

China and the Role of Socialism in the Geopolitical Economy of the Capitalist World

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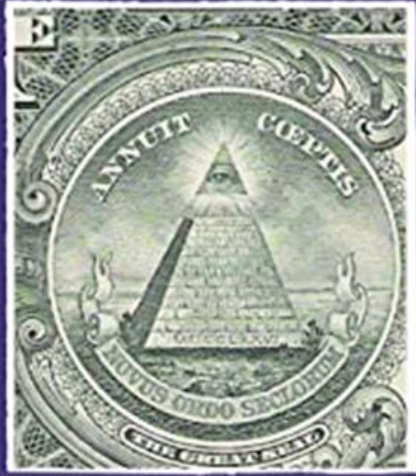
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Outline

- Caveat and Invitation
- Introduction: Two Questions
- Geopolitical Economy
- Uneven and Combined Development
- Capitalist and Socialist Combined Development
- Development and Socialism

- Caveat: a Very preliminary foray onto a very large canvas
- Invitation: Please join me in thinking this through, in framing both the questions and the answers



GEOPOLITICAL ECONOMY

After US Hegemony, Globalization and Empire

Radhika Desai

THE FUTURE OF WORLD CAPITALISM

Through Pluripolarity to Socialism: A Manifesto

International
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CAPITALISM, CORONAVIRUS AND WAR

A Geopolitical
Economy

Rethinking Globalizations



Introduction: Two Questions

- Theorising China:
 - Rise of China discussed empirically, but not theoretically. What is the significance of the rise of **socialist** countries in a world dominated by capitalist countries? Is it an aberration, a premature leap into socialism before its time had come, an historical accident or mistake?
- The Transition from Capitalism
 - Is class struggle the only dynamic, and are classes the sole agents, of socialism? Do imperialism and national anti-imperialist resistance play no role?

Geopolitical Economy

- Arising from
 - dissatisfaction with cosmopolitan approaches, first ‘globalization’ but then also including ‘US hegemony’
 - Dissatisfaction with ‘Marxist economics’ for its failures on contradictions, imperialism and nation-state
 - Return to Marx’s analysis of capitalism as contradictory value production, and the geopolitical economy of ‘the relations of **producing** nations’ in it
- Main Elements
 - The materiality of nations
 - Imperialism as rooted in capitalism’s contradictions
 - UCD or imperialism and anti-imperialism: a unique interpretation
 - Cosmopolitan ideologies as ideologies of imperialism

UCD or Imperialism and Anti Imperialism

- Capitalist contradictions make imperialism, or ‘uneven development’, an imperative
- Historically, however, it has been opposed through ‘combined development’, first by capitalist states and from 1917 onwards by socialist ones
- Since then, the most effective opponents have been socialist states.
- This raises a question: Why is that? What was it about that historical turning point that changed matters? Lenin had one answer – that Capitalism had reached its highest stage – and I have been arguing that he was right?
- Imperialism is not eternal or all-powerful, as so many imagine
- 1914 was its high point, since then it has been on the decline
 - Thirty Years’ Crisis bookended by the two greatest socialist revolutions so far
 - Followed by decolonization and at least some successful development against imperialist power
 - Demise of Soviet and Eastern European socialism a sign that the path to socialism is not straight – ‘the end of the beginning’

Imperialism and Anti-imperialism Since 1945

- Decolonization and some capitalist development
- The persistence of socialism
- ‘golden age’ of constrained capitalism, socialism and developmentalism
- Capitalism in its imperialist homelands on ‘best behaviour’, constrained by (lingering) power of working class and anti-imperialist resistance abroad
- In neoliberal era, after initial apparent success at resubordination of Third World, capitalism in its neoliberal financialized form
 - Reveals its productive debility
 - Seeks to undermine its own more productive parts (Japan, South Korea and now Germany)
 - Has little to offer third world
 - Being challenged economically and technologically by China.

China and Socialism in IR of Capitalist World

- Capitalism involves both class and national exploitation
- Socialism failed in imperialist countries after First World War
- Capitalism's inability to afford development outside these countries, indeed, its need to suppress development there, made socialist transitions there an option, the only option, where the political forces existed
- Their path to development of the productive forces in a sustained manner could only be socialist.
- Successful capitalist development could only take place under the wing of imperialism (South Korea)
- Elsewhere, capitalist development (India, Brazil) remains constrained by inability to develop internal market, dependence on metropolitan technology, openness of capital flows)

So, in conclusion

- Socialism turns out to be ‘internal’ to capitalism but also the path out of it
- Today, we are likely entering a long era when various forms of non-capitalist paths may emerge and people and peoples will find their own ways to socialism
- Through Pluripolarity to Socialism

