

## Is Russia an imperialist power? Part II: Lenin's legacy

By **Claudio Katz**, [\*Links International Journal of Socialist Renewal\*](#)

*Abstract: The criteria outlined by Lenin in his text on imperialism do not help clarify Russia's imperial status today. Its economy does not meet the criteria demanded in terms of the domination of finance, the global importance of its monopolies or its levels of capital exports. An intermediate profile prevails, one that is distant from the dominant countries. China, on the other hand, has reached this podium without becoming an imperial power. Russia's imperial status cannot be determined by economic indicators. The concepts of the last century must be moulded to the new realities of capitalism. Lenin's main legacy is concentrated in his characterisations of war.*

[Note by LINKS: This is the second in a four-part series of articles by Argentine Marxist Claudio Katz looking at the issue of Russia's imperial status. Read [Part I](#), [Part III](#) and [Part IV](#). Translation by Federico Fuentes. Original in Spanish [here](#).]

<http://links.org.au/is-russia-an-imperialist-power-lenin-legacy>

In Marxist thought, it is customary to use criteria drawn from Lenin to work out whether Russia is imperialist.

At the beginning of the 20th century, the Bolshevik leader interpreted imperial dynamics as the defining feature of the final stage of capitalism. He believed this period would be marked by crisis, war and revolution and saw the great conflagration of 1914-18 as proof of the decline of the system. Later, he corroborated this characterisation with the triumph of the Russian revolution and believed this victory would inaugurate the socialist transformation of the entire planet.

Lenin elaborated his theory of imperialism believing that the extinction of capitalism was imminent. He understood that the new economic features of his time were representative of the disappearance of one social regime and the birth of another. He viewed the export of capital, the preeminence of monopolies and the supremacy of finance capital as indicators of the exhaustion of capitalism and the ripeness of socialism (Lenin, 1916).

Subsequent historical events followed a different course, but Lenin's fertile vision remains at the heart of these debates. Different approaches have pondered, updated or reconsidered his view. Our assessment aligns with this last approach (Katz, 17-3: 2011). But the main immediate question regards the relevance of his thesis to clarifying Russia's status: does it offer us the instruments we need to clarify any eventual imperial status for this country?

The authors who respond positively to this question emphasise the similarities of the present era with the period portrayed by the Bolshevik leader. They consider the criteria used by the Communist leader help clarify the imperial profile of the main powers of the 21st century.

But from this assessment, two opposing answers on Russia's contemporary status emerge. Some approaches deduce that it already belongs to the club of dominant

empires, while others consider it does not meet the requirements of participation for this group. Both interpretations face serious shortcomings.

### **Unfulfilled criteria**

Approaches that see Russia as an already consummated imperial power use criteria from Lenin's text to explain this status. They consider that the three economic features highlighted in that book are definitive of this status: the predominance of capital exports, the primacy of large monopolies and the preeminence of finance sectors. They consider these characteristics to be already dominant in the Eurasian power.

They also state that these features are the crowning achievements in the brilliant rise of a ruling class that was capable of digesting the collapse of the USSR in the 90's. They believe this oligarchy cast off its liabilities in order to promote investments abroad, create global corporations and exploit the periphery (Pröbsting, 2012).

But this image does not match up to the dynamics of an economy that lags far behind the giants of capitalism. Moscow fails to meet all the criteria attributed to Lenin when it comes to placing that country on the podium of world economies.

Russia lacks, above all, the all-powerful finance capital required according to this barometer. While at the beginning of the 20th century it had a foreign-dependent banking structure, today it operates on the margins of financial globalisation. In the past decade it had only one institution among the world's top 50 banks (in terms of assets) and only two among the top 100. It is also encumbered with a poorly developed domestic credit circuit (Williams, 2014).

It is true that in international statistics it appears as an important site of origin for capital held abroad. But this measurement is conditioned by the monumental flight of foreign currency employed by the dominant elites to protect their assets. The bulk of these funds are located in real estate investments or tax havens, and profit from global financial speculation. This participation places Russia a long way away from being an imperialist investor, in the classic sense of the term.

