

*Review article*

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## NEOLIBERALISM AS A NEW IMPERIALISM

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### Abstract

In this paper, the author deals from a socio-economic perspective, with the neoliberal doctrine that has occupied society for more than thirty years. As the leading ideology of modern society, neoliberalism has become the main target of criticism by many authors for the increasing inequalities in the world. Despite the growing inequalities affecting today's world, we live in a consumer society. A society where *man is a wolf to man*, in which multinational corporations determine what is in trend and what is not, in a world where consumerism has long prevailed. And while we, purchasing various, often redundant goods, satisfy our own needs, multinational corporations are privatizing what we cannot buy, and those are the natural resources of our countries. Workers who lost their jobs or today work as *cheap labor* felt the best what is the cruel world of multinational corporations. In this regard, the author views neoliberalism as a new type of imperialism, i.e., (neo)imperialism, which served the purpose of multinational corporations, and that the story of freedom is just a *myth* of neoliberal dogma.

**Keywords:** neoliberalism, multinational corporations, imperialism

### INTRODUCTION

Neoliberalism has been the dominant economic and political ideology for the last thirty years. Few countries have resisted or decided to change this economic system. With stories about a better, freer life and society and, most importantly, a free market, many socialist or "communist"<sup>9</sup> authorities suffered a political change. On the wings of neoliberalism, governments, one after another, fell first in Chile, then in Great Britain and America. And finally, with the fall of the Berlin Wall, the Eastern bloc led by the Soviet Union fell. The last country in Europe to fall before neoliberal imperialism was Yugoslavia, which consisted of Serbia (with Kosovo in its composition) and Montenegro.

However, the changes that took place were not non-violent, quite the opposite. In many countries, "democratic" change came after revolutions, primarily supported by the United States, through military intervention or non-governmental organizations (NGOs). The replacement of government was followed by a change in

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<sup>9</sup> In quotation marks, because the author's opinion is that no "communist" country reached true communism, but it was mostly communist countries of the Stalinist totalitarian type.

the economic system, which implied privatization, liberalization, and deregulation (the holy trinity of neoliberalism). In the end, it was necessary to deal with the unions, as the last bastion of defending the workers from the capitalists, to put the workers in an oppressed position and to quell any dissatisfaction in the future accompanied by organized rebellion or strikes.

With the destruction and sale of state property and natural resources, many countries of the so-called "third world" have reached (neo)colonial status. With the privatization and liberalization of once "closed" markets in post-socialist countries, large corporations came in on the great door. They held a monopoly on the world market, so this transition destroyed any hope for small and medium-sized enterprises and producers. That insidious and inhumane plan was implemented through ten points of the so-called *Washington Consensus*, all under the auspices of the International Monetary Fund (IMF) and the World Bank. By the Washington Consensus, and the last obstacle in limiting foreign capital was officially removed.

Right-wing parties played a considerable role in the implementation of neoliberalism in post-socialist countries that resisted the new imperialism. Under the slogan of nationalism (which helped them in this case), various neoliberal laws were implemented (and are still being implemented), such as those laws on education, work, health, etc. The right-wing governments have received enormous help in enforcing these laws from the mainstream media (which are under the direct control of large corporations), which have satanized the notion of *the welfare state* or *social state* with the dirtiest form of propaganda.

Where is the left-wing in that story? The left has almost disappeared from the breakthrough of neoliberalism. Unregulated in recent events and with constant recompositions, the left has lost the strength it once had. Hope in the left appeared several times, like the one with Syriza in Greece, but it quickly vanished. By flirting with capitalism, the left lost trust and was left without the support of those for whom it once fought, the working class. They were accepted with open arms by the right, which gained their trust with its inflammatory nationalist rhetoric. Thus today, we have a paradoxical situation where the apologists of neoliberalism care about social policy and workers' rights. We can only ask ourselves: How did we get into such a position?

## NEOLIBERAL IMPERIALISM OR (NEO)IMPERIALISM

Imperialism originated from the Latin word *imperialis*, which means imperial or something that refers to imperial power, namely, commitment to the kingdom (Vujaklija, 1986: 331). In his work, *Imperialism as the Highest Stage of Capitalism* (Imperijalizam kao najviši stadij kapitalizma), Lenin (Lenjin) points out that "imperialism grew as a development and direct continuation of the basic features of capitalism in general." And that "capitalism became capitalist imperialism" at a time when some basic features of capitalism began to turn into their opposite" and this, of course, was not possible until capitalism reached "a certain, very high stage of its development" (Lenjin, 1960: 108). In economic terms, it is the process of "replacing capitalist free competition with capitalist monopolies" (Ibid.). So we can say that,

according to Lenin, "imperialism is in its economic essence monopolistic capitalism" (1960: 149).

