Globalization: Capitalist Imperialism?

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Abstract

Most experts attribute globalization to improvements in communication, transportation and information technologies. A three-minute telephone call from Nigeria to London in 1980s cost more than N300, making instant communication very expensive. Today the cost is insignificant. Advance in communication and information technologies have helped slash the cost of processing business orders by well over 90 percent. The critics believe that the evils of globalization to developing economies out-wit its gains. They believe that globalization is a new name for imperialism. This study examined the economic intents and purposes of modern globalization as it affects developing countries, with a view to ascertaining whether it is a new name for economic imperialism or something else. To achieve this, the paper adopted descriptive and analytical approach. The out come of the discourse shows a lot of imbalance between the rich and the poor countries, especially in areas of imperialistic economic policies. The paper recommends some policy strategies that will be of immense help to bridge the yawning gap.

Introduction

Globalization is a multi-faceted phenomenon. Within the system of the market economy, it is expressed as economic globalization, namely, the opening and deregulation of commodity, capital and labour markets which led to the present form of neo-liberal globalization. The political globalization, involves the emergence of a transnational elite and the phasing out of the all powerful nation-state of the statist period. Another is the cultural globalization that involves the world wide homogenization of culture. And yet others as ideological globalization, technological globalization and social globalization (Fotopoulos, 2001). This study focus mainly on economic effects of globalization on developing countries, with a view to examine the intents and purposes of modern globalization in order to ascertain whether it is a new name for economic imperialism or something else. To accomplish this task, the paper is separated into a number of sections. Apart from the introduction, section II provides a historical overview of trends in globalization. Section III addresses the impact of capitalist imperialism on developing economies. Section IV literature review. Section V policy issues, while section VI contains concluding remarks.

Historical Overview of Trends in Globalization

The historical origins of globalization are the subject of on-going debate. Several scholars situate the origins of globalization in the modern era; others regard it as a phenomenon with long history (Daniele, 2010). Frank (1998), argue that a form of globalization has been in existence since the rise of trade links between sumer and the Indus valley civilization in the third millennium B.C. The critics of this idea contend that it rests upon an over-broad definition of globalization. In his own view, Lee (2010) argue that on early form of globalize economics and culture, known as archaic globalization, existed during the Hellenistic Age, when commercialized urban centres were focused around the axis of Greek culture over a wide range that stretched from India to Spain, with such cities as Alexandria, Athens, and Antioch at its centre. Others have perceived an early form of globalization in the trade links between the Roman Empire, the Parthian Empire and the Han Dynasty. The increasing articulation of commercial links between these powers inspired the development of the silk Road, which started in Western China, reached the boundaries of the Parthian empire, and continued onwards towards Rome (Lee, 2010). The Islamic Golden Age was also an important early stage of globalization, when Jewish and Muslim traders and explorers established a sustained economy across the Old World resulting in a globalization of crops, trade, knowledge and technology. Globally significant crops such as sugar and cotton become widely cultivated across the Muslim world in this period, while the necessity of learning Arabic and completing the Hajj created a cosmopolitan culture (Hobson, 2004). The advent of the Mongol Empire, destabilized the commercial centres of the middle East and China, but greatly facilitated travel along the Silk Road. The Pax Mongolica of the thirteenth century had several notable globalizing effects, such as the creation of the first international postal service, as well as the rapid transmission of epidemic diseases such as bubonic plague across the newly unified regions of Central Asia (Weatherford, 2004). These pre-modern phases of global or hemispheric exchange are sometimes known as archaic globalization.

The next phase, known as proto-globalization, was characterized by the rise of maritime European empires, in the 16th and 17th Centuries, first Portuguese and Spanish Empires, and later the Dutch and British Empires. In the 17th century, globalization became also a private business phenomenon when chartered companies like British East India company (founded in 1600), often described as the first multinational corporation, as well as the Dutch East India company (founded in 1602) were established. The Age of Discovery brought a broad change in globalization, being the first period in which Eurasia and Africa engaged in substantial cultural, material and biologic exchange with the New World (Encarta Online Encyclopedia, 2009). Global integration continued with the European colonization of the Americas initiating the Columbian exchange, the enormous widespread exchange of plants, animals, foods, human populations (including slaves), communicable diseases, and culture between the Eastern and Western hemispheres. New crops that had come from the Americas via the European seafarers in the 16th century significantly contributed to the world's population growth.

