# Global Capitalist Hegemony And The Struggle For Socialism: The Case Of China

#### **MEHDI S. SHARIATI**

### **ABSTRACT**

From the First Industrial Revolution through the twentieth century, the global hierarchy of nation states evolved. The contemporary pecking order includes social formations previously viewed as backward and underdeveloped. The twentieth century revolutions, particularly those in Russia and China, were national attempts at overcoming obstacles to development within a global system dominated by powerful neocolonial states. The organized struggle took a revolutionary socialist turn, confronting the old order with a promise of creating a condition not previously known to the masses. To that end various strategies as informed by Scientific Marxism, Marxism -Leninism, Stalinism, Trotskyism, and Maoism, among others, were adopted by the two Revolutions –the Bolsheviks and the Communist Party of China under the banner of socialism. In both Russia and China the peasantry acted as the proletariat and the leaders as the vanguard revolutionaries. While Russia and its satellite countries and Soviets of post-October Revolution continued to maintain the anti-capitalist state ideology until the implosion, the People's Republic of China began reorienting its approach to the world from remaining behind the Great Wall to engaging with global capitalism - the bearer of technology and multifaceted power while maintaining its state ideology. The rise of China as the second superpower in a remarkably short period of time is owed much to the awareness of the leadership and structure that engaging with the world, particularly in the age of advanced robotics and internet, is the ultimate survival strategy. This strategy has produced positive results for China, and in the age of AI (Artificial Intelligence) has propelled it to a hegemonic position in the hierarchy of global capitalism. China provides an excellent context for assessing the

resiliency and the overwhelming power of global capitalism and the failure of the socialist project. This paper discusses key issues in China's economic policy in the context of global capitalism during the past four decades of openness and engagement with the world, while China was still clinging on to what appears to be an inherently anti-capitalist state ideology. The paper discusses China's strategy of rapprochement to global political economy, its critical role in the global accumulation process, and the plight of workers in the age of techno-nationalism, AI, and growing internal contradictions. It further discusses the totality, which is not only a negation of socialism, but reveals the truth of the role of China as a hegemonic power in relation to the countries of the "South."

Very few countries past and present have generated so much awe, controversy, criticism, fear, insults, accusations, and inspiration as China. As a self-proclaimed "communist" and/or socialist state, contemporary Chinese development and the magnitude of transformation are both the causes and the effects of a hegemonic global technostructure. As China expands its technological prowess, it is confronted with new challenges: rivalry and possible confrontation with the world outside of its Walls. The quantitative and qualitative changes in China in the 40 years of the past 70-year-old centralized system set up by Mao Zedong are described of late by outsiders as part of the "plan to conquer the world", ensuring "the end of the West", a world tantalized by the "China Shock", and so on. The rise of techno-nationalists aided by the power of the political regime in countries such as China has been the driving force behind the acquisition and the development of new technology. As China rises and engages with the world on a greater scale, its ideology, particularly state ideology, and ostensibly the pursuit of socialism and communism by the political state, are viewed as attempts at conquering the world. Internally, contradictions such as surplus extraction, capital accumulation, ravaging job losses due to robotics and AI, and the rising gap between the haves and the have-nots in light of professed ideology remain a serious threat. China began its march towards socialism at a time when its total literate population was less than 20 percent. Similarly, Russia under the Bolsheviks some thirty years earlier had had no better basis for achieving socialism. Yet both began with a single totalitarian party referred to by party officials and many ordinary individuals as the "Communist Party" without a clear understanding of what communism is or how to achieve it. As the dominant global system with the aid of its technology and commodities continues to reproduce the hegemonic technostructure, the choice for the post-revolution formations and/or those on the periphery has been

either to join or to oppose. For a few post-revolutionary orders as well as those experiencing socio-economic and political trauma, the realization that the hegemonic techno-structure at any level has been the motor of progression provided the basis for formulating a national economic policy often in conflict with the essence of state ideology.

Throughout the twentieth century the world was divided between the "communist" East and the capitalist West. Intense competition for the newly independent (decolonized) nations led to proxy wars and military alliances detrimental to the present and future conditions of these nations. And on a superficial level a group of weak economies declared themselves as "non-aligned" but in reality they were for the most part very dependent on the capitalist world as consumers of their primary resources and provider of finished consumer goods and technology. Countries in the Soviet orbit were struggling to free themselves from the wrath of totalitarianism. For the revolutionaries and reformers trying to overcome dependency on and subordination to the world capitalist system, the alternative often time was socialism. And today for an overpopulated world that is becoming increasingly resentful, distrustful and agitated by rising inequalities, political repression, racism, environmental destruction and subsequent climate change and pandemics, a sort of **dystopia** on a global scale, there is an urgent need for a viable socio-economic and political alternative. Alternatives beyond those put forth by the World Economic Forum, G-7, G-20, etc.

But what are the methodologies and requirements for constructing such a system? The literature about socialism, which incidentally proliferated in the developed and developing capitalist countries, for the most part has attacked capitalism rather than provided an articulated definition of socialism and what a socialist system would look like. They were also reactions to crises of accumulation in the global capitalist system, particularly in the democratic market capitalism, such as the United States, where "democratic socialism" was presented as a viable challenge to the existing order, ironically within one of the two dominant parties, namely the Democratic Party. During a serious crisis in global capitalism, from the Great Depression of the 1930s to the Great Recession of 2008-2010, capitalism was eulogized by most advocates of socialism. After the crisis, the resurrection of capitalism was celebrated as inherent resiliency of capitalism and its power to defeat its demons. For more than a century the experiment by the

USSR resulted in a politico-military stalemate, while China for the past seventy years produced a hybrid state capitalism resembling the ones between the two World Wars in Europe. China's opening up to the world beyond its Walls was a structural imperative, a survival strategy while maintaining the official ideology. The case of China illustrates that the foundation of a dynamic society cannot be constructed in isolation. It also illustrates that without close cooperation and collaboration with the developed capitalist system, any sufficient development of productive forces necessary for the creation of a socialist society would not occur. The close cooperation and collaboration, however, have serious implications for labor/capital dynamics within and between social formations in a globalized production system. In the global system, the road to socialism has been a perilous one, almost impossible to achieve, as shown by the very few countries which had made attempts. Instead of viewing socialism and communism as ideal societies, which the current reality may never reach but must be goaded in their direction, they were defined in such manner so as to fit the reality. During the Cold War, the market-oriented Western democracies led by the United States and the totalitarian Communist East led by the USSR, the term communism was applied to all hopeful global social (liberation) movements opposed to capitalism. Contemporary disdain for the term socialism is a diluted version of the disdain for communism of the Cold War. Communism of the Cold War era was a "godless" totalitarian regime controlled by party ideologues. Today socialism is either confused with the terms "Nanny state", "State Capitalism," or an ideology of a brutal totalitarian or authoritarian state. Furthermore, both concepts have been adopted by individuals and states, whose conducts have left an indelible mark on history. In particular socialism has been associated with names such as Mazdak, Jesus, Abu Zhar, Rousseau, Marx, Engels, Lenin, Mussolini, Hitler, Stalin, and others.

