharper focus both the richness of the classical Marxist treatment of Third World underdevelopment as well as its limitations. The most important limitation of Warren's work as it exists is the complete absence of the examination of the aspects of natural resource constraint and environmental degradation in the process of imperialist expansion of the global economy.

What is worth highlighting from this rather quick overview of the Marxist and neo-Marxist treatments of global capitalism and Third World underdevelopment is that irrespective of whether global capitalism was seen as the engine of progress or retrogression in the Third World, its relationship with nature remained outside this framework.

Green perspectives on Third World poverty and global capitalism

Bringing nature into an analysis of the functioning of the economy is the greatest contribution of the Green philosophical, political and economic tradition. Green economic thought views the economic system as a thermo-dynamic system where economy is a part of the nature and the nature is a part of the economy (Jacobs 1993). The thermo-dynamic model of the economy views the economy as a circular flow of matter and money in contrast with the orthodox models (classical, neo-classical, Marxist and Keynesian) which view the economic system as a circular flow merely of money between firms and households in a two-sector model of the economy (government and international sectors can be added without affecting the central argument). The thermo-dynamic model is then able to analyse the impact of money flows upon matter (nature) and the consequences of this impact on nature (resource depletion, waste generation and pollution) for the money flows in return. The concept of entropy captures the impact of human economic activities of production, exchange and consumption upon matter (nature). Entropy is the measure of disorderliness and all human economic activities lead to increase in entropy. The increase in entropy is kept in check by nature through the process of reconvertng wastes into resources. Sun, earth, land, air, water and space all contribute to this process of absorption of waste generated by human economic activity and to the reversion of some of this waste into usable resources. Nature's capacity to absorb waste is not unlimited. When the level of waste generation created by human activities exceeds the absorption capacity of nature, it results in pollution. This pollution takes various forms- air

pollution, water pollution and land pollution. Pollution, in turn, damages the resources provided by nature for human activities.

The incorporation of nature as embedded into economic analysis enables Green economic analysis to capture the nature-economy relationship in a much deeper way than that done by any orthodox model of economic analysis. This richness of Green economic thought also creates a problem for Green thinking and practice. Because the Greens are ever conscious of the human economic activity upon nature, there is an inherent tendency among the Greens to view economic activities with suspicion. The neo-classical tradition of attempting to price environmental goods, apparently with the aim of reducing their use, is deeply opposed by the Greens in general but deep Greens in particular who view nature as sacred. For the deep Greens, pricing of nature amounts to sacrilege. Many Greens would advocate zero growth partly because of this suspicion of the very method of attempting to price the environment and partly because of the enormous environmental damage that has already taken place. More moderate Greens would subscribe to the perspective of sustainable development i.e. neither zero growth of the deep Greens nor maximum growth advocated by some neo-classicals. The concept of sustainable development recognises the need for some development and growth but only that kind of growth which is environmentally informed and does not compromise the interests of the future generations. The concept of intergenerational equity is, therefore, central to the concept of sustainable development. Most Greens would also argue that inter-generational equity can not be achieved without intra-generational equity i.e. equity between the rich and poor countries.

There is, however, a great deal of ambiguity in the Green economic thought about how to reduce intra-generational equity. There could be two possible routes to reducing intra-generational equity. One route could be by reducing poverty in the Third World either by faster development in the Third World than that in the developed world. The other route could be: massive transfer of resources e.g. by foreign aid from the developed countries to the poor Third World countries. This could also involve major restructuring of the rules and structures of global trade to the advantage of poor economies. The challenge Green economics faces is that once the structures of global flows of labour, commodities, money and capital are brought into the analysis, it requires understanding of the laws of motion of global modes of production. Most Greens, not all, are reluctant to blame the capitalist nature of the global economy because they fear that blaming capitalism for environmental degradation can be an escape route for those who can pin their hopes on to socialism as a solution to the exploitation of nature. Most Greens are unwilling to accept that merely replacing capitalism by socialism is a solution to the problem of impending environmental disaster facing humanity today. Their unwilling to accept socialism as a viable alternative is based partly on the experience of countries- USSR, Eastern Europe- which went through a historical phase claimed to be socialist. These countries were as ruthless, perhaps even more, in neglecting/exploiting nature in their quest for faster economic development as capitalist economies are. Greens, therefore, argue that the environmentally-damaging implications of economic activities follow from the logic of large scale production, irrespective of whether these structures of large scale production are situated in a capitalist economy or a socialist economy. Most Greens are, therefore, supporters of small scale and localised systems of production, exchange and consumption.

