

Imperialism, the Highest Stage of Capitalism  
by VI Lenin  
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To a certain extent it will be useful for many communists in advanced capitalist countries to convince themselves by the example of this pamphlet, legal from the standpoint of the Tsarist censor, of the possibility, and necessity, of making use of even the slight remnants of legality which still remain at the disposal of the communists.

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Railways are a summation of the basic capitalist industries, coal iron and steel, a summation and the most striking index of the development of world trade and bourgeois democratic civilisation. How the railways are linked up with large scale industry, with monopolies, syndicates, cartels, trusts, banks and the financial oligarchy is shown in the preceding chapters of the book. The uneven distribution of the railways, their uneven development - sums up, as it were, modern monopolist capitalism on a worldwide scale. And this summary proves that imperialist wars are absolutely inevitable under such an economic system, as long as private property in the means of production exists.

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Obviously, out of such enormous super profits (since they are obtained over and above the profits which capitalists squeeze out of the workers of their 'own' country) it is possible to bribe the labour leaders and the upper stratum of the labour aristocracy. And that is just what the capitalists of the 'advanced' countries are doing: they are bribing them in a thousand different ways, direct and indirect, overt and covert.

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Tens of thousands of huge enterprises are everything; millions of small ones are nothing.

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From this it can be seen that, at a certain stage of its development, concentration itself, as it were, leads straight to monopoly, for a score or so of giant enterprises can easily arrive at an agreement, and on the other hand, the hindrance to competition, the tendency towards monopoly, arises from the huge size of the enterprise.

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It must be noted that he seems to place Germany in a special category because her industries are protected by high tariffs. But this is a circumstance which only accelerates concentration and the formation of monopolist manufacturers' associations, cartels, syndicates, etc. It is extremely important to note that in free trade Britain, concentration also leads to monopoly, although somewhat later and perhaps in another form ... this, for one thing, is due to the great investment of capital per enterprise, which gives rise to increasing demands for new capital for new enterprises and thereby renders their launching more difficult.

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Cartels become one of the foundations of the whole economic life. Capitalism has been transformed into imperialism.

Cartels come to an agreement on the terms of sale, dates of payment, etc. they divide the markets among themselves. They fix the quantity of goods to be produced. They fix prices. they divide the profits among the various enterprises, etc.

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Competition becomes transformed into monopoly. The result is immense progress in the

socialisation of production. In particular the process of technical invention and improvement becomes socialised.

p25

Capitalism in its imperialist stage leads directly to the most comprehensive socialisation of production; it, so to speak, drags the capitalists, against their will and consciousness, into some sort of a new social order, a transitional one from complete free competition to complete socialisation.

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It is instructive to glance at least at a list of the methods the monopolist associations resort to in the present day, the latest, the civilised struggle for 'organisation': [1] stopping supplies of raw materials (... 'one of the most important methods of compelling adherence to the cartel'); [2] stopping the supply of labour by means of 'alliances' (i.e., of agreements between the capitalists and the trade unions by which the latter permit their members to work only in cartelised enterprises); [3] stopping deliveries; [4] closing trade outlets; [5] agreements with the buyers, by which the latter undertake to trade only with the cartels; [6] systematic price cutting [to ruin 'outside' firms, i.e., those which refuse to submit to the monopolists. millions are spent in order to sell goods for a certain time below their cost price; there were instances when the price of petrol was thus reduced from 40 to 22 marks, i.e., almost by half!]; [7] stopping credits; [8] boycott.

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Domination, and the violence that is associated with it, such are the relationships that are typical of the 'latest phase of capitalist development'; this is what inevitably had to result, and as a result, from the formation of all powerful economic monopolies.

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Monopoly hews a path for itself everywhere without scruple as to the means, from paying a 'modest' sum to buy off competitors, to the American device of employing dynamite against them.

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'As a general rule, in such periods of radical economic change, speculation develops on a large scale.'

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The banking magnates seem to be afraid that state monopoly will steal upon them from an unexpected quarter. It goes without saying, however, that this fear is no more than an expression of the rivalry, so to speak, between two department managers in the same office; for, on the one hand, the millions entrusted to the savings-banks are in the final analysis actually controlled by these very same bank capital magnates, while on the other hand, state monopoly in capitalist society is merely a means of increasing and guaranteeing the income of millionaires in some branch of industry who are on the verge of bankruptcy.