The 19th century witnessed the advent of globalization approaching its modern form, because industrialization allowed cheap production of household items using economies of scales, while rapid population growth created sustained demand for commodities. Globalization in this period was decisively shaped by nineteenth-century imperialism. It was in this period that areas of sub-Saharan Africa, by Europeans yielded valuable natural resources such as rubber, diamonds and coal and helped fuel trade and investment between the European imperial powers, their colonies, and the United States (PBS. Org. 1929).

The first phase of "modern globalization" began to break down at the beginning of the 20th century, with World War I, but resurfaced after World War II. This resurgence was partly the result of planning by politicians to break down borders hampering trade. Their work led to the Britton Woods conference an agreement by the world's leading politicians to by down the frame work for international commerce and finance, and the founding of several international institutions intended to oversee the processes of globalization. Globalization was also driven by the global expansion of multinational corporations based in the United States and Europe, and Worldwide exchange of new developments in science, technology and products, with most significant inventions of this time having their origins in the Western world (Encyclopedia Britannica).

The Impact of Capitalist Imperialism on Developing Countries

Imperialism can be seen as a stage in the historical development of capitalism. This was a stage during and after the industrial revolution in Britain in the late 19th century, when there was continuously expanding process of investment, technical change, production and trade that involved a new international specialization of production in which the economies of a number of countries of Asia, Africa and Latin America were restructured to export raw materials to, and serve as markets for the manufactured goods of the industrial economies. This was associated with a division of the world among the major capitalist powers into a set of colonies and sphere of influence. The colonized people were ruptured from their history, language, and culture, as they internalized the image of the native, an image that was constructed by the settlers charged with a "civilizing mission". It was not only the economy of the colonized peoples that was restructured but their very psyche (Hussain, 2004). The two phenomena (globalization and imperialism) occurred at the same time in history, only that globalization heralded imperialism, as an economic phenomenon, during the industrial revolution. Globalization involves a free competition to control the market while imperialism was achieved through colonization and/or partition to control the market.

LITERATURE REVIEW

Activities of Some Agents of Modern Globalization

The international institutions that oversee world trade and finance play an increasingly important role in this era of globalization. Such institutions include: The International Monetary Fund (IMF), the World Bank and the World Trade Organization (WTO).

The institutions that are deeply involved in the current globalization process include, IMF, World Bank and WTO.

The IMF makes loans so that countries can maintain the value of their currencies and repay foreign debt. Countries accumulate balance of payments deficits when they buy more from the rest of the world than they sell aboard. They then need to borrow money to pay the difference, which is known as balancing their payments. When banks and other institutions no longer lend them money, they turn to the IMF to help them balance their payments position with the rest of the world. The IMF initially focused on Europe, but by the 1970s it changed its focus to the less developed economies. By the early 1980s a large number of developing countries were having trouble financing their foreign debts.

The IMF and the World Bank usually impose certain conditions for loans and require what are called structural adjustment programs from borrowers. These programs amount to detailed instructions on what countries have to do to bring their economies under control. The programs are based on a strategy called neo-liberalism, also known as the Washington consensus because both the IMF and the World Bank are headquartered in Washington, D.C. The strategy is geared towards promoting free markets, including privatization (the selling off of government enterprises), deregulation (removing rules that restrict companies), and trade liberalization (opening local markets to foreign goods by removing barriers to exports and imports). Finally, the strategy also calls for shrinking the role of government, reducing taxes, and cutting back on publicly provided service. The critics believe that the conditions/strategies are imperialistic strategies to capture the developing economies. An economist, Joseph Stiglitz, (a Nobel Price Winner and former chief economist at the World Bank) argued against the IMF for policies that he says often make the fund's clients worse, not better off.

Another key institution shaping globalization is the World Trade Organization (WTO), which traces its origins to a 1948 United Nations (UN) conference in Havana, Cuba. The conference called for the creation of an International Trade Organization to lower tariffs and to encourage trade. Although the administration of President Harry. S Truman was instrumental in negotiating this agreement; the U.S. congress considered it a violation of American sovereignty and refused to ratify it. Later on another agreement, known as the General Agreement on Tariffs and Trade (GATT), emerged as the forum for a series of negotiations on lowering tariffs. The last of these negotiating sessions, known as the Uruguay Round, established the WTO, which began operating in 1995. Since its creation, the WTO has increased the scope of trade agreements. Such agreements no longer involve only the trade of manufactured products. Today agreements involve services, investments and the protection of intellectual property rights, such as patents and copyrights.

