

Such is the character of Imperialism in peace and in war. And this character dominates all social institutions and all human relations. It means aggression and brutality, it means an utter disregard of human life and human rights, save the right of the strongest: the strong man policy. It puts into control the basic industries, with steel and machinery in their broadest sense leading, and financial capital as its centralized expression. It creates slavery not only of the workers, but of the smaller capitalists and middlemen as well. In fact all so-called independent capitalists become servants of Big Monopolistic Capital ready to be swallowed or crushed if any thought of resistance should enter their servile brains.

This is an important feature of Imperialism: the submission of the average capitalist and the middle classes in general towards Big Monopolistic Capital, the welding together of all of the capitalist interests into one aggressive power expressed by one brutal ideology of "nationalism" and strong-men policy.

To understand this phenomenon more fully, it is necessary to turn to economic changes as the result of concentration and monopolization of capital and industry. The monopoly tends to overcome free competition, one of the pillars of the capitalist system. Free competition is essential for dividing the surplus value amongst the different classes of capitalists who participate in the production and distribution. We know that through the divergencies between price and value, the general surplus value is divided over different industries, etc., each with a different technical development, so as to establish a tendency towards an equal profit-rate for capital. This is brought about by free competition or free distribution of capital, because capital will invest more readily in spheres yielding a greater profit with the result of lowering prices until the establishment of a kind of equilibrium.

The Monopoly, however, restricts artificially the possibility of freely investing money in its particular sphere and enables to take a greater part of the general surplus value through its

price policy. This price policy is subject to capitalist limitations, but is not governed by the old capitalist law of equal profit for equal capital. This does not affect the total amount of surplus value; it does not affect as such the exploitation of labor, but it does affect the distribution of the surplus value among the different capitalist groups.

A complete monopoly in one of the basic industries could take all the profits from the other capitalist enterprises by means of price fixing. Of course, there is no such thing as complete monopoly, but strong monopolies as we have today go far in securing extra profit. And where the different monopolistic interests are strongly united into Big financial organizations in the hands of a few Moneykings, as is the case in the United States, the power of price regulation is almost unlimited.

What are the limits besides those resulting from the total amount of surplus value created by labor?

Taking away all the profit from so-called independent capitalist enterprises would kill these enterprises, and Monopolistic industry needs for the time being the products and services of outside industries and means of distribution. These can be swallowed gradually, but only as a process of development that cannot be forced beyond certain limits of technique and organization.

Independent capitalists therefore are allowed to continue their existence and to receive a part of the general surplus value, so as to give the average capitalist a living according to certain historic standards, which standards naturally will show a tendency to fall, as the Monopolistic interests continue to grow and become more independent from the co-operation with outside capital.

The capitalist State, as the representative of the *general* capitalist interests, has to look at it that the monopolists do not kill their competitors faster than is compatible with the technical development and the organization of our system of production and distribution. This is in the interest of Big