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'The concentration of the banks is narrowing the circle of establishments from which it is possible to obtain credits and is consequently increasing the dependence of big industry upon a small number of banking groups. In view of the close connection between industry and the financial world, the freedom of movement of industrial companies which need banking capital is restricted. For this reason, big industry is watching the growing trustification of the banks with mixed feelings. Indeed, we have repeatedly seen the beginning of certain agreements between the individual big banking concerns, which aim at restricting competition.'

Again and again, the final word in the development of banking is monopoly.  
p39

The 'personal link-up' between the banks and industry is supplemented by the 'personal link-up' between both of them and the government.  
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The building and development, so to speak, of the big capitalist monopolies is therefore going on full steam ahead in all 'natural' and 'supernatural' ways. A sort of division of labour is being systematically developed amongst the several hundred kings of finance who reign over modern capitalist society.  
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'Anyone who has watched, in recent years,' writes Jeidels, 'the changes of incumbents of directorships and seats on the supervisory boards of the big banks, cannot fail to have noticed that power is gradually passing into the hands of men who consider the active intervention of the big banks in the general development of industry to be necessary and of increasing importance. Between these new men and the old bank directors, disagreements on this subject of a business and often of a personal nature are growing. The issue is whether or not the banks, as credit institutions, will suffer from this intervention in industry, whether they are sacrificing tried principles and an assured profit to engage in a field of activity which has nothing in common with their role as middlemen in providing credit, and which is leading the banks into a field where they are more than ever before exposed to the blind forces of trade fluctuations. This is the opinion of many of the older bank directors, while most of the young men consider active intervention in industry to be a necessity as great as that which gave rise, simultaneously with big modern industry, to the big banks and modern industrial banking. the two parties are agreed only on one point: there are neither firm principles nor a concrete aim in the new activities of the big banks.'

The old capitalism has had its day. The new capitalism represents a transition towards something.  
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Thus, the twentieth century marks the turning-point from the old capitalist to the new, from the domination of capital in general to the domination of finance capital.  
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'Finance capital is capital controlled by banks and employed by industrialists.'

This definition is incomplete insofar as it is silent on one extremely important fact - on the increase of concentration of production and of capital to such an extent that concentration is leading, and has led, to monopoly.  
p45

The concentration of production; the monopolies arising therefrom; the merging or coalescence of the banks with industry - such is the history of the rise of finance capital and such is the content of that concept.  
p46

Capitalism, which began its development with petty usury capital, is ending its development with gigantic usury capital.  
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It is characteristic of capitalism in general that the ownership of capital is separated from the application of capital to production, that money capital is separated from industrial or

productive capital, and that the rentier who lives entirely on income obtained from money capital, is separated from the entrepreneur and from all who are directly concerned in the management of capital. imperialism, or the domination of finance capital, is that highest stage of capitalism in which this separation reaches vast proportions. The supremacy of finance capital over all other forms of capital means the predominance of the rentier and of the financial oligarchy; it means that a small number of financially 'powerful' states stand out among all the rest.

p57

Typical of the old capitalism, when free competition held undivided sway, was the export of goods. Typical of the latest stage of capitalism, when monopolies rule, is the export of capital.

Capitalism is commodity production at its highest stage of development, when labour-power itself becomes a commodity. The growth of internal exchange, and, particularly, of international exchange, is a characteristic feature of capitalism. The uneven and spasmodic development of individual branches of industry and individual countries is inevitable under the capitalist system.

p59

On the threshold of the twentieth century we see the formation of a new type of monopoly: firstly, monopolist associations of capitalists in all capitalistically developed countries; secondly, the monopolist position of a few very rich countries, in which the accumulation of capital has reached gigantic proportions. an enormous 'surplus of capital' has arisen in the advanced countries.

It goes without saying that if capitalism could develop agriculture, which today is everywhere lagging terribly behind industry, if it could raise the living standards of the masses, who in spite of the amazing technical progress are everywhere still half-starved and poverty stricken, there could be no question of surplus capital. This 'argument' is very often advanced by the petty-bourgeois critics of capitalism. But if capitalism did these things it would not be capitalism; for both uneven development and a semi-starvation level of existence of the masses are fundamental and inevitable conditions and constitute premises of this mode of production. As long as capitalism remains what it is, surplus capital will be utilised not for the purpose of raising the standard of living of the masses in a given country, for this would mean a decline in profits for the capitalists, but for the purpose of increasing profits by exporting capital abroad to the backward countries. In these backward countries profits are usually high, for capital is scarce, the price is relatively low, wages are low, raw materials are cheap. The export of capital is made possible by a number of backward countries having already been drawn into world capitalist intercourse; main railways have either been or are being built in those countries, elementary conditions for industrial development have been created, etc. The need to export capital arises from the fact that in a few countries capitalism has become 'overripe' and (owing to the backward state of agriculture and the poverty of the masses) capital cannot find a field for 'profitable' investment.

