

RETHINKING IMPERIALIST THEORY AND US IMPERIALISM IN LATIN AMERICA.

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Abstract: In this paper we criticize contemporary theorizing about imperialism for its economic reductionism and a lack of class analysis and institutional specificity regarding the imperial state. In the context of this argument we establish the importance of class analysis for grasping the changing dynamics of imperial power before proceeding to argue how specific alignments of class forces in the world economy, in their interactions with existing imperial power configurations, is leading to a realignment of economic power in the world capitalist system that constitutes a major challenge for US imperialism in its Latin American operations. In the final section of the paper we point to the discontinuities and continuities in US imperial relations with Latin America, and the potentialities and constraints of these relations on economic growth and development.

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1. THE SOCIAL BASIS OF IMPERIALISM POLITICS.

Almost all theories of contemporary imperialism, both in its (neo)marxist and (neo)liberal variants, lack any but the crudest sociological analyses of the class and political character of the governing groups that direct the imperial state and its policies (Harvey, 2003; Magdoff, 2003; Amin, 2001; Panitch and Leys, 2004; Ahmad, 2007; Foster, 2006; Hardt and Negri, 20xx). The same is true about contemporary theorizing about the imperial

state, which is largely devoid of both institutional and class analysis (Panitch, 2000).^[1] Most theorists of imperialism resort to a form of economic reductionism in which the political and ideological dimensions of imperial power are downplayed or ignored, and categories such as “investments”, “trade” and “markets” are decontextualized and presented as historically disembodied entities that are comparable across space and time. Changes in the configuration of class relations and associated dynamics are then accounted for in terms of general economic categories such as “finance”, “manufacturing”, “banking” and “services” without any analysis of the political economy of capitalist development and class formation, or the nature and sources of financial wealth”illegal drug trade, money laundering, real estate speculation, etc. (Panitch and Leys, 2004). As for the shifts in the political and economic orientation of governing capitalist politicians representing the imperial interests of the dominant class, resulting in the formation of links with other capitalists and imperialist centres with major consequences in the configuration of world power, they are glossed over in favour of abstract accounts of statistical shifts in economic measures of capital flows.

Contemporary theorizing about imperialism generally, if not totally, ignores the role of sociopolitical and ideological power configurations in shaping imperial policy, as opposed to major economic institutions such as the multinational corporation (MNC) and other operational and governing agencies of imperial power, including major military installations and commitments.^[2] In addition, the role of Zionist

power configurations and militarist ideologues in shaping US Middle East policy is a crucial consideration regarding the US imperial state as well as contemporary imperialism in theory and practice, but it is almost entirely ignored in studies of US foreign policy and the projection of imperial power in the Middle East, a critical feature of US imperialism in its global operations and the quest for world domination (Petras, 2006).^[3]

The dynamics of imperial power relations are both economic and political. As for the economic dynamics, as theorized by Lenin in a very different context, they derive from the search by capitalists for productive outlets for surplus capital, as well as cheaper sources of raw materials and labour, and markets. In terms of these dynamics, particularly those that relate to the emergence of monopoly capital and the export of capital, Lenin theorized imperialism as the highest form of capitalism, a manifestation of its fundamental laws of development. However, while liberal theorists of imperialism tend to emphasize the political, and to isolate the political dimension of imperialism from its economic dynamics, viewing imperialism purely in terms of the quest for world domination or the pursuit of geopolitical strategic concerns and the national interest. Marxist theorists after Lenin generally recognize that the imperial state is a critical agency of capitalist development and a fundamental source of political and military power pursued in the service of capital, to ensure its dominion.^[4]

From this Marxist perspective imperialism is understood in terms of its connection to capitalism, and the agency of the imperial state system "the projection of state power" in securing the conditions needed for capital accumulation. Not that there is a consensus on this point "on imperialism as the bearer of capital, an agency of capitalist development. William Robinson, for example, expands on the argument advanced by Hard and Negri (200xx) and other world system theorists that the "class relations of global capitalism are now so deeply internalized within every nation-state that the classical image of imperialism as a relation of external domination is outdated" (Robinson, 2007: 7).^[5] Although what these "class relations" might possibly be is unclear, as is the question as to what form imperialism takes under these circumstances (the dominion of capital over labour), Robinson argues that in effect "national capitalist monopolies" no longer need

to "turn to the state for assistance". The corollary is that the state no longer needs to assume the responsibility for empire-building and the projection of imperial power is no longer concerned with the dynamics of capital accumulation.^[6] In Robinson's formulation "the system of nation-states" is no longer the organizing principle of capitalist development, or the primary institutional framework that shapes social and class forces and political dynamics" (2007: 8).