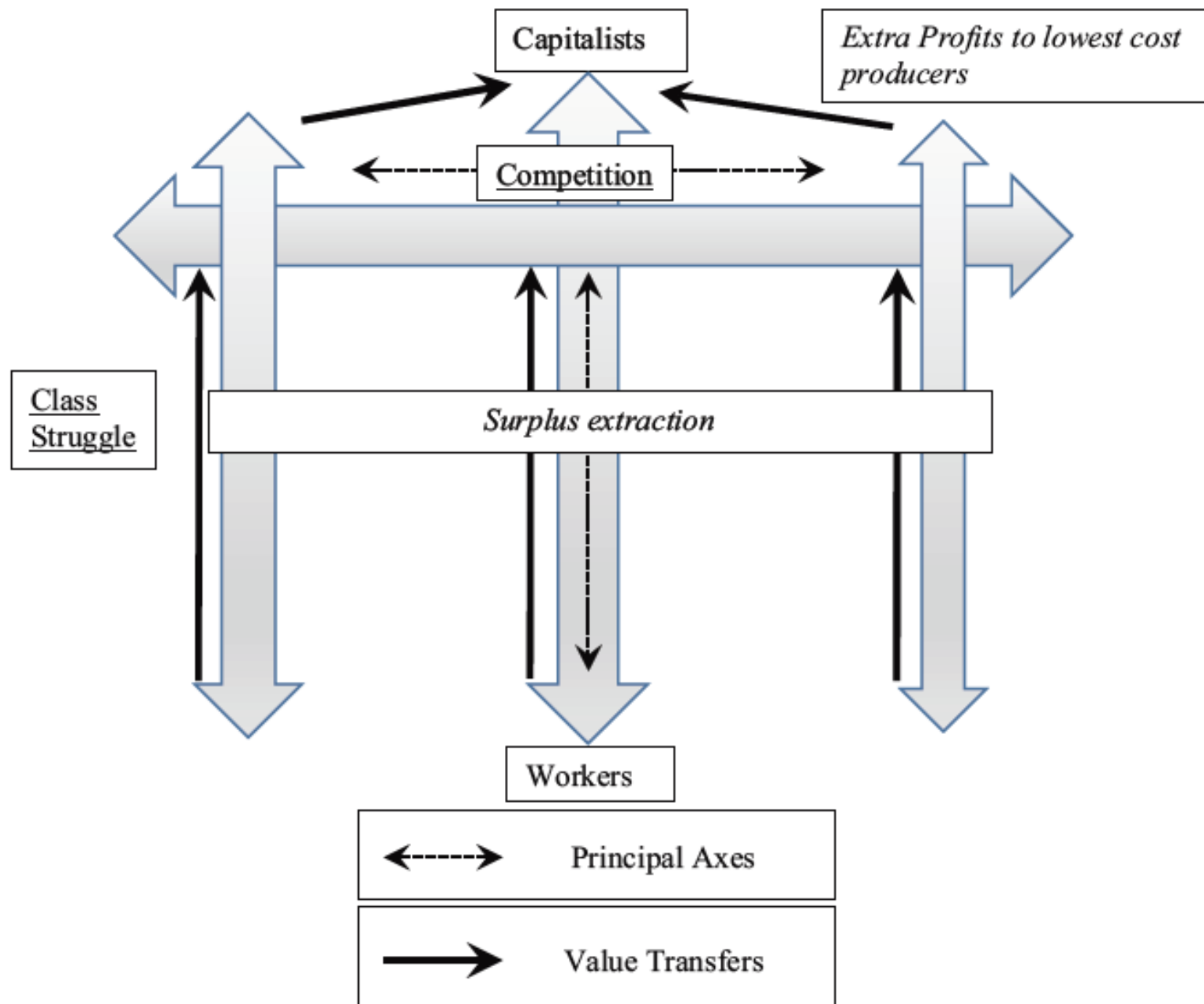


FIGURE 2.1 Value production and its two axes.

TABLE 2.1 Crises by source and form

<i>Source</i>	<i>Production</i>	<i>Realisation</i>	<i>Money</i>	<i>Finance</i>	<i>Ecological</i>	<i>Domestic</i>	<i>International</i>
<i>Form</i>							
Intra-class	Tendency of the Rate of Profit to Fall	Disproportion	Deflation	Credit crunch/ Speculative bubble	Corporate ecological destruction	Fiscal crisis	Uneven vs. capitalist combined development
Inter-class	Profit Squeeze	Overproduction/ Underconsumption	Inflation	Mortgage crisis	Ecological destruction from human desperation	Legitimation crisis	Uneven vs. popular or socialist combined development

Source: Created by the author.