Nor is the Russian economy influential when it comes to exporting capital. On this ranking, it is barely above Finland and below Norway (Desai, 2016). This reduced incidence is consistent with its low level of exports of goods. In 2017, the country ranked 17th in terms of volume of global sales, behind several economies that no one would place in the club of empires (Mexico, United Arab Emirates, Singapore). Oil and gas represent the bulk of the products it trades abroad, 82% of which is raw materials (Smith, 2019). This primary commodity profile does not fit with the portrait of an imperialist economy.

Adherents of the Leninist classification also highlight the weight of Russian monopolies as a determining factor of its imperial status. But only four Russian companies appear among the world's top 100 corporations. This low international impact is shared by other economies that have managed to place their few mega-companies in the global ranking while maintaining no ambition to join the club of empires.

Russia does not, therefore, meet the three economic conditions mentioned above to qualify for this club. But the conceptual problem goes beyond this mere exclusion, since the application of this criterion would require placing certain countries among the ranks of dominators that are clearly a long way away from filling such a role. Switzerland, for

example, has all the attributes of a financial giant that would allow it to rank among the great powers, despite its geopolitical and military insignificance.

The mere international preeminence of certain monopolies could also place some dependent countries within this group, and the same could be extended to others simply based on their levels of capital exports. This last feature applies to several Asian economies that lack any imperial profile but are highly integrated into globalisation. The features attributed to Lenin do not clarify Russia's status and introduce irresolvable conceptual problems when they are generalisation to the rest of the world. Using them to argue that Moscow has already achieved a fully-fledged imperial status leads to overestimating the real level of development of its economy. It is assumed that it has completed all the boxes in a dubious classification, while omitting the huge distance that separates it from the central powers.

### **More useful indicators**

Russia is not part of the dominant group of economies in world capitalism. This exclusion is verified by more useful indicators than those offered up by those attempting to corroborate whether the standards set by Lenin are met.

The country has a GDP that is less than half that of the United States and the productivity of its labour force is half that of the European average (Clarke; Annis, 2016). Its level of manufacturing production is similar to that of India, Taiwan, Mexico and Brazil, and faces serious hurdles in moving up to a higher rung in the global division of labour.

This distance with regards to the developed economies does not place Russia among the opposite pole of the Third World (or renamed Global South). It is part of the international segment referred to as the semi-periphery, with a relatively autarkic development. It is an intermediate economy that would have to develop a lot further before entering the league of the planet's powerful. Its GDP is similar to that of other emerging economies, new and date, such as Australia or Spain.

This configuration removes the country from the usual pressures of overproduction or overaccumulation, which drive the most advanced economies to offload surpluses abroad. This is another indication of its distance from imperialism, if we are to use purely economic characteristics.

Russia also fails to comply with the typical pattern of any imperial economy in its relations with the periphery. It exhibits very little trade with relegated countries and obtains few profits from unequal exchange. It does not participate, moreover, in the usual provision of sophisticated goods in exchange for basic inputs, something that characterises the dominant powers.

Russia's international weight derives from its geopolitical-military power and not from its economic influence. This singularity is verified, for example, in the Eurasian giant's relationship with Latin America. Its presence in the region disappeared with the implosion of the USSR. It has embarked on a moderate return since, but has not achieved great commercial or financial significance. Exports to Latin America accounted for just 1.2% of the country's sales and 2.8% of its purchases (2017) (Tirado, 2019).

It is easier to find evidence of Brazil or Mexico's economic preeminence in the hemisphere than of Russia. It does not capture surplus value, does not absorb rent and,

like Venezuela or Ecuador, its main export is oil. Moscow is totally removed from the battle between Beijing and Washington for commercial dominance south of the Rio Grande.