Another assumption made by Robinson, and shared by other world system theorists of transnational capital (and "globally integrated enterprise"), is that "if we are to get at the root of 21st century global social and political dynamics" the Marxist tradition of imperialism theory based on the classical statements of Lenin and Hilferding should be discarded. Based on the assumption of a world of rival national capitals and economies, conflict among core capitalist powers, the exploitation by these powers of peripheral regions, and "a nation-state centred framework for analyzing global dynamics", this theoretical tradition is entirely useless, incapable "according to Robinson" of grasping the fundamental contemporary dynamics of capitalist development (pp.6-7).^[7]

If, as Robinson and others contend, capital no longer needs the imperial state does it mean that imperialism will wither away, or does it mean, as argued by Klare, that it will take the form of "geopolitical competition" the contention between great powers and aspiring great powers for control over territory, resources, and important geographical positions such as ports and harbours "and other sources of wealth and influence" (2003: 51"52). Or does it mean what Robinson and some "including Arrighi, Brenner, Foster and others in the torrent of "new imperialism" literature that has appeared since 2001) "have suggested or contend, namely that imperialism is advanced primarily, if not exclusively, in economic form via the agency of transnational(ized) corporations that represent an empire without imperialism, as Hard and Negri would have it, or capitalism beyond imperialism, as Robinson sees it.

In opposition to this rather reductionist view of imperialism, we hold that imperial power is shaped predominantly by the imperial state and its policies that take as a given that what is perceived as in the "national interest" coincides with the concerns and interests, both economic

and political, of the capitalist class”of the “private sector”, in the official discourse. Notwithstanding arguments to the contrary, and taking into consideration both its economic and political dynamics and its actual operations (investments, production, sales), imperialism now as before is clearly designed and works to advance the project of capital accumulation in whatever and in as many ways as possible”to penetrate existing and open up new markets, exploit labour as humanely as possible but as inhumanely as needed, extract surplus value from the direct producers where possible, and access as needed or process raw materials and minerals. Insofar as the capitalist class is concerned the aim and the agenda of its individual and institutional members is to accumulate capital. As for the imperial state and its agents and agencies, including the World Bank and the agencies of international cooperation for security and development, the agenda is merely to pave the way for capital, to create the conditions needed for economic and social development. In neither case is uneven development of the forces of production and its social conditions (social inequality, unemployment, poverty, social and environmental degradation, etc.) on the agenda. Rather, these conditions are the unintended or “structural” consequences of capitalist development, and as such inevitable and acceptable costs of progress that need to be managed and, if and where possible, mitigated in the interest of both security and development.^[8]

Under these strategic and structural conditions it is illuminating but not particularly useful to measure the impact of imperialism merely in economic terms of the volume of capital inflows (FDI, bank loans, portfolio investments, etc.) and outflows (profit, interest payments, etc.).^[9] This is because imperialism essentially is a matter of class and state power, and as such an issue of politics and political economy”issues that are not brought into focus in an analysis of national accounts. At issue here are not only the structural dynamics of uneven capitalist development (the “development of underdevelopment”, in André Gunder Frank’s formulation) but social and international relations of power and competition between imperial and domestic classes, between officials and representatives of the imperial state and the state in “emerging economies” and “developing societies”. Under current conditions of rapid economic growth and capitalist development on

the southern periphery of the world system, these relations are very dynamic and changing. By no means can they be described today as relations of domination and subordination. In addition, members of the global ruling class (investors, financiers, big bankers, industrialists, etc.) must compete with each other not only in the same sector but in different countries within the imperialist system. This is not only a question of inter-capitalist and intra-imperialist rivalry. It is also a development and political issue embedded in a complex and dynamic class system (see the discussion on class below)”vis-a-vis relations of class domination and subordination mediated by the state. For example, within the dynamic and changing structure of this complex system of class and international relations representatives of the non-imperial state will insist on the transfer of technological, management and marketing knowhow to strengthen the ability of their capitalists to compete and for them to extract rents and serve the “national interest”.

As for the relations of “domination” and “dependence” among nations on the lines of a north-south divide (for example, the exchange of raw materials and minerals for manufactured products and technological transfers) they do not specify unchanging features of the system. Rather, the structure of global production, and the international relations of domination and subordination, are dynamic and change over time, in part because the geopolitical and economic concerns of the nation-state subject to imperial power leads to a quest for relative autonomy by state officials and politicians in these countries and protection of the national interest at issue. “Developments” along these lines have resulted and will result in qualitative changes in the relations between established imperial and emerging capitalist states.^[10] Thus theorizing focused only on an analysis of inflows and outflows of capital”as if the “host” country was a “blank factor”“or a focus on the structure of global production based on a fixed international division of labour, cannot account for the dynamics of capitalist development in countries and regions on the periphery of the system or with significant “structured” relations with those at the centre.^[11] Nor can this type of economic theorizing explain certain dynamic features of the world capitalist system, for example the shift in economic power from North America and Western Europe towards Asia”China and India, to be precise.