When we talk about neoliberal imperialism, it is clear to which empire it is committed, the empire of a free competitive market. However, we would not be mistaken if we renamed that free-market empire a *monopolistic market*. Namely, it is clear that by opening the market and entering the same, the fight cannot be equal because the "law of the stronger" clearly rules the market. Everything is reminiscent of the famous biblical story of David and Goliath. Only, in this case, slingshot will not be enough for David to defeat Goliath. While small businesses face a daily struggle to survive in terms of taxation costs and government regulation, large corporations, given their power and high and stable monopoly profits, view government program costs as something they can afford (Kotz, 2002). Small businessmen and small companies have nothing to look for in this race because large corporations will literally "eat" them.

Naomi Klein confirmed this thesis in her work *The Shock Doctrine* (Doktrina Šoka), where she conveys the shocking confession of a tobacco grower from the Argentine Agrarian League, who was tortured and imprisoned for five years with his wife, friends, and closest family members (Klein, 2008: 129). Interestingly, this tobacco grower decided to list the names of foreign and domestic corporations, instead of the soldiers who tortured him, where he says: "Foreign monopolies impose yields on us, impose chemicals that pollute our land, impose technology and ideology. All this with the help of an oligarchy that owns the land and oversees politics. But we must remember - the oligarchy is controlled, and precisely by these monopolies, by those same companies: Ford Motors, Monsanto, Philip Morris. We need to change the structure. Well, that's what I came to report. And that's all" (Klein, 2008: 129-130). From this confession, we can conclude that freedom of choice is almost non-existent, but everything has been imposed on us "from above" by someone much stronger financially. So the market struggle can never be equal and competitive because it is controlled by large corporations.

In his work *Change the World* (Promeni svet), Jean Ziegler (Žan Cigler) cited the example of monopolization in countries where multinational and national corporations have seized arable land. He points out the following: "In Guatemala, in 2013, 1.86% of the population owned 57% of arable land. There are 47 large agricultural companies in this country, each owns about 3,700 hectares or more, while 90% of farmers have to somehow manage with one hectare or even less land" (Cigler, 2017: 53). This example is no different from the previous example of a tobacco grower from Argentina. Both examples clearly show us what an inhumane (neo) colonial order this is. While on the one hand, we have various multinational corporations, banks, industrialists, and their mercenaries who have seized most of the land. On the other hand, we have "ordinary" people who live from their work and depend directly on the mercy of exploiters who get rich through their work.

Large multinational corporations largely determine the fate of small and underdeveloped states, which are in an unenviable position and do not have the power to oppose them, but by force of circumstances surrender to their disfavor. Mirjana Dokmanović, in her work *The Influence of Neoliberalism on Economic and Social*

*Rights* (The impact of neoliberalism on economic and social rights), emphasizes the following: "The influence of international, informal centers of power is growing to the detriment of legal, international institutions. Small states lose the right to decide and begin to disintegrate, and the world's financial centers of power and multinational corporations gain the opportunity to impose their will on them with the power of their (financial) strength and dictate the conditions for the development of national economies and world market competition" (Dokmanović, 2017: 16). It is apparent that if any state decides to oppose their will, various pressures will follow, in the shape of sanctions and even military interventions.

Also, Noam Chomsky described the power of large corporations in his book, *Profit Over People*. Namely, Chomsky points out that "large corporations are the "principal architects" of the neoliberal "Washington Consensus" who control most of the international economy and have the means to dominate and shape politics" (Chomsky, 1999: 20). Veselin Drašković notices that large corporations have enormous power, that an unjust battle is happening on the market, we can even say till destruction, especially small businessmen. In his book, *Neoliberal Metaphor* (Neoliberalna metafora) points out the following: "A large number of authors believe that globalization is theoretically, ideologically, profitably based on the notions of market neoliberals, controlled by large corporations, that markets are seldom competitive" (Drašković, 2014: 41). Drašković further points out that "faith in the neoliberal pattern has cultically elevated to myth" (Ibid.)

Large corporations have a significant role in supporting and spreading the neoliberal doctrine, which they implement with the help of projects that are well known to everyone as the *Washington Consensus* and the *Structural Adjustment Program* (Kovačević, 2019: 41). In his work, *Neoliberal Hegemony* (Neoliberalna hegemonija), Braco Kovačević singles out eleven rules based on which multinational corporations operate:

1. *The imperative of profit* - the basis of this rule is profit. Around profit, everything starts and ends in the neoliberal corporate world. Everything else, like population health, the position of workers, environmental protection, peace, etc., remains in the background. Profit is over the people in this case, as the title of Noam Chomsky's book reads.
2. *The imperative of growth* - corporations must "grow" not to lose market dominance. They have to look for resources in the most rural parts of the world and use them because that is the only way for them to reach the goal.
3. *Competition and Aggression* - The war that corporations wage against each other in the marketplace is relentless. Working in a corporation implies aggression towards a competing corporation, but also towards one's colleagues. It is a quite inhumane environment in which *man is truly a wolf to man*<sup>10</sup>.