Any discussion of socialism inevitably involves the role of government and the public sector in a bi-polar system, in which one pole is almost all government and the other one has a powerful private sector. The government is either subservient to its wishes or a mediator between powerful private interests. In the past few hundred years, the variety of socialism has been theorized, synthesized and attempted. Common to all is a fundamental belief in social justice, equality, and social development. Only the Marxian form of socialism provided a very general

statement of what socialism would look like in production and distribution. This included the abolition of private property, state (public or proletariat) ownership of the means of production, and the state's responsibility in distribution of social resources to meet society's needs. The workers' wages commensurated with the value they created. In contemporary self-declared socialist societies, particularly in China, the terms socialism and communism are used interchangeably. In Marxian historical materialism, however, communism is the last stage and socialism the penultimate stage even though Marx himself used the two interchangeably. For the most part socialism, particularly for propaganda purposes, is defined as distinct from whatever defines capitalism. And capitalism is viewed as an exploitative, greedy, dehumanizing, individualistic system with contradictions resulting from the supremacy of private property. Socialism on the other hand is argued to put an end to all that denies human beings their right to flourish in a society based on abundance and access to resources for all. The Chinese desire for the creation of a socialist society (as a promise of the Revolution) on the one hand and the presence of an economy based on scarcity provided them with hard choices. Moreover, what the propagandists of ideology in the USSR and in China willfully omitted, were critical components such as class and class struggle. In both cases classes were assumed to be embedded in the state apparatus. The idea was promoted that the proletariat as a class was working with the political state (as opposed to being antagonistic and engage in class struggle) towards a greater goal, socialism. In other words, reality was defined in a manner that reflected the ideological imperatives. And in a socio-economic and political system defined by a particular ideology, to keep and reproduce power requires perpetual adaptation to reality characterized by power, and re-formulation and reform of ideological stance, as China has done in the past few decades. The contemporary realpolitik on a global scale has compelled all rational political states regardless of their ideological stripes to see the world through the prism of power and its foundation.

# HISTORICAL AND STRUCTURAL CONTEXT of the Chinese Ideological State apparatus, and the Evolving Hegemonic Tendencies

In China the perception, teaching, and learning of national history are in line with the program of infusing national identity with destiny formulated by the Central Committee of the Chinese

Communist Party (CPC). All nations have a story of national genesis, a beginning, a sense of destiny, and "founding fathers". Iranians have Cyrus the Great, the Americans have George Washington and Thomas Jefferson, etc. In the case of China there is "no beginning". It is a natural phenomenon founded, or more accurately "re-established" by the Yellow Emperor (Kissinger, 2011). The Chinese view of the world is that "[h]uman beings can only try to understand it and could never be conquered; wise rulers could hope only to harmonize with its trends" (Kissinger, May 14, 2011). "Harmonizing" with history and its trends does not imply an attitude of resignation and acceptance of what is decided and done by others. Chinese national history both in the pre-Communist Revolution and in the Post-Communist Revolution era shows a consistent effort to adapt, to adjust to and harmonize with the trends while keeping the historical experiences as the backdrop. From 1837 to 1949, in "a century of humiliation", China was the target of control and imperial plunder. Pacifying the Chinese masses was one of the important steps in imperial control. Opium was introduced to the Chinese masses by the British Empire. Chinese resistance resulted in two Opium Wars. The First Opium War was fought from 1839 to 1842, followed by the Second Opium War from 1856 to 1860 (Anglo-Chinese War). Throughout these wars, the British aided by other Western powers imposed severe and humiliating treaties on China. During the century of humiliation, specifically with the Treaty of Nanking of 1842, Chinese men were either kidnapped or deceived and then shipped to the Caribbean and to Peru as coolies - day laborers that were treated as slaves. The British used the ports seized through the Nanking Treaty to gather coolies and then transport them to Macao, which was under Portuguese control, from where the coolies were shipped to the Western hemisphere, primarily to the British colonies and "protectorates". Enabled by the First Industrial Revolution (1760s to 1830s, characterized by steam/water power and mechanization), and becoming invincible during the Second Industrial Revolution (1870s to 1950s, characterized by the use of electricity, mass production, and specialization) the West as the evolving hegemonic techno structure relied for the most part on militarism in achieving imperial/colonial goals. The colonialists' views of "otherness" ("lower race") was based on their perception of otherness their own technological and ethnocentric feelings of supremacy. Dehumanizing labels such as the "barbarians", "savage" "uncivilized," among others, were applied frequently. It did not matter how deep and significant of a foot print the colonized had made in human history, the new criteria were the power of the machine and modernity. As Western intervention in its various

forms increased in China, Chinese masses reacted accordingly. Close to the end of the nineteenth century, the Boxer Rebellion (Yihetuan Movement) rose as an anti-imperialist, anti-foreign and counter-hegemonic force. The Rebellion lasting from 1890 to 1910 opposed major world powers such as France, Britain, Germany, Japan, and Russia, who had carved out spheres of influence in China. It ended with the Revolution of 1911 and the subsequent declaration of the "Republic of China" by Sun Yet-Sen in 1912. Sun Yet-Sen initially proposed the creation of a "Republic of Five Nationalities" (Han Chinese, Manchus, Mongols, Uyghurs, Tibetan) as an all-inclusive China. The teaching of the Opium Wars in contemporary Chinese schools is a powerful teaching tool designed to recall the impact of humiliating treaties, concessions and ceding of ports and territories to foreign powers. Chinese history teaches a chapter on "national humiliation" - the sum of all mistreatment and aggression against Chinese with an emphasis on Wu wang guo chi. "Don't forget national humiliation." (Alice Su, March 13, 2019, Los Angeles Times). The reason for recalling that portion of history does not appear as an attempt to instill hatred of foreigners in the minds of the Chinese masses but rather to map out a path of revitalization and rejuvenation of national spirit for greater accomplishment. The curriculum in the post-communist revolution includes teaching about socialism and the presentation of the socialists as superior beings. And patriotism anchored in Chinese values is promoted and exalted in order to reinforce the idea that China and the Chinese need the Communist Party.

Not too long ago Chinese elites considered people in foreign lands unredeemable. They were convinced that "[t]here was no glory to be found in venturing across the seas to convert 'heathens' to the Chinese ways; the customs of the Celestial Dynasty were plainly beyond the attainment of the far barbarians." The mistrust of the "uncivilized" foreigners is grounded in an estimated 400,000 loss of human life due to foreign interventions (The China Challenge, May 14, 2011). The "hairy, mutton-smelling, big nosed, repulsive, and dangerous ... " foreigners were not to be allowed into the walled city of Canton" ....they exhibit the "habits and...the nature of wolves, plundering and seizing things by force...." (Sizer, 1981:45). The British were accused of deliberately spreading "poison (Opium) to all provinces." <a href="https://china.usc.edu/lin-zexu-lintse-hsu-writing-britains-queen-victoria-protest-opium-trade-1839">https://china.usc.edu/lin-zexu-lintse-hsu-writing-britains-queen-victoria-protest-opium-trade-1839</a>

Contemporary Chinese on the other hand are looking at the world beyond China as a vast reservoir of potentials and possibilities necessary for reclaiming national greatness.