Russia circumscribes its business to certain specific activities. It does not promote any CELAC-China type organisation, nor does it try to establish regional treaties (Schuster, 2017). It has privileged the energy sector and certain infrastructure works in the agreements it has signed with Bolivia, Brazil and Argentina.

These initiatives only complement the geopolitical logic of reciprocity that the Kremlin practices in a territory traditionally controlled by the United States. Moscow intends to dissuade Washington's aggressions via a certain presence in the hemisphere of its enemy.

One instrument in building this counterweight is the sale of arms, which has jumped from \$1247 million (2005) to \$6347 million (2012). Russian-made military equipment has maintained its significance without reaching sidereal volumes and makes Moscow visible in the region. This military influence is irrelevant compared to the Pentagon, but it sends a message to the State Department.

Russia does not assert its gravitas in its rival's backyard through the export of goods, capital or investments. It exhibits influence through diplomacy, geopolitics and propping up governments hostile to Washington.

## **Dilemmas with China**

Attempts to characterise Russia as imperial using economic criteria drawn from Lenin have been forcefully rebutted by critics (Smith, 2019). But those objections fall short as they limit their assessment simply to Russia. The country under study does not meet the requirements set out for imperial status using the cited indicators. But what about the more problematic example of China?

In any area of finance, trade or investment, the Eastern giant meets all the conditions set out in Lenin's recipe, and place it at the pinnacle of imperial power. It exceeds in spades the tests set for whether a country is a dominant power.

China is no longer even in the category of primary commodity exporter and capital importer as some analysts note (Dolek, 2018). It has already left both labels behind and operates as a large foreign financier while exporting intermediate (and even advanced technology) goods.

Using the criteria under discussion, China would have to be included in the league of empires that Russia is left out of. But such a designation clashes with the realities of the current scenario. It is evident that Moscow carries out more spectacular geopolitical and military actions than Beijing. China tends to maintain a sober independence in both fields. This difference suggests that a closeness to imperialism can already be observed when it comes to Russia but not in the case of China.

This decisive fact is omitted in evaluations centred on the features extracted from Lenin's recipe. Assessing the presence of economic ingredients — emphasised in this classic formula — is useless nowadays when it comes to issuing a verdict on whether a country belongs to the imperial circle.

To work out this status, foreign interventions, external geopolitical-military actions and tensions with the war apparatus headed by the US must be analysed in greater detail.

Such inquiry must privilege facts and not just expansionist statements. Imperialism is not a discourse. It is a policy of systematic external intervention. Using this criterion we have argued that China is not an imperialist power (Katz, 2021). In the case of Russia, we propose the concept of non-hegemonic empire in gestation.

### **Lenin, yesterday and today**

The Bolshevik leader described the general features of imperialism of his time, without proposing a strict classification of the countries included in that structure. He never intended to produce a map of the world order using economic indicators (Proyekt, 2014).

Lenin considered, for example, that Russia was part of the imperial circle in his time despite not fulfilling all the financial and commercial conditions required to be part of that association. In the final years of the tsars, Moscow had a very fragile financial structure, lacked strength when it came to exports and did not harbour a capitalist class involved in the dispute for the world's spoils.

This economic underdevelopment did not alter Russia's imperialist status, which was corroborated by its participation in World War I. The presence in that bloodbath (and not its accumulated economic heritage) placed Russia in the tandem of empires (Dolek, 2018). Lenin privileged that dimension in all his assessments.

The same assessment was used for other contenders. At the beginning of the 20th century, Japan was not an important exporter of capital, nor was it home to significant finance capital. In no sphere did it have the capitalist maturity exhibited by other participants in the global competition. But between 1895 and 1910 it deployed its overwhelming military machine in East Asia and for that reason exhibited an unquestionable imperial status. As with Russia, geopolitical criteria prevailed when determining this classification (Ishchenko, 2019).

The economic parameters set out by Lenin were specific to capitalist features of the early 20th century, and were present with particular intensity in Germany and Great Britain. These features subsequently lost (or modified) their initial significance.