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<sup>10</sup> An expression that Thomas Hobbes took over from Plautus.

4. *Immorality* - since corporations are not human beings driven by feelings but has exclusively driven by profit, they do not know ethics. The decisions they make are in complete contradiction with the health of the environment and the community, and they don't mind that.
5. *Hierarchy* - corporations are organized in such a way that everyone's responsibilities are well known. Principally, they are ordered: hierarchical, bureaucratic, and centralist.
6. *Countability, linearity, and segmentation* - as we said, corporations are mostly interested in profit, so they turn everything into numbers.
7. *Dehumanization* - Since feelings are an obstacle for making decisions in the corporate world, corporations depersonalize people, provoking the worst traits in them.
8. *Exploitation* - corporations generally open their branches in the so-called third world countries that are on the periphery of world capitalism, where workers work for wages that are below all dignity. In this case, large corporations profit by exploiting "cheap" labor.
9. *Ephemerality and mobility* - precisely because of "cheap" labor, lower costs, lower taxes, and environmental laws (in which they can easily find holes), corporations effortlessly move their branches from one country to another.
10. *Disharmony with nature* - for the sake of profit, corporations do not shy away from destroying nature. Deforestation and destruction of rivers by mini-hydropower plants are just some of the crimes against.

These eleven rules by which multinational corporations operate are a clear indication that they determine the market rules: Where will the next branch be opened, how many workers will be employed and how many of them will lose their jobs, what salaries will be paid to workers, which land is right for purchase and which forest is for logging, which river is suitable for mini-hydropower plants, etc. These are all things determined for us by multinational corporations, which demonstrate their power to us in this way.

#### INSTEAD OF A CONCLUSION

In the *Manifesto of the Communist Party* (Manifest komunističke partije), Karl Marx points out the following: " Let the ruling classes tremble at a Communistic revolution. The proletarians have nothing to lose but their chains. They have a world to win", where he continues with the famous shout, "Working Men of All Countries, Unite!" (1982: 46). Today, the proletarians or workers, whom Marx thinks of, and whom he thought would bring the revolution on his shoulders, are "disarmed" in every way, left in the lurch with no hope of a better future, with the fear of being left without it, the only job. "Work becomes inhuman and painful" (Andjelković, 2016: 18). Because in a world where workers are maximally exploited and underestimated,

without any right to protection, we can hardly talk about a humane relationship. Today, organizing unions is more than necessary for workers, because today workers do not have their representatives, who will sincerely advocate for their rights. To organize the trade unions it is first necessary to strengthen the left political wing, well known, the *left*. However, the question is, where is the left today and does it even exist?

Talking about the left today in the 21st century is very complicated because the difference between the left and the right is almost non-existent. If we look into the past, we can see significant ideological differences between these two political spectra. In the past, the left fought for workers' rights, for the equal position of women in society, free health care, free education, for equality in society, in other words, dignified life.

The right, traditionally in favor of large corporations, has always advocated privatization and capitalist social order. The moment the left embraced capitalism, it was clear that it had renounced its basic principles. Because, as Bakić explains: "there is no left without the fight against hierarchy..., against social privileges, i.e. the fight for the rights of members of wider social strata, those who live from their work, the poor and powerless, and for greater equality in society" (Bakić, 2015: 50).

To achieve greater equality in society, we first need to improve it, because the fact is that "in the capitalist consumer society of the West, people have become commodities" (Cigler, 2017: 119). Because of, as Andjelković points out in his work, *Towards a domestic economy* (Ka domaćinskoj ekonomici), today: "it has become more important for people to have (to receive, to get, to own, to acquire) than to be (to exist, to live)", and "to produce as much as possible and what spending more becomes the goal of life". (2016: 17-18) It is clear that neoliberal capitalism has brought us to an unbearable level, and it is necessary to make radical changes that would restore society on a more humane track. Hence, Stefan Hessel (Stefan Hesel), in his work, *Time for Outrage!* (Pobunite se!) points out that: "it is high time to take care of morality, justice, and sustainable balance" (Hesel, 2011: 25).

Namely, the World Economic Crisis, which hit the world in 2007, showed that the neoliberal doctrine set precariously. The fact is that the world economy has not fully recovered from that event. Also, the inequalities that have been created since then are making a tremendous gap between workers and capitalists. The question is: Why is there no change? In this case, the change would mean a return to the old, i.e., socialism. However: "The socialist counter-model to capitalist world domination also remains weak. Possible active subjects of such a transformation behave rather passively and/or their struggle in different parts of the world is not coordinated or united (Deppe, 2013: 324). It seems as if capitalism has defeated all its opponents for now.

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