Contemporary Chinese leadership appears no less xenophobic than the Han dynasty, even though it now possesses nuclear weapons, a seat on the United Nations Security Council, a formidable military, and highly advanced cyber capabilities. But reaching out to the rest of the world in spite of this fear has been the pragmatic dimension of national policy. During the past forty years, China has become bolder. Its engagement with the world has created certain anxieties on the part of others. It is assumed often that change in national and institutional attitude vis-a-vis the rest of the world in general. China's attempt to learn from the experiences of others began with Deng Xiaoping at the end of the 1970s. But as Douglas Reynolds (1993) shows, prior to Deng Xiaoping's reform period, and as exemplified by the Xinzheng Revolution or "New System" reforms, China had looked to Japan as a model of social and economic development. In particular important components of nation building, such as major social institutions including the administrative apparatus, were modeled after Japan. Sending Chinese students to Japan and inviting Japanese teachers, trainers, and advisors to China, who in turn were heavily influenced by the modernity of the West, were important factors in building and reforming institutions of education, military, law enforcement, and aiding in the formation of a constitutional government. The idea that China could have a constitutional system within the Confucian framework had a few followers. Others were pursuing a republican form. Indeed the revolt lasting from 1895 to 1917 aimed at creating a republican form of government representing the will of all Chinese. Both the Confucianists and the Republicans agreed that the Ching Dynasty must go but provided no clear alternative. The conflict between the Kuomintang and the communists also provided an opportunity for the Japanese imperialist to intervene, weakening both national groups. With the aid of the peasantry (Moore, 1966) and segments of the military, the Communists survived the "Long March" (October 1934 - October 1935, covering 5600 miles). They managed to take control of a sizable swath of land in the late 1940s, culminating in the establishment of the People's Republic of China in 1949. The Nationalists set up their own state in what is now Taiwan. Then immediately after the revolution Mao began searching for workable strategies for and models of development. The will of the Communist Party in making history began with Mao's determination to catapult China to a respectable position in the international system based on the principle of "self-reliance." Before seizing power Mao believed in an uncompromising determinism that "the socialist system will eventually replace the capitalist system; this is an objective law independent of man's will."

The Communist Party's victory in 1949 was a dramatic event that had global impact. This was the culmination of all previous revolutions, particularly the 1911 Revolution described by Lenin as sign of "Awakening of Asia" (1). On October 1, 1949, an impressive strategic plan for the socio-economic development of China was formulated. As is the case with some post revolution governments, rather than feeding on a frenzy of revolutionary slogans and hostile postures towards all those whose policies had humiliated and exploited China in the past, it adopted an improvising and compromising approach. Recognizing that China's needs were much greater than the available resources of the country, the leadership was determined to learn from the experiences of others, as manifested by the first five-year plan beginning in 1953. No neighboring country except Japan was able to show signs of noticeable development yet. During this period, Japan was still reeling from the pitfalls of its militarism and the devastation caused by the American nuclear attack and struggling to bounce back. Europe was being rebuilt, and the Cold War between the capitalist West led by the United States and the Eastern or the Communist Bloc led by the Soviet Union was in its formative years. But China remained outside of the Cold War and for the most part was determined to acquire much needed resources, including technical knowhow, for its development.

Mao made his first trip to the Soviet Union to learn from the "socialist" experience. While touring an automobile factory, he stated that "[w]e need big factories like this one." And shortly afterward, the first Chinese car—Dongfeng was produced. Within two decades, thanks in part to a great number of scientists, China had set up an industrial system and a powerful defense system including the production and deployment of hydrogen and Atom bombs as means of deterrent. Mao emphasized the production of steel as a strategic commodity vital for the building of the foundation of a self-sufficient economy. The English, the Dutch and the Japanese imperial powers were colonial in practice but they also exposed China to their technological might and served as a possible model. As Karl Marx observed, "[t|he bourgeoisie, by the rapid improvement of all instruments of production, by the immensely facilitated means of communication, draws all, even the most barbarian, nations into civilization. The cheap prices of its commodities are the heavy artillery with which it batters down all Chinese wall...... It compels all nations, on pain of extinction, to adopt the bourgeois mode of production; ...to become bourgeois themselves. In one word, it creates a world after its own image." (The

Communist Manifesto). Upon assuming power, Chairman Mao's strategic goal became the legitimation of its government through participation in international organizations, such as the United Nations. The 1954 China-United States Mutual Defense Treaty opened the door to much needed global recognition, after which China became a permanent member of the General Assembly and, in 1971, a permanent member of the UN Security Council. In 1964, China had tested its first nuclear weapon and in 1967 its first hydrogen bomb. As of 2015, China possessed about 260 total nuclear warheads. In a world characterized by realpolitik, military power has always generated international prestige and respect adding to the political capital gained through normal, logical and rational interaction with the international community. In other words, Chinese national policy was presented then in such a way that no country large or small, far and near feared its growing politico-military and economic might.

In 1966 Mao initiated the now infamous "Cultural Revolution," which some have called disastrous. By the time it ended in 1976, a significant number of people were killed (estimates are between 40 and 70 million). It devastated the countryside and the agricultural sector in support of the growing industrial sector—primitive accumulation achieved by smashing the "Clay Bowl"—peasants' bare subsistence. According to other narratives, the Cultural Revolution was Mao's attempt to build an ideal socialist society cleansed of capitalists, nationalists, and all those party officials alienating the Chinese masses. In either case the tragedy of primitive accumulation along with the failure of the Cultural Revolution in rooting out corruption and alienation not only revealed the scope of social and economic problems but exacerbated most if not all of them. As the industrialized world was inaugurating the Third Industrial Revolution (1960s to 2012, the Information Technology Revolution, the automated production process and electronics), the cultural revolution in China appeared to observers as a backward march. To consolidate power and exercise total control, Mao used the Cultural Revolution to construct what Louise Althusser calls a "repressive ideological state." No one within the CPC dared to oppose the Cultural Revolution as long as Mao was alive.

Maoist China promoted self-reliance and resistance to any pressure which could distract them from their ultimate aim of achieving "communism". But the results continued to be disappointing. Being a witness, Mao's successor Deng Xiaoping as the Chairman of the Communist Party replaced the slogan of self-reliance and the posture of revolutionary radicalism

with pragmatic moderation and the corresponding shift from the primacy of politics to that of economics. The adoption of a nonbelligerent and compromising approach even with those countries that had mistreated China, deeply anchored in their collective memory, was neither feasible nor constructive. It was certainly viewed as counterproductive. The Chinese leadership realized and admitted that they could not overcome obstacles to socio-economic and political development and mounting societal problems without opening up to the rest of the world on a greater scale. China's desire to become part of the global capitalist political economy materialized by the West's strategy to integrate China into the world system dominated by the advanced capitalist states. China accordingly changed its strategic plan to play a new role in the global political economy. Its economic planning and policy included reorientation of its ideological slogans without any significant change in the Communist Party's domestic political philosophy and strategy. Socialism was the philosophical framework within which politicoeconomic policies were formulated. Yet as China engaged with a world dominated by technologically superior economies, it took a techno -nationalist approach reinforcing the official line that the central government, and in the case of China the Communist Party, was a formidable and indispensable force in innovation and diffusion of technology. The opening up by China in the late 1970s coincided with the return of neoliberalism on a global scale. It signaled the supremacy of global finance capital mediated by its supportive institutions such as the World Bank, the International Monetary Fund (IMF) and later by the WTO, among others. Global capitalism goaded by neoliberal ideology was determined to take back what it considered the loss of its power to labor due to rising wages and bargaining power. The aim was to return to the era of high productivity, growth and uninterrupted accumulation in the Golden Age of Capitalism (1945-1968). It is in this context that China as the possible future "factory" to the world with low wage and disciplined workforce was expected to play a role in the accumulation process.