Dilemmas of Third World poverty for Green economic perspective

Third World poverty poses a seemingly irresolvable dilemma for Green economic perspective. Greens in the Western world, like socialists and most liberals, are appalled by Third World poverty from an egalitarian and social justice point of view. They would like to think of ways to reduce or remove poverty. However, most Greens do not recognise the contradictions in their perspective on poverty. Some Western Greens, appalled by mass consumerism in the West, tend to glamorise the Third World poor as close to nature in their low levels of consumption. Some Third World activists like Shiva also pander to these Western views of the Third World poor. Third World poverty in such accounts becomes a site of Green celebration. It would not be wrong to characterise such celebration as vulgar because this celebration ignores the fact that this poverty means children are either illiterate or studying in schools without any blackboards or even without roof. This poverty means homelessness and even when they have some roof over their heads, these roofs are so miserable that they get blown away by even a mildly harsh rain storm or dust storm. Poverty then forces these people to bear the harshness of nature. This poverty also means that children, or even adults, are under-nourished or mal-nourished and when they fall ill, there are inadequate or non-existent medical facilities like doctors, nurses and hospitals. Many more examples of degradation of life that follow from poverty can be provided. Further, glamorisation of poverty amounts to abandoning any egalitarian perspective of reducing or removing poverty.

Some Greens also do not recognise the environmentally-damaging consequences of poverty. Poor people in their desperation to survive and reproduce themselves, are forced to encroach upon nature in a way that is damaging to nature. Deforestation for clearing land for cultivation and ruthless killing of animals for food and self-survival are just two of the most obvious examples of environmentally-damaging consequences of poverty.

Green dilemma regarding poverty gets further confounded if we envision reduction of Third World poverty. If poverty gets reduced in the Third World, it will lead to unprecedented increase in levels of global consumption of natural resources. Even a mild increase in levels of income of the poorest people in just two countries in the Third World, China and India, would result in massive increases in the levels of global consumption of natural resources.² Unprecedented levels of generation of waste and emissions of greenhouse gases will follow. This prospect means that either the persistence of Third World poverty which keeps environmental consumption in check is accepted or it is argued that levels of income and consumption in the West are massively reduced. Is it possible to effect a massive reduction in incomes and consumption levels in the rich countries without questioning the logic of capitalist economic system of production and consumption? It can not be seriously argued that without a significant regulation of the market mechanism, there is ever any possibility of regulation of the levels and contents of production and consumption. Greens can not afford to dodge the link between the capitalist nature of the present global economic system and global environmental degradation.

This brings us to the Marxist dilemma about poverty and North-South inequality.

Marxist dilemma about poverty, North-South inequality and sustainability

Third World poverty associated with petty commodity production in the informal economy, according to Harriss-White (2006), enables global capital to police the ecological limits to its further expansion. Putting it in other words, it could be said that poverty by limiting consumption reduces the ecological limits to capitalist expansion. This view needs to be further probed.

The relationship between Third World poverty and environmental degradation is contradictory and poses a dilemma. Poverty may reduce consumption but poverty also forces poor people to encroach ruthlessly upon nature in order to secure food, survive and reproduce themselves. The dilemma poverty poses vis-à-vis environmental sustainability might be better understood if we pose this question in terms of compatibility vs. incompatibility between inter-generational equity and intra-generational equity.