As we argue below this shift in world economic power has significant implications for US imperialism and US-Latin American relations reducing the scope of US state power and influence in the region and the capacity of Washington to dictate policy or dominate economic and political relations.

2. CLASS, IDEOLOGY AND IMPERIAL POWER.

The class that dominates the imperialist system, and in the literature variously referred to as the “transnational capitalist class” (Robinson, 2007; Sklair, 2001), the “global ruling class” (Pilger, 2002), the “global ruling class” (Petras, 2007), “the billionaire club” (Forbes), has not been the subject of any systematic analysis either as to its “structure” or the dynamics of its “social formation”.^[12] Even so we can identify the following constituent elements of a class structure that is reproduced in diverse national contexts and also taking form at the level of international relations and the world capitalist system:

- a core of big bankers, “financiers”, “investors” and “industrialists” and the directors and CEOs of the multinational corporations (the “giant conglomerates of the *Fortune 500*”)
- a stratum of policy-makers and politicians who constitute a sort of “political class”, the political representatives of the capitalist class;
- a stratum of policy analysts, development practitioners, advisors and theoreticians who constitute an imperial intelligentsia that operates primarily in the context of academe in its elite redoubts, the project of international cooperation for security and development, and diverse policy forums and foundations such as the National Security Council (NSC) and the Heritage Foundation;^[13] and
- a stratum of “service” specialists who provide the capitalists in this dominant class with all sorts of high-level services” (finance, business management, corporate and tax law, accounting, etc.) “a “professional-management” (upper-middle) class found on the interstices between the capitalist class in its global divisions and a more broadly-based “middle class” defined in terms of education, knowledge and skills rather than property in the means of production.

The capitalist core of this imperial class system, constituted by *Forbes*’ 1200 plus billionaires, occasionally meet as a group (as, for example, Mexico’s 11 billionaires do at Carlos Slim’s annual invitation La Jornada, 20xx),^[14] but the dominant class in its diverse elements and social circles come together and meet in diverse elite policy forums closed to the public such as the Trilateral commission, Bildenberg, the Pelletier Society, and The World Social Forum at Davos, where the elite of the dominant class in the imperial system can gather in the public eye.

Apart from these and other class relations (of production and power) the system and dynamics of imperial power rest on a dominant ideology, a set of ideas designed by its architects to serve the interests of the ruling class and to advance its project of capital accumulation. In the context of the “new world order” established in the 1980s this ideology takes the dominant form of neoliberal globalization, aimed at liberating the “forces of economic freedom (the free market, the private sector of profit-oriented and “making enterprises) from the regulatory constraints of the welfare-development state (Petras and Veltmeyer, 2001).

In this discourse, globalization appears as a behemoth whose appetite must be satisfied and whose thirst must be quenched at all costs meant ripping up the social contract that had allowed the benefits of capitalism to be broadly shared with other social classes” costs borne, as it happens but not fortuitously, by the working class. In this context, to write and talk, as do so many on the Left today, of the “corporate agenda” and “national interests”, and so on, is to obfuscate the class realities of globalization” the existence and machinations of the global ruling class (Petras, 2007) and what Jeffrey Faux (2006) has termed a “global class war”.

Faux’s book allows us to view in a different way the globalizing economy, the politics and economics of free trade, and soaring corporate profits, on the one hand, and deteriorating standards of living and the continuing (and deepening) poverty of most of the world’s people, on the other. What is behind this reality” Is it a dynamic objective process, working like the invisible hand of providence through the free market to bring about mutual benefits and general prosperity” Or is it a class of individuals who in their collective interest in capital

accumulation have launched a global war against labour in its multitudinous forms”.

In the context of the production crisis that hit the system in the early 1970s this class war meant ripping up the social contract that had allowed the benefits of capitalism to be broadly shared with other social classes. Another feature was the use of the state apparatus to reduce the share of labour in national income, weaken its organizational and negotiating capacity, and repress the popular movement for substantive social change in both the countryside and the cities and urban centres. This was in fact the primary form taken by the class struggle in the 1960s and 1970s. In the subsequent period of capitalist development”dubbed by Harvey (2005) as a” brief history of neoliberalism”“it assumed a different form: resistance against the neoliberal agenda of “structural reform” and neoliberal globalization, or forced adjustment to the requirements of the new world order (Veltmeyer and Petras, 1997, 2000).