In the advanced Western capitalist system, massive government-sponsored and funded research and development in advanced technologies and industries such as medicine, nuclear energy, telecommunications, computers and aircraft production among others provided the basis for the Third Industrial Revolution. The Third Industrial Revolution, which began in the 1960s, multiplied productivity and profit. For the next fifty years it increased automation and computerization in production and distribution. The Third Industrial Revolution was a market to network revolution. According to Jeremy Rifkin's "Lateral Power" (2011), "thinking outside the

box" was an outcome of the Third Industrial Revolution. During this period, only a handful of countries, mainly in Western Europe, North America and Japan were in control of advanced technology. The rest of the countries were struggling to enter the superhighway of invention and innovation and the industrial application. Some countries were relegated to the role of exporters of primary resource and importers of much sought after Western consumer products. Some nations, by virtue of their geographic location (i.e., East Asian Tigers), were able to tap into the process of industrialization as a Cold War imperative and in exchange for receiving investment, including industrial capital. As these countries were enabled in their industrialization, they were expected to play a geopolitical and military role. Changes in the global economy in general and in its immediate neighborhoods along with socio-economic problems compelled China to reconsider its relation to the outside world in its totality. No longer the government alone could acquire and diffuse technological know-how. Neo-techno-nationalism (Yamada 2000), defined as the combined efforts of the national government in partnership with the private sector and greater collaboration with foreign firms, universities and multilateral agencies made the acquisition of technology and implementation of standardization its prime objectives (Cheung, 2013; Corning, 2016; D'Costa, 2012; Higgins, 2015, cited in Sandro Montresor, 2001). With these clearly delineated objectives, China began formulating a strategy to become a player on the world stage.

While the Maoist approach to the economy was predicated on self-reliance, the Party led by Deng Xiaoping embarked on a new policy of openness. It adopted pragmatism and engagement with the rest of the world, particularly with the West, while maintaining the official goal of developing a socialist system. In pursuit of improved economic conditions, the Chinese government considered all options regardless of their source. In 1985, the Chinese invited a group of American and European economists and policy experts, including the Hungarian Economist Janos Kornai, to present China with new ideas in economic management. Deng launched the modernization of agriculture, industry, national defense, and science and technology ("Four Modernizations") while learning from the experiences of advanced countries regardless of their ideology and historical relation with China. Of course the intra-party political considerations were a factor in maintaining "socialism" as the official ideology. But what form of socialism? In an attempt to reorient their economy within the socialist framework, the concepts of the three

models of socialism were critically studied: the Yugoslav 'open socialism,' the Hungarian 'restrained socialism,' and the totalitarian Soviet system. Tito's independent approach for Yugoslavia (i.e. independent of the Soviet Union) was appealing to the Chinese when searching for a model suited for the Chinese context, except that they did not like Tito's decentralized political system. The Hungarian Model of market-oriented planning and management of the economy along with centralized political decision making was much more appealing. It was understood that through market activity and private initiatives, China could effectively adopt the language of the dominant capitalist world in its attempt to access modern technology and organizational skills.

Acquisition of Western science and technology by the Chinese was indispensable to their development. This strategy, however, requires techniques and methods of managing and expanding the acquired know-how, which in turn demands changing and reconfiguring aspects of the traditional culture along with reconfiguration of social and political institutions. To that end, the Japanese and the Korean models in particular, and all others who had been on the edge of the tradition-modernity divide, became unintended guideposts. China's changing attitude and the communication of that change to the rest of the world by Chinese officials in key positions, including ambassadors, have been important preoccupations for the rest of the world. The belief that no one can control the world but one can and ought to be a part of it is embedded in the Chinese culture and tradition. Deng Xiaoping's advice was to "set aside differences and pursue joint development." This has been the official foreign policy approach. Advocated by the former Chinese Communist Party General Secretary Hu Jintao and paraphrased by the current General Secretary and President Xi Jinping, the approach is often described among others as "community of common destiny" and "a community of shared future for mankind," as well as President Xi Xinping's most recently coined "shared future and prosperity" are reflective of the high ideals of socialism. The contemporary official Chinese position includes the belief that "wars are not the answer, and they actually create problems, as the United States and other Western countries have found. [...] [D]iplomacy is the proper approach." Of course China neither had the means nor the interest to pursue its foreign policy through Western style militarism. China does, however, have a history of non-military retaliation when its national interest or state security are involved. As Henry Kissinger (2011), an authority on Chinese global relations, observed, "the U.S. is more focused on overwhelming military power and China on decisive psychological impact" in the contemporary global system. While China has been building its military and expanding the area within its reach, it has been careful not to project an offensive military posture. China, however, has been projecting a global economic might while building diplomatic bridges and military might. One of its concrete manifestations (albeit controversial of late) is the "One Belt, One Road" (Belt and Road) initiative (2). A review of the Chinese government's sponsorship of cultural events in major countries of the world, particularly in the Western world, attests to the fact that China has been working diligently to present a different version of itself other than what has been constructed by others. China believes it needs the world and the world needs China. The pursuit of prosperity requires reform, opening up to and engage with the larger world by respecting others and rejecting narrow-minded sensational nationalism. Similarly, China has not been advocating the export of its revolution and official ideology. Indeed the foreign policy of China clearly is based on non-intervention and cooperation regardless of the type of ideology the politico-economic system a country has adopted, at least for now. As far as the global capitalist system is concerned, it does not matter what official ideology China espouses. It matters whether China is part of the global accumulation process or an obstacle to it. And China views transnational corporations as the embodiment of globalization and the bearer of modern technology, and universal currency rather than mechanisms of exploitation serving the global capitalist system.

# Ideology, Ideological State, and "THE END OF IDEOLOGY"

Ideologies are multifaceted human creations in response to concrete reality and changes across time and space. Ideologies are ideas about a set of goals and the means to achieve them. Throughout human history, countless numbers of influential individuals from good to bad, sane to sick, saint to evil, and peaceful to violent have used ideas grounded in reality and the actual means of materializing ideas. The First Industrial Revolution as a major event in human history gave rise to various corresponding ideologies of different stripes. 18th century French

statesman and Enlightenment philosopher Antoine L. C. D. De Tracy coined the term ideology a much celebrated concept on both sides of the Atlantic. De Tracy's defense of liberalism and laissez faire as ideology drew harsh criticism from the radicals of the 19th century such as Karl Marx. Marx called him a "fish-blooded bourgeois doctrinaire" and defined ideology solely as a mechanism of control in the hands of the dominant class or somewhat conveying the same meaning as "false consciousness" (à la Engels). And those in the position of creating ideologies are pejoratively called "ideologues." This negative view of ideology – the "German ideology" or the idealist conception of history continues to dominate the Marxian and Marxists circles to this day. Marx called his own set of ideas "science" rather than ideology precisely because it has been a critical stance. Adopting a particular ideology either on the "left" or on the "right" of the political spectrum implies a worldview, a window to the world, a commitment to a cause, and a blueprint for practice. Ali Shariati defined ideology as a belief, and a worldview in relation to other groups and other societies, nationalities, and social systems. It is in this context that people learn about themselves and develop a concept of the self. Ideology therefore reflects an understanding of the self, humanity, history, and society. It determines the depth and the scope of social responsibility on the part of individuals, a class, a nation or a group of people and the form of social consciousness-- an understanding of history and humanity. And finally it is an evaluation of socio-economic and political reality based on an ideal model. Self-awareness leads to collective awareness. Then this awareness becomes the basis of critical evaluation of tradition, beliefs, values and purpose (Shariati, 1973). Talk of why people have ideologies is redundant, as is the dismissal of an argument and branding a position merely as "ideological". To label an argument, a stance or an approach as "ideological" is to signify an invalid argument, a statement with no internal consistency, an argument base on the absence of truth, and compatibility with intent to conceal class or other interests. Thus, when American politicians talk about "communist China," they do not mean a system based on the principle of "from each according to his ability and to each according to his needs." Rather they mean a sinister and "godless" system of anti-capitalist, anti-West, and anti-democratic bent on conquering the world. We are guided and goaded by a set of belief, and principles even though often not referred to as ideology. The most dangerous type of ideology is the formulated set of belief by

the dominant classes to pursue and guard their own interests at the expense of the larger society. It is in this context that the division of society between "us" and "them" as a colonial construct accomplishes its hegemonic intent through "divide and rule." Ideologies can be disempowering in the face of rapid changes brought on by new technological platforms and changes in the material condition. In other words, ideologies, particularly philosophical, political, social, economic ones and so on, do have an expiration date except that which is grounded in a highly committed sense of social responsibility and timeless human ideals of freedom, equality and ethics (Ali Shariati, 1973). The basis of "the end of ideology" argument (Symour M. Lipset, 1959; Daniel Bell, 1960) in the Western political discourse is an exclusively technological one, based on the modern material reality. Defining an ideology in a manner to fit a particular reality and/or a reality being defined such that it fits the official ideology has been the hallmark of authoritarian and totalitarian regimes.