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The export of capital influences and greatly accelerates the development of capitalism in those countries to which it is exported. While, therefore, the export of capital may tend to a certain extent to arrest development in the capital-exporting countries, it can only do so by expanding and deepening the further development of capitalism throughout the world.

p62

'But not a single money market dares to refuse a loan for fear that its neighbour may forestall it, consent to grant a loan and so secure some reciprocal service. In these international transactions the creditor nearly always manages to secure some extra benefit: a favourable

clause in a commercial treaty, a coaling station, a contract to construct a harbour, a fat concession, or an order for guns'

p62

The capital exporting countries have divided the world among themselves in the figurative sense of the term, but finance capital has led to the actual division of the world.

p64

Monopolist capitalist associations, cartels, syndicates and trusts divided the home market among themselves and obtained more or less complete possession of the industry of their own country. But under capitalism the home market is inevitably bound up with the foreign market. Capitalism long ago created a world market. As the export of capital increased, and as the foreign and colonial connections and 'spheres of influence' of the big monopolist associations expanded in all ways, things 'naturally' gravitated towards an international agreement among these associations, and towards the formation of international cartels. this is a new stage of world concentration of capital and production, incomparably higher than the preceding stages.

p64

... the division of the world between two powerful trusts does not preclude redivision if the relation of forces changes as a result of uneven development, war, bankruptcy, etc.

p67

'It is time our state socialists, who allow themselves to be blinded by a beautiful principle, understood, at last, that in Germany the monopolies have never pursued the aim, nor have they had the result, of benefiting the consumer, or even of handing over to the state part of the promoter's profits; they have served only to facilitate, at the expense of the state, the recovery of private industries which were on the verge of bankruptcy'. ... we see plainly here how private and state monopolies are interwoven in the epoch of finance capital; how both are but separate links in the imperialist struggle between the big monopolists for the division of the world.

p69

International cartels show to what point capitalist monopolies have developed, and the object of the struggle between the various capitalist associations. This last circumstance is the most important; it alone shows us the historico-economic meaning of what is taking place; for the forms of the struggle may and do constantly change in accordance with varying, relatively specific and temporary causes, but the substance of the struggle, its class content, positively cannot change while classes exist.

p71

The capitalists divide the world, not out of any particular malice, but because the degree of concentration which has been reached forces them to adopt this method in order to obtain profits. And they divide it 'in proportion to capital', 'in proportion to strength', because there cannot be any other method of division under commodity production and capitalism. But strength varies with the degree of economic and political development. In order to understand what is taking place, it is necessary to know what questions are settled by these changes in strength. The question as to whether these changes are 'purely' economic or non-economic (e.g., military) is a secondary one, which cannot in the least affect fundamental views on the latest epoch of capitalism. To substitute the question of the form of the struggle and agreements (today peaceful, tomorrow warlike, the next day warlike again) for the question of the substance of the struggle and agreements between capitalist associations is to sink to the role of the sophist.

The epoch of the latest stage of capitalism shows us that certain relations between capitalist

associations grow up, based on the economic division of the world; while parallel to and in connection with it, certain relations grow up between political alliances, between states, on the basis of the territorial division of the world, of the struggle for colonies, of the 'struggle for spheres of influence'.

p72

For the first time the world is completely divided up, so that in the future only redivision is possible, i.e., territories can only pass from one 'owner' to another, instead of passing as ownerless territory to an 'owner'.

p73

.... the development of pre-monopoly capitalism, of capitalism in which free competition was predominant, reached its limit in the 1860's and 1870's. We now see that it is precisely after that period that the tremendous 'boom' territorial division of the world becomes extraordinarily sharp. It is beyond doubt, therefore, that capitalism's transition to the stage of monopoly capitalism, to finance capital, is connected with the intensification of the struggle for the partitioning of the world.

p74

Cecil Rhodes 1895;