The globalization discourse of the World Bank (1995) and other agencies of capitalist development in the 1980s was designed to hide the class realities behind it (Petras and Veltmeyer, 2001).^[15] The media and business press, for example, consistently talks about national interests without ever defining who exactly is getting what and how, and under what policy or decision-making conditions. Thus, workers in the 1990s were encouraged to join globalization as the only pathway to material prosperity, benefitting all social sectors. American workers today are told that the Chinese are taking their jobs even though this threat from China is but another global business partnership, in this case between Chinese commissars who supply cheap labour to global capital and the US and other foreign capitalists who supply the technology and much of the capital used to finance China’s exports. Workers in Latin America are told that it is their inflexibility and intransigence, and government interference in the free market, that hold them back from engaging meaningfully, or not engaging at all, in the many benefits of globalization. Many, including those on the Left, view “globalization” in this way. However, it would be better to see it for what it is: a class project vis-à-vis the accumulation of capital on a global scale; and as “imperialism” vis-à-vis the project of world domination, a source and possible means of securing ideological hegemony over the system.

Neoliberalism, as we have reconstructed it, is the reigning ideology of the global ruling class, an elite group that holds its annual meeting in the plush mountain resort of Davos, Switzerland. Hosted by the multinational corporations that dominate the world economy (Citigroup, Siemens, Microsoft, Nestlé, Shell, Chevron, BP Amoco, Repsol-YPF, Texaco, Occidental, Halliburton, and so on), and attended by some 2000 CEOs, and prominent politicians (including former and the current presidents of Mexico); this and other such meetings allow this elite to network with pundits and international bureaucrats, discuss policy briefs and position papers on the state of the global economy, and strategize about the world’s future”all the while enjoying best food, fine wine, good skiing, and cozy evenings by the fire among friends and associates”with fellow self-appointed and nominated members and guardians of the imperial world order.

Although it is surrounded by meetings and workings of a host of groupings, that is, meetings and committees and extended networks, Davos is not a secret cabal. Journalists issue daily reports to the world on the wit and informal charm of these unelected, self-appointed or nominated members of the class that runs and manages the global economy. In this sense, it is a political convention of what Faux dubs “the Davos Party”, which includes solid representation from the economic and political elite in Latin America. The mechanism and dynamics of class membership are unclear; as far as we know it has not been systemically studied. But it likely involves “people” like Henrique Fernando Cardoso, former dependency theorist and later neoliberal president (of Brazil), upon or before completion of his term in office, being invited to give a “talk” or address members of the imperial braintrust, the global elite, at one of its diverse foundations and “policy forums” such as the Council on Foreign Relations (CFR), a linchpin of the imperial braintrust and its system of think-tanks, policy forums, and geopolitical planning centres. This is certainly why former presidents of Mexico Carlos Salinas and Ernesto Zedillo were appointed and assigned specific responsibilities on diverse working committees designed to identify and redress fissures in, and threats to, the system. It is evident that being listed in Forbes” listing of the world’s biggest billionaire family fortunes, such as Bill Gates, George

Soros, and Carlos Slim, is sufficient in itself to ensure automatic membership in the club.

The New World Order system identifies those members of the global elite in each country that, as Salbuchi (2000) notes, are “malleable, controllable and willing to subordinate themselves to the system’s objectives”. Their careers are then launched so that they may rise to become presidents of their countries or ministers of finance and central bank governors. This was the case, for example, for Argentina’s Domingo Cavallo, Chile’s Alejandro Foxley, and Brazil’s Henrique Cardoso, each of whom received suitable local and international press coverage; were honored with “prestige-generating” reviews, interviews, conferences, and dinners, and so on; and then invited to address the Council on Foreign Relations, the Americas Society, and Council of the Americas; so that the key New World Order players in New York and Washington could evaluate them. If and when they pass muster, their election campaigns are generously financed by the corporate, banking, and media infrastructure of the “establishment” that has the resources and means to bring them to power legally and democratically”to do the bidding of their masters and colleagues. Some are even invited to join elite circles and organizations (such as Trilateral Commission and the Carnegie Endowment for International Peace), or one of the CFR’s working committees.