Trying to defend its economic policy in the context of global capitalism, and in order to keep the inherited political authority and/or power based on the imperatives of socialism and communism, contemporary Chinese leadership opted to define socialism (ideology) compatible with the reality grounded in pragmatism. The official view of the system is that it is "Socialism with Chinese Characteristics" as distinct from the general definition of socialism inherited from 19th century European social thought. Socialism with Chinese characteristics now is added to the list which includes utopian, Fabian, scientific, market, decentralized, national, African, Jewish, Islamic, and Christian, among others (3). Nearly all radical revolutionaries, once they have assumed power, have paused and studied the reality on the ground and the abstract concepts such as socialism and communism for which there has never been a model capable of being emulated. The Soviet Union and China were determined to build a socialist society, but both were lacking the necessary condition-- developed productive forces. Scientific socialism requires that productive forces must be develop before socialism is constructed. Marxian (scientific) socialism, which both Russia and China began their struggle for, requires fully developed productive forces. It requires sophisticated material and intellectual development before socialism can be articulated as a mode of production. Ideally, societies must go through capitalism, evolve and try to reach socialism through a political and social revolution. Yet the

history of societies trying to achieve socialism have bypassed that important stage upon which an equitable and egalitarian society—socialism must be built. Neither the October Revolution nor the Chinese Communist Party's victory were of the type anticipated by Marx. To Lenin, the dictatorship of the proletariat was the "monopolizing of capitalism within a truly democratic, revolutionary country" (Wang Hui, 2017). Kautsky on the other hand addressed the core of the problem by stating that the precondition necessary for a socialist revolution did not exist in Russia. Therefore, the revolutionaries in alliance with the capitalists should have "enabled social classes to maturity" (Hui, 2017). But as the criticism of Lenin by Rosa Luxemburg and Eduard Bernstein shows, the Russian approach was Blanquist, a strategy proposed by Louis Auguste Blanqui—advocating the overthrow of the capitalist state by secretive organizations composed of intellectuals. As Hui (2017) put it, there is a "historiography of regret." When it comes to the 20th century revolutions, the dominant historiography, particularly those of Russia and China between 1917 and 1978, a period which Alain Badio (2008) calls the "second communist hypothesis" deals with the failure of the revolutionaries in establishing a society compatible with the professed ideology of the revolution. In Russia, China, Cuba, Korea, and Vietnam the failure was due to a lack of well-conceived and carefully planned alternatives either before or after successfully dismantling the old order. To Georgi Plekhanov and Rosa Luxemburg (and others), the Bolshevik Party was composed of intellectuals who accomplished the revolution. Luxemburg and Plekhanov's assertion is corroborated by Sergei Filatov, who believed "...Russia experienced a coup d'etat in October 1917 consequently power was usurped by a small but tightly knit party on the radical left ....and a severe blow to socialist progressives." (In Wang Hui, Harlan Chambers Trans. 2017). Thus it follows that socialists must build socialism by developing the productive forces. In pre-Mao China and pre-Bolshevik Russia there were relatively limited industries and industrial capacities and by extension insignificant productive forces that could usher in a revolution. Yet in both cases it was the peasantry that provided the backbone of the revolution (Moore, 1966) (4).

The national interest of China and the survival of the regime were intertwined and demanded a new approach which could guarantee both. Even before ascending to power in 1978 Mao's successor, Deng Xiaoping, had to overcome threats and accusations by the Gang of Four,

including Mao's widow. He was also called a "capitalist roader" because they recognized that he as the head of the Party was planning major structural changes vis-a-vis the powerful global capitalist system. He began the process of "de-Maofication" by restructuring the outdated model of development. The new approach was infused with traditional Chinese wisdom and modern economic (micro and macroeconomic) principles of efficiency, productivity, competitiveness, and accumulation. As Ware (2014) observed, "[i]t took a while for French intelligentsia to realize that the then-idealized Mao Zedong (as described by Edgar Snow's "Red Star Over China") was a de facto rash Chinese emperor, issuing absurd edicts that destroyed the lives of millions.....In contrast, Little Helmsman Deng Xiaoping, based on his "Four Modernizations" ..... brought hundreds of millions out of poverty, educated them and opened the world for them – drastically changing the social contract between the Communist Party of China and the Chinese people." In opposition to Mao's top-down management of the economy and society, Deng viewed a top-down autocratic society as an obstacle to the formation and operation of the market. That is, the leadership must allow, encourage, and provide incentives for mass participation in the decision-making processes in the economy. Within the framework set by Deng's reform, the Party introduced the principle of "guiding ideology." It encouraged the Party to represent "advanced productive forces, the progressive course of China's culture, and the fundamental interests of the people" while preaching the virtues of socialism and scientific methods for growth and development. And from the 1980s a dose of managed nationalism was injected into the discourse so as to fend off the label of bourgeois liberal capitalist (among others). Managerial science, which had begun in the late nineteenth and early twentieth centuries, continued to be preoccupied with productivity became another Western appeal. Chinese "megatrends" and the 8 pillars of a new society by John and Doris Naisbitt, (2010) describes in detail the process of cultural and social engineering initiated by the leadership—the Communist Party of China (CPC). First and foremost, the "emancipation of the mind" was viewed as an absolute necessity. Although phrases such as "development is the absolute principle", and "to get rich is no sin" are often attributed to the prophets and ideologues of capitalism and captains of free enterprise system, they were actually coined by Deng Xiaoping – the heir to Mao's Communist party leadership. Trying to reverse the damage

caused by the Cultural Revolution, he pointed out to an urgent need "to bring about a great emancipation" in the Chinese "way of thinking" and to topple the top-down and centralized structure (Naisbitt, 2010:11).