'I was in the east end of London (a working-class quarter) yesterday and attended a meeting of the unemployed. I listened to the wild speeches, which were just a cry for 'bread! bread!' and on my way home I pondered over the scene and i became more and more convinced of the importance of imperialism. ... My cherished idea is a solution for the social problem, i.e., in order to save the 40 million inhabitants of the United Kingdom from a bloody civil war, we colonial statesmen must acquire new lands to settle the surplus population, to provide new markets for the goods produced in the factories and the mines. The empire, as I have always said, is a bread and butter question. If you want to avoid civil war, you must become imperialists.'

p75

The principal feature of the latest stage of capitalism is the domination of monopolist associations of the big employers. These monopolies are most firmly established when all the sources of raw materials are captured by one group, and we have seen with what zeal the international capitalist associations exert every effort to deprive their rivals of all opportunity of competing, to buy up, for example, iron fields, oilfields, etc. Colonial possession alone gives the monopolies complete guarantee against all contingencies in the struggle against competitors, including the case of the adversary wanting to be protected by a law establishing a state monopoly. The more capitalism is developed, the more strongly the shortage of raw materials is felt, the more intense the competition and the hunt for sources of raw materials throughout the whole world, the more desperate the struggle for the acquisition of colonies.

p78

Finance capital is interested not only in the already discovered sources of raw materials but also in potential sources, because present day technical development is extremely rapid, and land which is useless today may be improved tomorrow if new methods are devised (to this end a big bank can equip a special expedition of engineers, agricultural experts, etc.), and if large amounts of capital are invested. This also applies to prospecting for minerals, to new methods of processing up and utilising raw materials, etc., hence, the inevitable striving of finance capital to enlarge its sphere of influence and even its actual territory.

p79/80

Imperialism emerged as the development and direct continuation of the fundamental characteristics of capitalism in general. But capitalism only became capitalist imperialism at a definite and very high stage of its development, when certain of its fundamental

characteristics began to change into their opposites, when the features of the epoch of transition from capitalism to a higher social and economic system had taken shape and revealed themselves in all spheres. Economically, the main thing in this process is the displacement of capitalist free competition by capitalist monopoly. Free competition is the basic feature of capitalism, and of commodity production generally; monopoly is the exact opposite of free competition, but we have seen the latter being transformed into monopoly before our eyes, creating large scale industry and forcing out small industry, replacing large scale by even larger scale industry, and carrying concentration of production and capital to the point where out of has grown and is growing monopoly: cartels, syndicates and trusts, and merging with them, the capital of a dozen or so banks, which manipulates thousands of millions. At the same time the monopolies, which have grown out of free competition, do not eliminate the latter, but exist above it and alongside it, and thereby give rise to a number of very acute, intense antagonisms, frictions and conflicts. Monopoly is the transition from capitalism to a higher system.

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Imperialism is capitalism at that stage of development at which the dominance of monopolies and finance capital is established; in which the export of capital has acquired pronounced importance; in which the division of the world among the international trusts has begun, in which the division of all territories of the globe among the biggest capitalist powers has been completed.

p84

... the best reply that one can make to the lifeless abstractions of 'ultra-imperialism' (which serves exclusively a most reactionary aim: that of diverting attention from the depth of existing antagonisms).

p89

Finance capital and the trusts do not diminish but increase the differences in the rate of growth of the various parts of the world economy. Once the relation of forces is changed, what other solution of the contradictions can be found under capitalism than that of force?

p91

... like all monopoly, it inevitably engenders a tendency to stagnation and decay. Since monopoly prices are established, even temporarily, the motive cause of technical and, consequently, of all other progress disappears to a certain extent and, further, the economic possibility arises of deliberately retarding technical progress.

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Certainly, the possibility of reducing the cost of production and increasing profits by introducing technical improvements operates in the direction of change. But the tendency to stagnation and decay, which is characteristic of monopoly, continues to operate, and in some branches of industry, in some countries, for certain periods of time, it gains the upper hand.

p94

The export of capital, one of the most essential economic bases of imperialism, still more completely isolates the rentiers from production and sets the seal of parasitism on the whole country that lives by exploiting the labour of several overseas countries and colonies.

p94

The rentier state is a state of parasitic, decaying capitalism, and this circumstance cannot fail to influence all the socio-political conditions of the countries concerned, in general, and the two fundamental trends in the working-class movement in particular.

p96

Two sets of circumstances ... have weakened the old empires: [1] 'economic parasitism', and [2] the formation of armies recruited from subject peoples. 'There is first the habit of economic parasitism, by which the ruling state has used its provinces, colonies, and dependencies in order to enrich its ruling class and to bribe its lower classes into acquiescence.'