Many economists believe that lifting trade barriers and increasing the free movement of capital across borders would narrow the sharp income difference between the rich and the poor countries. Poverty rates have decreased in the two most heavily populated countries in the world, India and Chain. However, apart from these two countries, poverty and inequality have increased in less developed (or developing countries of Africa) countries. For low and middle income counties in Africa, the rate of growth in the decades of globalization from 1980 to 2000 amounted to less than half what it was during the previous two decades from 1960 to 1980 (Yusuf 2001). The slow down in progress on indicators of social well being, such as life expectancy, infant and child mortality, health, and literacy, also has lowered expectations about the benefits of globalization.

The final agreement of the Uruguay Round that established the WTO proclaimed the principle of "special and different treatment". Behind this principle was the idea that the developing countries should be held to more lenient standards when it come to making difficult economic changes so that they could move to free trade more slowly and thereby minimize the costs involved. In practice, however, the developing countries have not enjoyed "special and different treatment". In fact, in the areas of agriculture and the textile and clothing industries where the poorer countries often had a comparative advantage, the developing countries were subjected to higher rather than lower tariffs to protect domestic industries in the developed countries. For example, the 48 least developed counties in the world faced tariffs on their agricultural exports that were on average 20 percent higher than those faced by the rest of the world on their agricultural exports to industrialized countries

(Gibbon 2001). This discrepancy, increased to 30 percent higher on manufacturing exports from developing countries.

In the area of trade dispute, rules and agreements under the WTO's, Dispute Settlement Board, the winners of settlement decision by the board, are allowed to retaliate against countries found guilty of unfair trade practices. But, smaller developing countries, however, fear cross-retaliation if they confront larger and more powerful nations.

Equally, the WTO rules do not favour the developing countries in that they have been forced to bear the harsh adjustment costs of free trade while developed countries have not lived up to their liberalization commitments. For example, the terms of trade have gone against the developing countries-they have faced increased prices on goods they import, ranging from computer software to airplanes and medicine, while the prices of imports by the developed countries have declined such as the prices of coffee, copper, sugar, cotton, textiles and clothing.

Also, the rich countries have greater bargaining power, and their trade negotiators were under pressure not to make concessions that would hurt people back home. In 2003, the issues on lowering agricultural subsidies came to a head at WTO talks in Cancun, Mexico, as the E.U and the United State Failed to meet the demands for lowering agricultural subsidies.

The agreement on basic telecommunication, opened markets to large telecommunications companies based in the developed nations. The financial services agreement likewise opened opportunities for banks, insurance companies, and stockbrokers in the developed countries as they sought to expand into new markets. For instance, instead of increasing economic stability, financial liberalization caused financial crises in most of the world's economies. An IMF study found that 133 of the fund's 181 member countries suffered at least one significant banking crisis from 1980 to 1995. The World Bank identified more than 100 major bank failures in 90 developing nations from the late 1970s to 1994. Many economists believe that these crises were caused by the IMF imposed financial liberalization on countries that either lacked regulatory agencies or the experience necessary to oversee the financial sector.

Impact of Globalization on Developing Countries

The distribution of global wealth has never been fair. Economic globalization has widened the gap between the rich and poor nations. Although, some developing countries has benefited from their integration into the global economy. For instance, India and Asia have improved significantly, as only 15% of the East Asian population lives on one dollar a day compared with 27% ten years earlier (Salimono 1999).