The realization that China would not be able to overcome its massive socio-economic and political problems without opening up to the rest of the world was the greatest admission and a blueprint adopted by succeeding leaders. It was also very appealing to the Western political and economic elites and strategists whose aim was to integrate China into the world capitalist system. Integrating China in the global capitalist techno-structure raised questions about the idea of a state claiming to be socialist on the one hand and the plight of the workers on a global scale on the other. The same plan was devised for the integration of the USSR into the world capitalist system, but the politburo resisted and remained committed to the ideology of state apparatus and all of the perks and privileges for the Party Officials. Lenin's famous statement that "[t]he Capitalists will sell us the rope with which we will hang them." — now ought to read "the capitalists will sell us the rope by which" we can survive the cliff and pull ourselves back from the abyss. In China on the other hand pragmatism, even in a short term, was formulated for the purpose of building a solid base for a long term strategy for comprehensive and sustainable development. Deng Xiaoping's modernization initiative was the first step towards integration into global capitalism. He stated that China "had to build up two civilizations: the material civilization and the spiritual civilization." In 1980, Deng's idea of a "spiritual" civilization had to be explained since (my speculation) the word "communism" and/or Socialism cannot appear with the word "spiritual" in the same sentence. Later Zeming clarified "spiritual" to mean the attainment of the highest level of morality, ethics and consciousness while pursuing material progress. To Deng and the Party, communism as the ideology of the people must be the context in which these two dimensions of existence—material and spiritual needs —are fulfilled. Deng was familiar with a world much more advanced than China. He was one of over 4000 work study students who travelled to France in 1927. He also visited the USSR in 1929. His third wife was the daughter of an industrialist. These past events are not sufficient to affix the label of neo-liberal to Deng and neoliberalism to his policies. But indications of an evolving neoliberal state with respect to economic policy in place of the existing totalitarian

power elite were present. What did not change and has remained constant for millennia is the structure of a politically illiberal state. The persistence of a centrally organized and authoritarian regime is in part due to respect and obedience to authority, government, parents etc. embedded in Confucianism, Taoism, and Buddhism, -a very traditional form found in many traditional societies. How effectively this has been weaved into the contemporary Chinese development could be discerned from the web of ideological slogans. Post-Mao Chinese leadership knows well that ideological slogans are important and must be clung on. They must also reinforce the idea that they are on the road to socialism and communism—a condition better than any other in the past. They also know well that it would be impossible to hold on to those ideals without dramatic improvement in the material conditions of the people and pertinent macro and microeconomics approaches. Through "emancipation of the mind" one gains more energy, resilience, and self-esteem. "Crossing the river by feeling the stones" is a time honored Chinese tradition applied to the new reality by adapting a new course and if necessary, as Naisbitt (2010:89) has shown, pausing on some stone ..." to gather energy to get beyond where you are in your journey. Other stones will force you to alter your course. Sometimes you may reach a dead end and will need to back up and start again." Bottom-up and top-down interaction (soliciting inputs of the lower strata of the enterprise), building trust, encourage creativity, clear goals, and effective communication-- components of modern scientific management were important agenda items. During his reign, Deng restructured the relationship between the "socialist" China and the dominant global capitalist system. To Deng Xiaoping "the question was not whether communism or capitalism would be best for the enterprise, the real question was what works and what does not work. What works to enable the country to achieve its potential for the future" (Naisbett, 2010:4). Thanks to the CPC led by Deng Xiaoping, China entered the world economy albeit slowly but equipped with a strategic (long-term) plan and a world receptive to China's reentry. China had to obtain both the technical and the intellectual capital from the world. It also had to recognize that the exchange of ideas including those diametrically opposed could and would lead to greater recognition and realization of one's own strengths and weaknesses.

China followed the path of the East Asian Tigers (Korea, Hong Kong, Singapore, Taiwan) by manufacturing component parts and light products sold in the world's factories, shopping malls, department stores, and bazaars as the main source of hard (foreign) currency. Encouraged by the West, China joined the most powerful global financial institutions controlled by Washington—the World Bank and the International Monetary Fund in 1980. In the 1980s China's greater opening up included improving the level of human capital by encouraging, helping and sponsoring students to attend Western universities and pursue Western technical know-how, managerial science, statistics, economics, planning and implementation, among others. Most of these students then returned from their host countries equipped with the greatest human capital upon which China relied on in implementing their long-term social and economic transformation. China owes much to Deng and his initiatives. But his legacy is not separate from Party's legacy. Individuals at the helm have been consistently and methodically following the Party line while adhering to the imperatives of being part of the larger world and facing similar challenges and opportunities. Individuals at the helm have been tainted with corruption and viewed as responsible for increasing social problems. Deng's successor Jiang Zemin continued with "openness" vis-a-vis the rest of the world. During Zemin's tenure (1993-2003), he had to deal with corruption accumulated during Deng's tenure. In addition, he also noticed a widening income gap between different regions of the country (the rich coastal area as compared to the poor central regions). The notion of a "socialist harmonious society" as expounded by Hu Jintao, General Secretary of the Party and President of China until 2012, was in line with the post-Mao belief that "socialism with Chinese characteristics" was an attainable goal. President Hu (2003-2012), Jiang Zemin's successor, astonished the leadership and party membership in a bold move by arguing that China "... must select and recommend a greater number of outstanding non-CPC persons for leading positions" (Naisbitt, 2010:52). The idea of a "socialist harmonious society" was expounded by Hu Jintao, the General Secretary of the Party and President of China. He retired in 2012.

President Zemin's rule coincided with the rise of the Internet bubble characterized by speculation in the United States from 1994 to 2000. China joined the WTO in 2001 (supported by the United States and well ahead of scheduled time), thereby increasing standardization,

understanding various methods in organizing production and better knowledge of markets, rules and regulations – all to attract foreign investments and technology through transplanted factories. Balancing top-down and bottom-up approaches implied democracy in organizational decision making processes. In the Chinese context, however, democracy is viewed not as political office won by individuals or parties in competition (as in the West) but in a top-down, bottom-up process (Naisbitt, 2010:42). In China, political legitimacy is achieved through accomplishments in terms of meeting the needs of society. That is why the Chinese Communist Party has been determined to improve the economic condition – striving for legitimacy. "Framing the forest and letting the trees grow" with forest being the larger economy and trees being the business enterprises populating the forest has been the guiding "megatrend". President Hu hinted at structural reforms so as to encourage entrepreneurial activity. His aim was to "....improve policies to encourage people to start businesses" (Naisbitt, 2010:190). He urged people and authorities "to ensure sound and rapid economic growth and make China an innovative country." But encouraging people to invent and innovate and business start-ups were not to be confused with boundless individual freedom. In the West, freedom (as embedded in the Western philosophy) means the right of individuals to pursue opportunities. In China, however, individual freedom bears a meaning only in the context of a group. For people to "have economic, social and cultural rights through the state provision of work, housing, education, and health care as basic human rights" is therefore less important (Naisbitt, 2010:232). Perhaps one of the most striking emphases which has been the source of domestic and international awe and admiration has been the shift from exhibiting low self-esteem to displaying confidence-- to move "From Olympic Medals to Nobel Prizes." Transcending the contentment with small things by shattering artificial boundaries and limits even if they are cultural beliefs and practices. China's approach has been labeled "blitz scaling" (à la Reid Hoffman of Linkedin)—undertaking projects so large and never experienced even by the most advanced countries of the West. For example, the landing of China's Chang'e-4 on the dark side of the Moon as the most significant accomplishment, launching of Megvil electric car, electric planes, the new GPS rivaling that of the US, and all of China's overseas projects in the context of Belt and Road Initiative such as the Nicaragua Canal as a showcase of future scramble for areas formerly under direct and indirect control of Western powers. Today China's overseas presence is viewed with suspicion but it is also becoming a model and an aspiration for all of those countries which are struggling to

survive the wrath of globalization and uneven development. China has recognized that while it is absolutely necessary to have a non-threatening and cooperative relationship with the developed economies, it must maintain a non-threatening and cooperative relationship with the developing economies of Asia, Africa, Latin America, and the Middle East as well. The former possess advanced technology, hard currency, and market and the later ones possess virgin resources and markets. China has been accused of creating a debt trap very similar to the British colonial control-- the indebtedness approach (i.e., Egypt) in the nineteenth century. China has entered the field of race for resources to the point that it has been accused of "reprimarization" of resourcerich economies—creating high demand for virgin resources to the point that some of these countries now have every incentive to once again become primary resource exporters instead of using their resources for development and industrialization. That is, China's extension of loans and credit to areas exclusively under Western European and North American influence—Africa and Latin America respectively has been for the purpose of securing resources. As part of its globalist agenda and "respectful" international relation, China has accelerated the provision of loans to Africa, Latin America and some Asian countries. In particular the cost associated with the Belt and Road Initiative by China in some of the participant countries is paid through borrowing from China. Yet China is careful not to repeat the mistakes of European colonialists in their dealing with their colonies. China as part of its attempt to present a non-colonial, nonimperialist power builds and repairs infrastructures in the "host" countries. A Johns Hopkins University study shows Chinese loans to Africa was worth \$143 billion between 2000 to 2017, while researchers at Boston University have identified more than \$140 billion in Chinese loans to Latin America and the Caribbean since 2005." https://www.ft.com/content/0b207552-6977-11e9-80c7-60ee53e6681d.. China on the other hand has been trying to neutralize some of these accusations by debt restructuring and/or granting zero interest loans.