3. CHANGING CONFIGURATIONS OF ECONOMIC AND POLITICAL POWER.

Can those “emerging countries” whose dynamic growth is based on the export of agro-mineral commodities sustain this growth or their expansion over time, and avoid the volatility associated with the boom-bust cyclical pattern of this form of capitalist development” Can the high prices for commodity exports in recent years be sustained by the demand for minerals, natural resources and energy in China and other rapidly emerging economies” Do the earnings and revenues that accrue to agro-mineral export states have “spread effects” beyond the enclaves or sectors that are directly engaged in the production, transportation and exportation of commodities” Are the emerging states adding value to raw material exports” Are they processing or industrializing agricultural commodities and minerals, developing technology and upgrading skills in the formation of human capital” Are they acquiring

technological and marketing know-how, and forming professional managers disposed and able to retain and invest capital productively” Are they diversifying their economies, markets and exports” Are their exports financing the development of the home market, lessening vulnerability to external market fluctuations” Is growth overly dependent on investments and exports at the expense of social consumption and the domestic market” Are state revenues from commodity exports secured at the expense of local industry” Is a local comprador class of importers and retailers, financiers and creditors of local consumers, creating a “power complex” that weakens and undermines the operations and influence of local large, medium and small-scale producers” Is access to overseas markets for commodities secured at the expense of local manufacturers” Do agro-exporters undermine local food production, increasing the need for food imports and augmenting food insecurity”^[16]

These and other such questions were very much at issue in imperialist theorizing in the context of the post-war welfare-development state (the old imperialism”, but it seems have been put aside in the more recent context of neoliberal globalization (neo-imperialism), a boom-bust-boom cycle,^[17] In this context, the dynamic growth of the emerging agro-mineral export countries coincided with the financialization of capitalist development, relatively high interest rates and a propensity towards financial crisis, as well as a weakening of the ideological consensus constructed in the 1980s.^[18] In this context, in some areas and countries low interest rates in the imperial countries has led to the large-scale influx of speculative funds into the local bond market of emerging economies. This has fueled a speculative bubble and an overvaluation of the local currency, undermining the export competitiveness of local industrialists (*Financial Times*, 31 January, 2011: 1).

4. IMPERIAL POWER IN LATIN AMERICA.

Most discussions of US imperial power in Latin America are impressionistic, superficial and anecdotal; focused on particular events, and overly concerned with the presumed ideological crisis of the system or the various dimensions of an economic crisis without being able to link the two, they are generally devoid of a comparative historical perspective and any class analysis.^[19]

The general tendency in recent years has been to emphasize the “downside” or decline of US power, without reference to specific political timeframes or class issues.

In this section we point towards a number of methodological and measurement problems that reveal the complexity accompanying any estimate of the power of the US empire in Latin America. We then identify the principal tendencies regarding the direction of imperial power, and conclude with an interpretation of the complex shifts over time and location.

As for determining the direction of imperial power “whether it is rising or in decline” depends on the comparative historical timeframe as well as the type of indicators used. If for example one were to compare US imperial power in Latin America from 1990-99 to 2000-2010 on a broad range of issues, including class dynamics, ideology, client regimes, market shares, economic policy, foreign policy alignments, there is no doubt that a sharp decline in US hegemony has taken place. But if one were to take and examine a shorter timeframe, comparing, for example, the period 2000-2005 with that of 2006-2010, an argument can be made that by certain measures the decline in US power and influence “hegemony, if you will” has stopped and may have even recovered (Petras and Veltmeyer, 2010).

For instance, in Latin America between 2000 and 2005 a number of major popular upheavals and mass mobilizations, resulting in the overthrow of incumbent neoliberal client regimes, took place. The context for this regime change included widespread political disenchantment with the neoliberal policies intuited under the Washington consensus, and the evident erosion and decline in the ideology of neoliberal globalization that had guided policy throughout the 1990s and provided the “legitimacy underlying current OECD economic power” (OECD, 2009). The centre-left regimes that came to power in this context called for the renationalization of privatized firms, renunciation of the foreign debt, radical agrarian reforms and income redistribution. Neoliberal ideology was totally discredited and US foreign policy was subject to a thorough discredit. In addition, a nationalist or anti-imperialist, if not anti-capitalist, ideological and political current swept across broad sectors of the working and popular classes and even “in some contexts” elements of the political class. The

class character of the regimes and policies that emerged have been misunderstood, leading to all sorts of illusions on the Left as to the potential for radical or revolutionary change see Petras and Veltmeyer, 2009). Nevertheless, there is no question about a change in the political tide and the crisis of the dominant ideology used to justify neoliberal structural reform and sustain imperial power.