According to Salimono 1999, CBN 200, Dani 1997 and David 1999, in an interdependent world economy, any adverse global shocks affect other countries. This was witnessed during the crude oil glut of 1982, and 1998, the global financial crisis and economic meltdown of 1997 – 2009, the uncertainty and volatility on capital formation and productivity growth, the brain drain syndrome and cultural diffusion. Yusuf (2003), observed that a highly globalize and integrated financial market spread rapidly across countries financial shocks and loss of confidence that affect exchange rate, interest rate, assets prices with the resultant effect on out put and employment and ultimately adverse social effects. The effects were more noticed in developing countries, as they have not evolved a mechanism that can absorb the shocks generated by the effects of globalization. Birdsall (1999), notes that the recent financial crisis has highlighted how volatility associated with global capital markets can compound the problem of "destructive inequality" in developing countries. For example, high inflows of capital generate inflationary pressure and hurt labour-intensive agriculture and manufactured exports, especially but not only under fixed exchange rate regimes. In Asia and Latin America, Gini coefficients of inequality increased during the boom years of capital inflows in the mid-1990s, as portfolio inflows and high bank lending fueled demand for short term inelastic assets such as land and stocks, favouring the rich. In both regions the poor gained less during the boom, and then lost more with the bust. During the bust, with capital fleeing, the high interest rates countries are forced to impose to protect their currencies (whether the exchange rate is fixed or floating), hurt small capital-starved enterprises and their low-wage employees most, and of course reduce employment in general (Birdsall, 1999). He concludes that developing countries in the short-run face special risks that globalization and market reforms bring, such as the risk of increased inequality between and within economies and the associated political costs and social tensions. The risks are likely to be greatest in the next decade or so, as the developing countries undergo the difficult transition to more competitive, transparent and rule-based economic systems with more widespread access to the assets, especially education, which ensure equal access to market opportunities. The Birdsall's fear is re-enforced by the regional differences among developing countries in trade and capital flows as shown in table I.

Table I: Regional Differences Among Developing Countries in Trade and Capital Flows (%)

	Trade Flows		
	1980	1990	1997
Asia	28.3	51.4	52.3
Europe	16.0	11.1	16.8
Latin America	21.8	15.4	16.2
Middle East	20.5	13.0	8.7
Africa	13.3	8.7	6.1
Total	100.0	100.0	100.0
	Capital flows		
East Asia pacific	15.8	27.6	36.3
Eastern Europe	16.1	13.3	17.5
Latin America	36.1	21.6	34.3
Middle East	10.3	10.2	2.0
South Asia	7.8	9.1	4.3
Sub-Saharan Africa	13.9	18.2	5.6
Total	100.0	100.0	100.0

Source: IMF, Direction of Trade Statistics Yearbook and World Bank Global Development Finance, 1999.

From the table above it is obvious that the most developing countries trade flows and capital flows have been on decrease.

The current debate over globalization is about what the best rules are for governing the global economy so that its advantages can grow while its problems can be solved. On one side of this debate are those who stress the benefits of removing barriers to international trade and investment, allowing capital to be allocated more efficiently and giving consumers greater freedom of choice. With free market globalization, investment funds can move unimpeded from where they are plentiful (the rich countries) to where are most needed (the developing countries). Consumers can benefit from cheaper products because reduced tariffs make goods produced at low cost from far away places cheaper to buy. Producers of goods gain by selling to a wider market. More competition keeps sellers on their toes and allows ideas and new technology to spread and benefit others.

On the other side of the debate are critics who see neo-liberal policies as producing greater poverty, inequality; social conflict, cultural destruction, and environmental damage. They argue that the most developed nations-the United States, Germany and Japan-succeeded not because of free trade but because of protectionism and subsidies.

The table below presents an economic comparison of the United States, Japan, Germany and the rest of the world.

Table II: Economic comparison of the most developed nations and the rest of the world (data are for 1991 and 1992).

	U.S	JAPAN	GERMANY	REST OF THE WORLD
Population (Million)	252.0	123.9	79.6	5,372.0
GNP ($ Trillion)	5,686.0	3,337.2	1,516.8	21,671.0
As a % of World GNP	26.1%	15.1%	6.7%	100.0%
Growth in Real GNP 1981 – 1991	3.1%	4.3%	2.3%	1.4%
Per capita GNP ($)	22,560.0	26,920.0	23,650.0	3,940.0
Export ($ billion)	422.0	315.0	403.0	3,530.0
As a % of World exports	12.0%	8.9%	11.0%	100.0%
Consumption per capita ($)	11,200.0	9,068.0	8,120.0	300.0
Imports ($ billion)	509.0	236.0	390.0	3,660.0
As a % of World imports	13.9%	0.4%	10.6%	100.0%
50 largest multinationals	20.0	9.0	6.0	50.0
25 largest banks	1.0	17.0	3.0	25.0

Sources: the World Bank, World Bank Atlas 1992; the International Monetary Fund, "IMF survey" April 13, 1992; OECD. Basic statistics international comparison OECD 1991).