## Primitive Accumulation, Foreign Investments, Privatization and the Plight of the Workers

As every economy, the Chinese economy needs capital. The question is then, what is the method of capital accumulation in the context of allegedly socialist social formation and without socializing the cost and privatizing the benefits of accumulation? Capital accumulation was addressed as an important issue by Adam Smith in the "Wealth of Nations", and later Marx

addressed the brutality and the consequences of accumulation. Original or "primitive accumulation" was coined by Adam Smith, referring to the syphoning off the agricultural surplus to the industry. Marx took this one step further and pointed out that the process involves removing people from the land—dispossession. Capitalization process essential for investments and economic growth has a record and a history in China. The Shanghai Stock Exchange was established in the 1860s, closed in 1949 and reopened in 1990. The Shenzhen Stock Exchange (SSE) also opened in 1990. Currently the SSE has close to \$6 trillion capitalization. The realization that foreign investment and the acquisition of advanced technology are absolute necessities for any meaningful development has forced policy makers in the past seventy years to pursue the acquisition of advanced technology and increase the level of foreign investments. China has taken a multiprong approach to capital accumulation, increasing foreign investments, and the acquisition of technology.

The practice of primitive accumulation in China after 1949 has a shorter history than in the developed West. The aim of the Agrarian Reform Law of June 28, 1950 was to eliminate large landowners and collectivize the agriculture sector as the basis of achieving equality. Chairman Mao's Great Leap Forward – rapid industrialization (1958-1962) added to the problems of inequality, hunger, and low productivity. Recent scholars (Jung Chang and Jon Halliday (2005) have portrayed Chairman Mao as a manipulative, tyrannical politician and a leader with huge lust for power, who was supported by ruthless dictators such as Joseph Stalin in his quest for power. They have also accused Mao of financing his drive for control through opium production and of financing his plan for industrialization through primitive accumulation. The Great Leap Forward caused the death of 70 million peasants, whom Mao referred to as "two shoulders and a bum" (Chang and Halliday, 2005). From the time China decided to open up to the world, in a combined efforts on the part of the political structure (government at all levels) and the rising national bourgeoisie exemplified by the large business holdings in alliance with international capital, formulated a strategic plan for the national economy. This plan initially involved increasing foreign investments, acquiring technology, opening up foothold in various consumer markets. But now the plan involves not just acquisition of capital and technology but domination of various fields in science and technology. In 1979 there were only100 foreign enterprises in

China. Eighteen years later the number increased to over 280,000. Foreign companies employed 25 million people in China in 2007. As of 2010, 300,000 foreign companies, including a great number of major US multinational corporations, invested hundreds of billions of dollars in China. The decision to allow foreign investments is primarily based on the amount of technology that China can acquire. Therefore, they are legally required to form equity joint ventures with the Chinese firms, thereby ensuring that China gains access to their technology. In spite of this law, Foreign Direct Investment has been increasing. "After China entered the WTO in 2001, foreign business giants began setting up wholly foreign-owned enterprises, equity joint ventures and contractual joint ventures in the country. (Foreign investment thriving in China, *Xinhua* | 2019-09-18 20:24:30 | Editor: huaxia). In March 2019, China's national legislature passed the Foreign Investment Law, the landmark legislation for foreign investment, which took effect on Jan. 1, 2020. According to this law, China will create a stable, transparent, predictable and fair market environment. This is what China refers to as "win-win" cooperation.

http://www.xinhuanet.com/english/2019-09/18/c 138402141.htm. Therein lies the appeal of authoritarianism (of any stripe) to foreign investors in search of high-profit margin.

Authoritarianism also appeals to investors due to subdued and disciplined labor and the absence of labor unions. China began its massive privatization in the 1990s. The policy of "retaining the large, releasing the small," was not very successful. China adopted several approaches to privatizing its State Owned Enterprises (SOEs) including "Share Issue Privatization (SIP), joint ventures with foreign firms, Management Buy-Outs (MBO), and sales to outsiders, etc." (Jei Gan,). <a href="https://cn.ckgsb.com/Userfiles/doc/Privatization%20in%20China.pdf">https://cn.ckgsb.com/Userfiles/doc/Privatization%20in%20China.pdf</a>

In the 1980s, 60 percent of the labor force was employed in agriculture and in the context of "people's communes". In the 1990s a major shift from agriculture to industry took place. This shift included the mechanization of agriculture. Between 1993 and 2008 more than 60 million state sector jobs were lost mostly due to restructuring of State Owned Enterprises (Foster 2012:9). This represented the smashing of the "iron rice bowl" or the danwei system of work-unit socialism that had provided guarantees to state-enterprise workers" (William Hurst, cited in Foster/McChesney, 2012:8). During the same period the government adopted a semi-austerity program that reduced shares of health care and education expenditures. Privatization

of State Owned Enterprises (SOE) has enriched 90 percent of the top 20,000 people who are also "related to senior government or Communist Party Officials" (Foster, McChesney 2012:13). Nearly 30 percent of the country's labor force is employed in the primary industry, which includes agriculture, forestry and fishing, <a href="http://en.people.cn/n3/2019/0103/c90000-">http://en.people.cn/n3/2019/0103/c90000-</a> 9534415.html. The number of rural laborers working in China's urban areas (floating population), considered the super-exploited segment of the Chinese working class, increased by 1.8 million in 2018 to reach 288.4 million, which is expected to reach 291 million by 2020 (Chinadaily.com, 2015). Chinese development has been fueled by "primitive accumulation"-dispossessing the population of their assets and direct relation to the means of production. Hinton (cited in Foster/McChesney, 2012), argued that in the context of the great reversal in 1990, in order to carry out the primitive accumulation of capital in China it would be necessary for capitalists to weaken and then smash both the iron rice bowl and the clay rice bowl—to disempower labor through dispossession. The "gold rice bowl" of the party bureaucrats is more shining and larger than ever before. The myth of an invincible China among the hard core wellwishers who believe China is a case of "accumulation without dispossession" is being dispelled. Beginning with the reform period, the process had all the characteristics of "accumulation by dispossession" or the classic case of primitive accumulation (Foster and McChesney, 2012:11).