However and this is of critical importance--this radical moment did not lead to a break with the capitalist system. Instead a series of “centre-left” regimes took power and, favoured by extraordinarily high commodity prices, proceeded to stimulate an economic recovery and a marked improvement in social conditions. In fact, the policies of these regimes led to the demobilization of the social movements and a normalization of relations with Washington, albeit with greater autonomy. In this context (see Petras and Veltmeyer, 2009, Chaps. 5-6) if Washington in this period (2000-2005) “lost” collaborator clients in Argentina, Brazil, Uruguay, Bolivia, Venezuela, Ecuador and elsewhere, and faced strong opposition throughout the region, in the subsequent period (2006-2010) Washington retained or regained clients in Panama, Costa Rica, Honduras, Colombia, Peru, Mexico and Chile. Of equal importance the centre-left regimes that emerged in the region stabilized capitalism, blocking any move to reverse the privatization policy or to move substantively towards what Chávez termed “the socialism of the 21st century”. However these regimes might be characterized “radical or national populist, nationalist, social democratic or pragmatic neoliberal, with the possible exception of Venezuela (and, of course, Cuba), they were not and are not socialist. The centre-left regimes weakened the independent class-based movements that were pushing for radical or more substantive change” beyond capitalism as well as neoliberalism. They moved the political-economic spectrum to the “centre”. Furthermore, the disarray and retreat of pro-US rightwing parties of the 2000-2005 period was replaced by a recovery and regroupment in Bolivia, Venezuela and elsewhere.

Using regime composition and alignment as a measure, the decline in the power and influence of Washington in the period from 2000 to 2005 was contained and even to a degree reversed by the end of the decade. However, when we turn

to economic indicators, such as free trade agreements, market shares, trading and investment partnerships, the decline of US accelerated throughout the decade. By 2010 Asia, especially China, replaced the US as the major market for Brazil, Argentina, Peru and Chile as well as encroaching on US primacy throughout Latin America (Dyer, 2010). If we examine patterns of regional integration a similar decline in US hegemony is apparent in the growth of inter-regional trade and political associations: UNASUR an association of Latin American countries eclipses the US dominated OAS. MERCOSUR, ALBA and other intra-Latin American free trade organizations expand at the expense of US-centred “free trade” projects.

In the area of military influence and political intervention, the US collaborators suffered major setbacks in coup efforts in Venezuela (2002, 2003) and Bolivia 2008” and in Ecuador with the closing of the military base in Manta, but were successful in Honduras 2009. The US secured a military base agreement with Colombia, a major potential military ally against Venezuela in 2009. However, with a change in the president of Colombia in 2010, Washington suffered a partial setback with the reconciliation between President Chávez and Santos. A lucrative \$8 billion dollar trade agreements with Venezuela trumped Colombia’s military-base agreements with Washington (Mapstone, 2010).

In the context of these developments several propositions about US imperial power in Latin America can be advanced:

1. The decline in US economic power is structural and irreversible, at least given the state of the world economy and the dynamic growth of Asia.
2. US political influence exhibits a great deal of fluidity, depending on the levels and intensity of the class struggle and most important the success or failures of the incumbent regimes in combining growth and increased living standards.
3. US military power does not translate into political influence and increased market shares, especially where the guiding ideology (“neoliberalism” or “US-centred economic strategies”) and its local advocates have been discredited because of severe economic crises.

4. The decline of US imperial power has not led to an increase in the influence of the working class or other exploited classes: a dynamic “national” capitalist class is the prime mover and beneficiary of the loss of US influence.

5. The rise of a dynamic relatively independent capitalist class has not broken with the colonial international division of labour (rather the dynamism of this class is a product of the intensification and extension of primary product exploitation and exports. The new dynamism is derived from the revenues from high prices and expanding export markets and here lies future vulnerability if prices decline).

6. The “structural” analysis that underlies most theorizing about imperialism overlooks the important contingencies and class agencies that put into motion the organizational and institutional forms of capital accumulation.

5. AN ASSESSMENT OF IMPERIAL POWER IN LATIN AMERICA.

The poverty of class analysis of imperial power among the leading and best-known theorists underlies their superficial understanding of complex changes and continuities in US-Latin American relations. The “fluidity” found in the countervailing tendencies in imperial power is illustrated by the relative economic decline in the present decade and continued military hegemony in the same period. This can be best understood by the fact that there have been no changes in the mode of production in the hemisphere, no reversals in the wholesale privatizations of the 1990s and the continuation of free trade practices. Given these continuities, US imperial policymakers retain a presence, albeit reduced, close collaborators in important economic sectors and are potentially in a position to reverse the current decline. Equally important the US is still the principal economic power in the hemisphere, even as its ability to exercise “dollar diplomacy” has diminished.