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Most of the fighting by which we have won our ... empire has been done by natives.

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... also, within the working-class movement, the opportunists, who are for the moment victorious in most countries, are 'working' systematically and undeviatingly in this very direction. Imperialism, which means the partitioning of the world and the exploitation of other countries besides china, which means high monopoly profits for a handful of very rich countries, makes it economically possible to bribe the upper strata of the proletariat, and thereby fosters, gives shape to, and strengthens opportunism. We must not, however, lose sight of the forces which counteract imperialism in general, and opportunism in particular.

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And in speaking of the British working class the bourgeois student of 'British imperialism at the beginning of the twentieth century' is obliged to distinguish systematically between the 'upper stratum' of the workers and the 'lower stratum of the proletariat proper'. The upper stratum furnishes the bulk of the membership of co-operatives, of trade unions, of sporting clubs and of numerous religious sects. To this level is adapted the electoral system, which in Great Britain is still 'sufficiently restricted to exclude the lower stratum of the proletariat proper!' in order to present the condition of the British working class in a rosy light, only this upper stratum - which constitutes a minority of the proletariat - is usually spoken of.

(Lenin commenting on Hobson's ideas)

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Imperialism has the tendency to create privileged sections also among the workers, and to detach them from the broad masses of the proletariat.

It must be observed that in Great Britain the tendency of imperialism to split the workers, to strengthen opportunism among them and to cause temporary decay in the working class movement, revealed itself much earlier than the end of the nineteenth and the beginning of the twentieth centuries; for two important distinguishing features of imperialism were already observed in Great Britain in the middle of the nineteenth century - vast colonial possessions and a monopolist position in the world market. Marx and Engels traced this connection between opportunism in the working-class movement and the imperialist features of British capitalism systematically, during the course of several decades. For example, on October 7, 1858, Engels wrote to Marx: 'The English proletariat is actually becoming more and more bourgeois, so that this most bourgeois of all nations is apparently aiming ultimately at the possession of a bourgeois aristocracy and a bourgeois proletariat alongside the bourgeoisie. for a nation which exploits the whole world this is of course to a certain extent justifiable.' Almost a quarter of a century later, in a letter dated August 11, 1881, Engels speaks of the 'worst English trade unions which allow themselves to be led by men sold to, or at least paid by, the middle class.' in a letter to Kautsky, dated September 12, 1882, Engels wrote: 'You ask me what the English workers think about colonial policy. Well, exactly the same as they think about politics in general. There is no workers' party here, there are only conservatives and liberal-radicals, and the workers gaily share the feast of England's monopoly of the world market and the colonies.' (Engels expressed similar ideas in the press in his preface to the second edition of the condition of the working class in England, which appeared in 1892.) This clearly shows the cause and effects. The causes are: [1] exploitation of the whole world by this country; [2] its monopolist position in the world market; [3] its colonial monopoly. the



effects are: [1] a section of the British proletariat becomes bourgeois; [2] a section of the proletariat allows itself to be led by men bought by, or at least paid by, the bourgeoisie. The imperialism of the beginning of the twentieth century completed the division of the world among the handful of states, each of which today exploits (in the sense of drawing super profits from) a part of the 'whole world' only a little smaller than that which England exploited in 1858; each of them occupies a monopolist position in the world market thanks to trusts, cartels, finance capital and creditor and debtor relations; each of them enjoys to some degree a colonial monopoly.

The distinctive feature of the present situation is the prevalence of such economic and political conditions that are bound to increase the irreconcilability between opportunism and the general and vital interests of the worker class movement: imperialism has grown from an embryo into the predominant system; capitalist monopolies occupy first place in economics and politics; the division of the world has been completed; on the other hand, instead of the undivided monopoly of Great Britain, we see a few imperialist powers contending for the right to share in this monopoly, and this struggle is characteristic of the whole period of the early twentieth century. Opportunism cannot now be completely triumphant in the working class movement of one country for decades as it was in Britain in the second half of the nineteenth century; but in a number of countries it has grown ripe, overripe, and rotten, and has become completely merged with bourgeois policy in the form of 'social-chauvinism.'

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Imperialist ideology also penetrates the working class. No Chinese wall separates it from the other classes. The leaders of the present day so-called 'social-democrats' party of Germany are justly called 'social-imperialists', that is, socialists in words and imperialists in deeds.