The primacy of capital exports, the centrality of finance capital and the weight of certain monopolies did not remain unchanged in the post-war period and have mutated radically in the past decades. Lenin never pretended to elaborate a timeless recipe book.

The diagnoses that the Bolshevik leader postulated for capitalism at the beginning of the 20th century do not apply today. If this inadequacy is ignored, it is impossible to understand Russia's status in the past four decades of neoliberal, precarious, digital and financialised capitalism.

The role of this power must be contextualised within this specific framework and not within the settings of the previous century. Imperialism has not remained unchanged after so much time. It has moulded its features to the new demands of capitalism.

### **The centrality of war**

Lenin's main legacy regarding imperialism cannot be found in the economic sphere. His evaluations of monopolies, finance and capital exports at the beginning of the 20th

century were only part of a larger conglomerate of studies on capitalism. The Russian leader shared convergences and divergences with numerous economists on these investigations and did not conceive this sphere as the axis of his activity.

The Communist leader concentrated all his attention on political action and approached his analysis of imperialism from that starting point. The main debate he addressed was the position of socialists on wars (Proyekt, 2019). Lenin defined positions in the face of these crucial events to promote militant courses of action. All his opinions on imperialism had political audiences (first Socialists, and then Communists) and offered answers to dramatic war conjunctures. Complementary aspects were never the focus of relevant polemics.

Lenin took up the differentiation established by Marx and Engels between just or legitimate wars and purely oppressive wars. The first type contained positive elements for the liberation of peoples. He emphasised the importance of confrontations waged against monarchs, colonialists and the nobility in the course of confrontations that assumed progressive tones (Lenin, 1915).

All warlike actions affecting these bastions of reaction were weighted according to their progressive features. The same was true of wars that undermined colonial domination. Lenin did not hesitate to support the battles of the periphery against imperial powers. When World War I broke out, the Bolshevik leader led a radical push to overturn traditional Marxist positions by denouncing both sides in the dispute equally. He criticised all participants in that bloodbath and rejected the theses of social-democratic reformism that observed glimpses of progressiveness in the different armies involved. The Russian leader, instead, objected to the application of the old distinction between just and regressive wars in this case.

Lenin emphasised that the powers in dispute only aspired to the division of the world among the capitalists of each empire. He stressed that they were perpetrating a butchery to consummate the distribution of spoils and called for the defeat of all sides, with the aim of opening up a path to socialism.

The Leninist theory of imperialism revolves around this political battle. He counterposed the new scenario to the old schemes, and stressed the exceptional opportunity that had been created to inaugurate socialist processes. With this strategic line, he commanded the Bolshevik revolution of 1917.

Any evaluation of contemporary imperialism requires taking up this legacy. Lenin offers several criteria to clarify the camps in dispute, the main enemies and forms of intervention in wars. This approach has gained enormous importance in current discussions among the left regarding the war in Ukraine. Our position on these debates is based (to a large extent) on a re-reading of Lenin (Katz, 2022).

The privileged position we assign to the issue of war in order to elucidate the nature of contemporary imperialism does not devalue the economic dimension of this phenomenon. It just avoids simplified analytical reductions based solely on these indicators. Materialism is not synonymous with the mere detection of the economic roots of social processes. In the specific case of imperialism, the great challenge lies in connecting this dynamic with the course of great geopolitical and military disputes. Imperialism concentrates the coercive and dissuasive mechanisms used by the capitalist system to reinforce its international domination. It operates in the relations between states, through dynamics of competition, force or hegemonic dispute, and

synthesises the form that the supremacy of different powers take in each era of capitalism.

With this approach we seek to answer the questions surrounding Russia's potential imperial status. Our conclusions on this status contrast with other views, which we will analyse in the next text.

*Claudio Katz is an economist, CONICET researcher, professor at the University of Buenos Aires, and member of Economists of the Left. His web page is [lahaine.org/katz](http://lahaine.org/katz)*

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