Secondly, while politically Washington can no longer dictate policy or easily pursue military intervention, the basic military linkages remain intact, including joint military exercises, sales and training programs, thus providing important points of leverage in limiting radical (but not reformist) changes.

Thirdly, the growth of autonomous political action and an independent foreign policy in

Latin America is to an uncertain degree, dependent on personalities in power. It is not clear to what degree the institutional bases to sustain the current course of action is firmly entrenched or based on merely “conjunctural” circumstances”.^[20]

Fourthly, Latin America’s current growing affluence, high growth rates and relative independence is to a large extent based on a “colonial division of labor”, mainly trade and investments in agro-mineral products and the importation of finished, intermediate and capital goods. Historically, this has been subject to great volatility in demand and prices.^[21]

Taken together these historical continuities argue for greater caution in assuming a permanent shift in imperial power relations with Latin America.

Nevertheless, there are powerful reasons to consider the decline in US power as a long term and irreversible trend. Among the most important structural considerations is the embedded military-Zionist power configuration, which dictates continuing wars that bankrupt the treasury, devalue the currency and undermine any effort to project economic power and new initiatives to recover market shares in Latin America (Petras, 20xx).

Secondly, the new dynamic capitalist centers in Asia are firmly established, growing and defining a multi-polar economic world. They have established in the minds of Latin American policymakers and ruling classes a new “world view”: Their future interests lie in Asia. As a consequence of this fact Latin America’s rulers have reoriented the direction of trade and investment, away from the United States.

Thirdly, there are no signs of any reversal of the decline of US manufacturing. Nor has Washington demonstrated any capacity to curtail the trade and budget deficits.^[22] Washington lacks the capacity to challenge, subvert or co-opt the emerging capitalist power configuration that underpins the trend towards greater independence in Latin American politics.

CONCLUSION

The “fluidity” of US power relations with Latin America is a product of the continuities and changes in Latin America. Past hegemony continues to weigh heavily, but the future augurs

a continued decline. The current balance of power will however be determined by shifts in world markets, in which the US is destined to play a lesser role. Hence the probability of more divergences in policy, barring major breakdowns within Latin America.

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Notas.

[1] Most Marxist theorizing about imperialism tends to focus on its economic dynamics, although Panitch, in making this point and arguing the need for a theory of the imperialist state apparently was unaware of an earlier and more in depth analysis of the imperial state in Petras et al. (1981: 1-36).

[2] In this connection, the distribution of military bases, facilities and training centres such as "play an important role. For example, vis-à-vis US imperialism in Latin America the policy of centre-left regimes in Bolivia, Ecuador" to either dismantle American bases in their national territory or no longer to send armed forces personnel for "training" and indoctrination to "is significant, indicating an erosion of imperial power in Latin America.

[3] One looks in vain in the imperialism literature for any systematic study of the role of the major Zionist organizations and individuals in influencing US imperial wars in the Middle East among the major leftist presses in the US or England. A discussion of this can be found in Petras (2006).

[4] In addition to theories that view imperialism through the lens of geopolitical interests or the

rational pursuit of power for its own sake liberal theorists of imperialism often resort to cultural and even psychological “explanations” of imperialism, viewing it in terms either of an imputed psychological drive to power or, as in the case of Razack (2004), the “idea of empire”, “deeply held belief in”the right to dominate others”“ Razack expands on this rather fanciful and totally unscientific, if not absurd, theory in the following terms: “imperialism is not just about accumulation but about the *idea* of empire “ Empire is a structure of feeling, a deeply held belief in the need to and the right to dominate others *for their own good*, others who are expected to be grateful” (Razack, 2004: 9-10).

^[5] This “image” of imperialism as “external domination” that Robinson here disparages is associated with a view that Robinson for some reason associates with theories of “new imperialism”, namely that “world capitalism in the 21st century is made up of domestic capitals and distinct national economies that interact with one another, as well as a realist analysis of world politics as driven by the pursuit by governments of their national interest” (p.11). In effect, Robinson lumps together all sorts of contemporary theorizing about imperialism, whether Marxist, structuralist or realist, purely on the basis of the shared assumption, which Robinson problematizes and ridicules, that, in the words of Meiksins Wood “the national organization of capitalist economies has remained stubbornly persistent” (2003: 23).⁷

^[6] It is interesting to note that world system theorists of “transnational(ized) capital” such as William Robinson (2007) and “ne imperialism” theorists such as David Harvey (2003) seem to coincide in the view that capital is “economic” and inherently “global” (no longer takes a national form) but that the state is “political” and inherently “national” (territorial-based and “geopolitical”))and that they therefore pursue “distinct (albeit, according to Harvey, interconnected) “logics of power”.