In the table above, it is obvious that these three countries control the world economy. The critics also argue that the more recently successful economies Korea, Taiwan, China and India all had strong state-led development strategies that did not follow neo-liberalism. They believe that government encouragement of 'infant industries' enable a country to become internationally competitive. The critics of Washington consensus suggest that the inflow and outflow of money from speculative investors must be limited to prevent bubbles. These bubbles are characterized by the rapid inflow of foreign funds that bid up domestic stock markets and property values. When the economy cannot sustain such expectations, the bubbles burst as investors panic and pull their money out of the country. These bubbles have happened repeatedly as liberalization has allowed speculation of this sort to get out of hand, such as in Indonesia, Malaysia, and Thailand in 1997 and since then in Argentina, Turkey and Nigeria in 2008 and 2009.

Policy Issues

The debate over globalization focuses in particular on how it can be regulated to address growing income and wealth inequalities, labour rights, health and environmental problems and issue regarding cultural diversity and national sovereignty.

Income Inequality: By the late 1990s, the 200 percent of the world's people living in the highest income countries had 86 percent of the world's income. The bottom 20 percent had only 1 percent of the world's income. An estimated 1.3 billion people or about one sixth of the world's population have incomes of less than a dollar a day (Ghai 1997). More than 80 countries had lower per capita income at the end of the 1990s than they had at the end of the 1980s. This could be seen in table II. Inequality is getting worse, rather than better in recent times. These inequalities in income and participation in the global economy are a serious political problem in an era of globalization. Some countries have been unable to function at even a minimum standard of basic competence in the globalize economy. The only profitable economic activity in some of these countries is linked to criminal behaviour such as the trade in illegal drugs, smuggling and extortion of various kinds. Governments that are helpless to stop such activity or to collect taxes to meet basic public service needs are characterized as failed states. Sometimes failed states can become havens to terrorists and foreign criminals who use them as bases for activities harmful to other governments and their people. These states may also provide safe haven for mercenary forces that conduct raids into neighboring countries. In parts of Africa, for example, where diamonds and other valuable resources attract criminal despots, mercenary armies have been engaged in mass killing to terrorize local populations into giving them what they want. The international arms trade and easy importation of weapons, which allows such behaviour is a serious problem.

Labour Rights: To stimulate economic development many developing countries have established free trade zones where investors are given special benefits, such as low or no taxes and labour unions are discouraged or not allowed. The UN's International Labour Organization (ILO) has tried to level the playing field by endorsing five widely accepted core labour standards. These are elaborated in the ILO's 1998 declaration of fundamental principles and rights at work. The first promises freedom of association and states that workers should be able to join together and form organization of their own choosing. The second is the right workers' organizations, including trade unions, to bargain collectively with employers and governments. The third is the elimination of all forms of coerced or compulsory labour. Fourth is the effective abolition of child labour. The ILO's minimum Age convention sets a basic minimum age of 15 years, but if a country is less developed or if any light work is involved the minimum age can be lower. If hazardous work is involved, the minimum age is 18 years. The fifth provision is the elimination of discrimination in employment based on race, sex, religion, and political opinion, national or social origin. But because the ILO has no enforcement powers, it has proven difficult to achieve these goals.

Health Issues: Life threatening diseases represent another facet of globalization. Improvements in transportation had made it possible for infectious diseases to spread rapidly around the globe. For example, in 2003, a deadly form of pneumonia known as Severe Acute Respiratory (SARS) originated in China and quickly posed a worldwide health threat as airline passengers infected with the virus spread the illness. The best way to address these health issues often conflicts with the WTO's stand on intellectual property rights, in particular the patent laws that protect medicines made by pharmaceutical companies. In the case of diseases that primarily affect poor people, little or no research is being done to provide new medicines because the people affected are too poor to buy them. For example, a major struggle has emerged regarding acquired Immunodeficiency Syndrome (AIDS) treatment over whether patent laws will continue to require that people pay high prices for life-saving drugs or whether lower-cost generic medicines can be provided. This issue has been intensively discussed as part of the debate over the WTO's agreement on Trade Related aspects of Intellectual Property Rights (TRIPS). The western pharmaceutical companies that do the research and development wish to protect their investments and argue that without such protection less will be spent to develop new life-saving drugs. The developing countries argue that scientific break through should be shared as widely and as inexpensively as possible. The pharmaceutical companies have resisted the extension of intellectual property rights.