Most commonly accepted definition of sustainability or sustainable development highlights the dimension of inter-generational equity namely that sustainable development is that development that does not compromise the access of future generations to environmental resources. It might be argued, as pointed out earlier, that inter-generational equity i.e. equity over time can not be achieved without intra-generational equity i.e. spatial equity.

Inequality between North and South, between advanced capitalist economies and backward capitalist economies, leads to high mass consumption in advanced capitalist and to mass poverty in backward capitalist economies. Both lead to environmental degradation and, therefore, impair the possibility of achieving inter-generational equity or sustainability.

We are faced with a further dilemma if we were to argue that intra-generational inequality should be reduced in order to achieve inter-generational equity. Reduction of intra-generational inequality, by whatever means, would lead to reduction in poverty and rise in incomes in backward capitalist economies. Since the MPC of lower income groups is higher, the reduction of poverty will sharply raise the aggregate level of consumption in backward capitalist economies. This will obviously have adverse consequences for the environment both in the present as well as in the future.

The dilemma we are faced thus is that both the persistence of poverty and the reduction of poverty are environmentally-damaging though for different reasons. Persistence of poverty causes environmental degradation by forcing poor people to encroach upon natural resources, and reduction of poverty causes environmental degradation by raising levels of consumption.

Resolving the Marxian and Green dilemmas on poverty

We have discussed above the dilemmas Marxian and Green perspectives face regarding Third World poverty and sustainability. Though these dilemmas originate from different perspectives, yet there are over-lapping and common features in both. Faced with these dilemmas, our suggestion is that if a choice has to be made, it should be made in favour of reduction of poverty in backward capitalist economies. This is

for two reasons. One for reasons of social and class justice. And the second reason is that reduction of poverty and the rise of consumption in backward capitalist economies creates higher environmental risks for the sustainability of capitalism in advanced capitalist economies. This higher risk may impel the managers of advanced capitalist economies to speed up the search for renewable energy. Research and investment into renewable energy is the corner stone of the march towards sustainable future.

To conclude, the development of capitalism in backward capitalist economies has a historically progressive role to play in a way different from the way it was conceived in classical Marxism. The classical Marxism attributed historically progressive role to capitalism in backward capitalist economies because it was believed that increasing penetration of capitalism in these backward economies would break the feudal remnants. This would result in the creation of industrial proletariat, the expected agent of socialist revolution. From the angle of sustainability, the development of capitalism in backward capitalist economies is historically progressive because this will sharpen the ecological limits to global capitalism which in, turn, would act as a compelling external force to push forward the process of increased investment in renewable energy and sustainability.

This scenarios, we believe, creates a meeting ground for Marxian and Green perspectives.

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¹ A good articulation of the external market dimension of Luxemburg's theory of imperialism is Patnaik (1972).

² According to the Chinese State Bureau of Statistics, China's population grew by 8.1 millions or 0.6 per cent in 2005 to a total of 1.307 billion (Financial Times, 17.3.2006, p.6). Though the Chinese population size is huge, its rate of population growth is low partly because of the one-child policy imposed by the Chinese state since the 1970s and partly because of the reduction in poverty of some sections of the population as a result of fast economic growth experienced by China in the last few years. The practice of female infanticide has resulted in severe gender imbalance. 'There were 106.3 men for every 100 women', according to the State Bureau of Statistics (FT, *ibid.*). The practice of female infanticide might have also contributed to the low rate of population growth. This low growth in population might be considered a positive development from the viewpoint of its implications for increase in total level of global consumption. However, due to the absolute level of Chinese population, even a very small increase in the income level of this population implies a massive increase in global consumption. One can argue from a contrary point of view that a low level of absolute population with a very high per capita income and consumption level as in some of the rich capitalist economies may contribute more to total global consumption than a big population with a relatively low per capita income and consumption level as in some Third World economies.