^[7] In his critique of “ne imperialism theory Robinson conflates (and confuses) the views of marxists in this tradition, Marxists such as the authors of this paper and Meiksins Wood and what he terms “ne imperialismists”, here lumping together “structuralists”, “realists”, and “ne marxists”, including Gowan (), Klare (), Arrighi (), Harvey () and Bello ().

⁸On this development problematic see Veltmeyer (2010) and Petras and Veltmeyer (2011).

⁹The authors actually have done so”measured the impact and consequences of US imperialism in Latin America”but this economic analysis (Petras and Veltmeyer, 2004, 2007) was contextualized in terms of the projection of US state power at the level of military force, ideological hegemony (globalization), imposition of a policy agenda, and foreign policy.

^[10] China, Japan, South Korea, the high growth East Asian countries are an excellent example of countries moving beyond dependency to independent high growth economies. *Financial Times*, 25 March, 2010;

and 22 February, 2010. On China see “China Shapes the World,” *Financial Times*, 21 January 2011: 5.

^[11] The Monthly Review Press, beginning with Paul Baran’s book, *The Political Economy of Growth* (1957) was prominent in emphasizing the “one-sided” impact of foreign capital.

^[12] Robinson, Sklair and other world-system theorists of globalizing capital argue that the critical feature of class formation in the contemporary era is “the transnationalization of capital” and with it the formation of a new “transnational capitalist class” (“transnational capitalist groups”) whose members have no national allegiances or identity (and, unlike policy-makers and state officials no “national interests” to advance and protect) and operate in the arena of global(ized), not national, capital.

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^[15] On the construction of this discourse and the marketing of the idea of “globalization” see”

^[16] To a large degree these questions are derived from our study of the dynamic growth of the major agro-mineral exporting countries of Latin America. See Petras and Veltmeyer (2011, Chaps. 6-8).

^[17] The primary commodities boom of 2003-2008 went bust in October 2008-2009, but in 2010 the regional economy recovered to the point that the latest prognostications is for a 8% growth of the regional GDP in 2011. However, primary commodity exports have historically been very volatile, subject to severe boom-bust cycles and tending towards crisis”

¹⁸This “Washington consensus” as to the mix of macroeconomic policies needed for the “new world order was constructed around the economic model of “neoliberal globalization” (see the World Bank, 2005, for a “capitalist manifesto” on this class project). This “consensus” began to break down at the end of the 1980s, and under attack in the 1990s from the popular movement mounted by the rural landless workers and indigenous peasants in the region (in Brazil, Chiapas, Bolivia, Ecuador,), the guardians of imperial rule mounted a counter-attack in the form of a “new development model” (“inclusive development”, in the formulation of Ocampo, Sunkel and others) termed “post-Washington Consensus” (Craig and Porter, 2006; Ocampo, 1998; Stiglitz, 1998; Sunkel and Infante, 2010). This consensus was built around the policy prescription of boosting economic growth and reducing poverty. However, by the end of the first decade of the new millennium, it became increasingly evident that the “inequality predicament” of capitalist development (the polarization of society between the rich and the poor) “raise serious questions” about the model of neoliberal globalization used to guide economic policy and sustain imperial power. Combined with “extensive reference to [the superiority” of China”s new model of capitalism” this “inequality predicament” is leading “the intellectual legitimacy of neoliberalism as a social structure [to] come under increasing question and with it the legitimacy

underlying current OECD economic power” (OECD, 2009).

^[19] For a critical review of the voluminous literature on Latin America’s “pink tide” see Petras and Veltmeyer (2009).

^[20] The election of Dilma Rousseff in Brazil, replacing Luiz Imacio Lula da Silva, as the new president of Brazil, signifies a turn from populism to technocratic developmentalism and a less independent foreign policy toward Iran. Leahy (2011), “Rousseff Makes Her Mark on Brazil,” *Financial Times*, February 3.

^[21] Trade tensions between Brazil and China have already emerged precisely over the importation of cheap Chinese manufactured goods, prejudicing Brazil’s big manufacturing sector. Leahy (2011), “Brazil and China Face Increase in Trade Tensions,” *Financial Times*, January 31: 1.

^[22] The US budget deficit will jump to its widest level on record in 2011, reaching \$1.480 billion, while the US trade deficit with the world, especially in regard to Asia widens. See Rappeport, et al. (2010), “China imports widen US trade gap,” *Financial Times*, July 14. Politi (2011), “Record US budget deficit projected,” *Financial Times*, January 26.