Environmental issues: At least since the discovery of the ozone hold above Antarctica in the early 1980s there has been growing awareness that air pollutants can cross borders and affect everyone living on the planet. The UN's intergovernmental panel on climate change, made up of the world's leading climate scientists, for example, predicts that by the year 2100 the temperature of the planet could rise by as much as 1.4 to 5.8 Celsius degrees (2.5 to 10.4 Fahrenheit degrees). This global warming is due to the burning of fossil fuels, which occurs mainly in the developed, industrialized world. Already Greenland's ice sheet has thinned and Argentina's south Patagonia ice fields have retreated substantially. Glaciers are melting and weather patterns may already be changing. If global warming continues, experts expect deserts to advance, particularly across West Africa, and sea level to rise, flooding coastal areas and submerging a number of Pacific Ocean island states. One-third of the world's most populous countries would be flooded by even a small rise in sea level. While developed countries such as the Netherlands can cope, developing countries such as Bangladesh cannot afford to pay for the kind of dike system that currently protects the Netherlands. Because of such dire forecasts, 160 nations in 1997 agreed to the first ever binding pact to limit the omissions of carbon dioxide and other so-called green house gases that contribute to global warming. Environmentalists argue broadly in favour of sustainable development, the preservation of habitat, the conservation of non renewable resources and the increased use of renewable energy sources so that Earth's ecosystems are not harmed beyond repair. The environmentalists favour the principles that polluters should pay for the right to pollute. On the issue of genetic engineering, most environmentalists argue for a precautionary principle that emphasizes careful study before new genetically engineered plants or animals are introduced into ecosystems. Genetically modified plants, according to this principle should not be introduced unless it is clear that no damage will be done. Some politicians and agribusiness corporations, believe that such a conservative approach would slow growth unnecessarily, lower living standards and result in greater costs for business and consumers. They favour rules based on proven danger and far quicker introduction of genetically engineered products and processes.

Culture: There is widespread disagreement over what, if any regulation is appropriate in the realm of culture. Some people fear a loss of cultural diversity as U.S. media companies become dominant. Such companies tend to "bundle" their products so that a block buster movie is promoted by selling soundtracks, books, video games and other products. These cultural wares are distributed worldwide, and along with reruns of U.S. television shows, tend to replace local alternatives. The question is whether responses by other nations, such as prohibitions against the products, English language and government subsidies of national cultural productions are legitimate restraints of trade or represent an unfair trade practice.

National Sovereignty: In a world that seems to grow increasingly smaller, many issues must be considered at a global level and not only at a local or national level. However, at what point does this threaten national sovereignty-that is, the ability of a country to be self-governing. Some environmentalists, for example, have argued that environmental laws in the United States can be undermined if the laws are found to violate the North American Free Trade Agreement (NAFTA). In effect they say, the United States has lost the right to make and enforce its own environmental policies.

Conclusion

Having looked at the pros and cons of globalization and the place of developing countries in the process of the global integration, it is apparent that globalization process has not to a large extent favoured or encouraged most developing countries economy. Though, anti-globalization movement is seldom directed against globalization itself but rather against abuses that harm the rights of workers and the environment. The question often raised by non governmental organization and anti-globalization movement at WTO and IMF gatherings is whether globalization will result in a rise of living standards or a race to the bottom as competition takes the form of lowering living standards and undermining environmental regulation. Developing countries are at the suffering end of the globalization process. From the discourse, in all intents and purposes globalization differ from capitalist imperialism only on the method of approach. It seems at the new age, globalization has become a more subtle word than colonization and imperialism. Globalization involves a free competition to control the market while imperialism is achieved through colonization and/or partition to control the market. In summary developing countries have to move towards domestication of new technology instead of technological transfer. This can be achieved by inward looking and going back to the root of their values and technology as china and India. Equally, the policy issues raised in this paper have to be tackled urgently for the interest of the developing countries. Otherwise, globalization will in the long-run evolve into global capitalistic imperialism where the most powerful economies engulf the weak ones by forces of superior economic power and the later become perpetual dependent on the former. At that stage the two concepts will merge to become global-capitalistic-imperialism.

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