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... the more rapidly trade and capitalism develop, the greater is the concentration of production and capital which gives rise to monopoly. And monopolies have already arisen - precisely out of free competition! Even if monopolies have now begun to retard progress, it is not an argument in favour of free competition, which has become impossible after it has given rise to monopoly.

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... the increase in exports is connected with just these swindling tricks of finance capital, which is not concerned with bourgeois morality, but with skinning the ox twice - first, it pockets the profits from the loan; then it pockets other profits from the same loan which the borrower uses to make purchases (from the borrower).

p109

This is because the only conceivable basis under capitalism for the division of spheres of influence, interests, colonies, etc., is a calculation of the strength of those participating, their general economic, financial, military strength, etc. And the strength of these participants in the division does not change to an equal degree, for the even development of different undertakings, trusts, branches of industry, or countries is impossible under capitalism.

p112

Peaceful alliance prepares the ground for wars, and in their turn grow out of wars; the one conditions the other, producing alternating forms of peaceful and non-peaceful struggle on one and the same basis of imperialist connections and relations within world economics and world politics.

p112

Imperialism is the epoch of finance capital and of monopolies, which introduce everywhere the striving for domination, not for freedom. Whatever the political system the result of these

tendencies is everywhere reaction and an extreme intensification of antagonisms in this field. particularly intensified become the yoke of national oppression and the striving for annexations, i.e., the violation of national independence (for annexation is nothing but the violation of the right of nations to self-determination).

p114

Monopolies, oligarchy, the striving for domination and not for freedom, the exploitation of an increasing number of small or weak nations by a handful of the richest or most powerful nations - all these have given birth to those distinctive characteristics of imperialism which compel us to define it as parasitic or decaying capitalism. More and more prominently there emerges, as one of the tendencies of imperialism, the creation of the 'rentier state', the usurer state, in which the bourgeoisie to an ever-increasing degree lives on the proceeds of capital exports and by 'clipping coupons'. It would be a mistake to believe that this tendency to decay precludes the rapid growth of capitalism. It does not. In the epoch of imperialism, certain branches of industry, certain strata of the bourgeoisie and certain countries betray, to a greater or lesser degree, now one and now another of these tendencies. On the whole, capitalism is growing far more rapidly than before; but this growth is not only becoming more and more uneven in general, its unevenness also manifests itself, in particular, in the decay of the countries which are richest in capital (Britain).

p117

The receipt of high monopoly profits by the capitalists is one of the numerous branches of industry, in one of the numerous countries, etc., makes it economically possible for them to bribe certain sections of the workers, and for a time a fairly considerable minority of them, and win them to the side of the bourgeoisie of a given industry or given nation against all others. The intensification of antagonisms between imperialist nations for the division of the world increases this urge. And so there is created that bond between imperialism and opportunism, which revealed itself first and most clearly in Great Britain, owing to the fact that certain features of imperialist development were observable there much earlier than in other countries.

p118

As a matter of fact the extraordinary rapidity and the particularly revolting character of the development of opportunism is by no means a guarantee that its victory will be durable: the rapid growth of a painful abscess on a healthy body can only cause it to burst more quickly and thus relieve the body of it. The most dangerous of all in this respect are those who do not wish to understand that the fight against imperialism is a sham and humbug unless it is inseparably bound up with the fight against opportunism.

From all that has been said in this book on the economic essence of imperialism, it follows that we must define it as capitalism in transition, or, more precisely, as moribund capitalism.

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But underlying this interlocking, its very base, are the changing social relations of production. When a big enterprise assumes gigantic proportions, and, on the basis of an exact computation of mass data, organises according to plan the supply of primary raw materials to the extent of two thirds, or three fourths, of all that is necessary for tens of millions of people; when the raw materials are transported in a systematic and organised manner to the most suitable places of production, sometimes situated hundreds or thousands of miles from each other; when a single centre directs all the consecutive stages of processing the material rights up to the manufacture of numerous varieties of finished articles; when these products are distributed according to a single plan among tens and hundreds of millions of consumers (the marketing of oil in America and Germany by the American oil trust) - then it becomes evident that we have socialisation of production, and not mere 'interlocking'; that private economic and private property relations constitute a shell which no longer fits its contents, a

shell which must inevitably decay if its removal is artificially delayed, a shell which may remain in a state of decay for a fairly long period (if, at the worst, the cure of the opportunist abscess is protracted), but which will inevitably be removed.

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