### President XI JINPING and the Road to Fulfill the "China Dream"

The ensemble of powerful forces that form the structure of Chinese political economic system such as politburo, central committee etc. is a negotiated construct – a structure, continuously adapted to the temporal and spatial conditions. Structural imperatives in this context are subject to reform, restructure, and redirection. Chinese socialism reinforces the idea that ideologies will not and cannot remain fixed across time and space. The evolution of Chinese state capitalism and the claim of being socialist do support such a notion. In fact it was Eduard Bernstein whose notion of evolutionary socialism or what I call adaptive socialism—achieving socialism through legislative means—through peaceful means in a democratic society even though it may not have the characteristics of an authentic socialism. In China, which by all accounts is not a democratic state, the official party found it imperative to bring about gradual transformation (beginning with Deng Xiaoping—"the Architect of Modern China") and adapt to the world by being engaged in

the world. The Party tried to provide for material needs of society by gradually transforming the economic condition from absolute poverty to relative poverty, thereby stimulating national pride as means of gaining legitimacy. The Communist Party General Secretary and/or President, often one and the same person, represent(s) the structure in all respect. Ideally the structure/agency relationship is dialectical but in the case of China it is coordinated and united in pursuit of systemic goals—political legitimacy and survival.

Since first coming to power in 2012 as the head of the Communist Party and shortly later as the President of the PRC in 2013, Xi Jinping's economic program has been formulated so as to fulfill "The Chinese Dream" (title of a book by Liu Mingfu, (2010) -- to make China the world's dominant power with a strong military and once again proud of its heritage. Using the National Museum's Road to Revival-- the exhibition of Chinese suffering at the hands of foreign powers in the 19<sup>th</sup> and 20<sup>th</sup> centuries, President Xi made the case for reviving the nation's greatness. "Throughout 5,000 years of development, the Chinese nation has made significant contributions to the progress of human civilization... Our responsibility is... to pursue the goal of the rejuvenation of the Chinese nation, so that China can stand firmer and stronger among the world's nations and make new and greater contributions to mankind." (Xi J. The People's Wish for a Good Life is Our Goal, 2014, pp. Location 137-144). A review of major developments - "blitz scaling" as a rule supports the notion that China is on the road to fulfilling its dream. Xi Jinping began with slogans such as "make China great again"—calling for "the great rejuvenation of the Chinese nation." Xi and the Party are determined to turn the country into "the biggest player in the history of the world." All Chinese leaders, past and present, have commonly believed that China has been one of the greatest human civilizations. President Xi Jinping reiterated Deng Xiaoping's "socialism with Chinese characteristics," thus continuing with the structural design. Xi Xinping's leadership began on the eve of the Fourth Industrial Revolution. Upon assuming leadership in 2012, President Xi announced "Two Centennial Goals" --- to build a "moderately prosperous society" by 2021 and to become a "fully developed, rich, and powerful" nation by the 100th anniversary of the People's Republic in 2049." Continuing the tradition of his predecessors, going back to the "opening up" period and Deng Xiaoping, President Xi has been advised by the "mentor" – the late Lee Kuan Yew of Singapore -- a country known as the

world's most dynamic and successful capitalist City-State. Lee Kuan Yew considers China as one of "the biggest player[s] in the history of the world." Mr. Xi believes that what has given the West domination over the world has been its technology (a belief common to most if not all intellectuals of the developing world). Therefore, he believes "advanced technology is the sharp weapon of the modern state" and an important reason for Western techno-structural domination over the world in modern times. While admitting that the Chinese technology lags behind that of developed countries, Mr. Xi has been calling for gaining advantage in "core technologies." Advance technology and in particular "[c]ontrol of the internet as the means of .... Gaining the upper hand in public opinion, surveillances and military edge...." (Buckley and Mazur, NYT, 2018). In his address to the Economic Club of NY (11/12/2019), President Trump claimed he is "[b]uilding a future of American dominance." This statement needs to be disected and its meaning inferred. What is evident is that as the lone superpower, the United States is concerned about the loss of its supremacy in the face of a rising China. But this concern is not limited to the official US line. Contemporary American populism is stirred partly as a response to the loss of credibility of the dominant ideologies and what is viewed as the failure of political parties in delivering on their promises. Contemporary American populism is as much a reaction to the exhaustion of political ideologies/parties as it was during its heyday in the early 20<sup>th</sup> century as determined by the economic insecurity of a great number of people. In this context, China bashing is to coopt the anger of the political base. China in the age of realpolitik has been relentless in the pursuit of its interests. Xi Jinping and the Chinese Communist Party on the other hand do not have a populist base who must be stirred for the purpose of winning the internal political competition. They are primarily communicating their strategic plans to the nation and the world. China and US are in a battle for geopolitical supremacy. In 2015 China announced its aim – to replace the US in 5G (Fifth Generation technologies), AI, quantum computing, etc. These are core technologies and therefore of long term impact. 5G for instance means accuracy and speed measured in nanoseconds - the journey of data from a cell phone to the Cloud and back done in nanoseconds. Huawei, a Chinese company that has been working on and is in control of 5G, is the reason for the problems faced by its founder Ren Zhengfei and his daughter Meng Wanzhou (vice-chair of Hauwei) in the West, particularly in the United States.

To Xi Jinping, the "Chinese dream" includes a "dream of a strong armed forces"—a modern, "world class" People's Liberation Army by 2035. To that end, military spending was increased, rising by 83% in real terms between 2009 and 2018. Advanced missiles, including ballistic missiles, cargo planes, and electromagnetically powered superguns are among the most recent advanced weapons (The Economist, June, 27/2019). In 2012 China launched its first aircraft carrier. China is also developing highly secretive weapons which might include "directed energy weapons, advanced space weapons, electromagnetic railguns, high-powered microwave weapons, or even more exotic arms," according to former Deputy Secretary of Defense Robert O. Work (Businessinsider.com/2019-8).

As China gains momentum in advancing to the top in terms of military, economic and global influence, there is a serious concern in the West led by the United States as to the distribution of economic and military power, both of which are based on advanced technology. At the moment, the United States is the only military power that has regional command infrastructure across the globe. There is neither a vacuum nor any space for a newcomer. If, however, China were to set up its own regional command beyond small scale military bases in a few countries, it certainly would face an immediate reaction. As Graham Allison argues, when China (a rising power) challenges an existing power (the US), the "Thucydides Trap" is laid. China is building rapid deployment capabilities ostensibly to protect Chinese investments overseas and Chinese citizens working on Chinese projects abroad. Of course China has always reacted to any criticism or action deemed threatening to its national interests. China has resorted to arm twisting, trade embargos, and sanctions against South Korea, Australia, and Belgium, just to name a few. The rising tension with China appears as the product of a multiprong attention to the type and magnitude of danger China is believed to pose.

When describing China in the US, labels such as thief, greedy, dangerous and cheat, among others, are often heard. Hundreds of books and articles each year during the past two decades have been raising concern about China. Stealing industrial blueprint and intellectual property by China is not a unique case. Industrial espionage has a long history, beginning with the twentieth century. Governments have been implicated in the theft of intellectual property and have subsidized it. Now China is allegedly subsidizing the "theft" of intellectual property, Artificial

Intelligence, and advanced technology. In 2015, the Federal Reserve Bank of St. Louis estimated that half of the technology possessed by Chinese companies came from foreign firms. Foreign firms, particularly high tech American firms are allowed to operate in China only when they agree (agreements often reached in secret and against the WTO regulations) to set up partnership with a Chinese company to sell their goods in China, and agree to transfer their technology to China. The United States Trade Representative Robert Lighthizer led a sevenmenth investigation into China's theft of Intellectual Property (IP), found that "Chinese theft of American IP currently costs between \$225 billion and \$600 billion annually." Lighthizer's findings is corroborated by Representative Mark Green stating that China's IP theft has cost the Gross Domestic Product (GDP) in the United States upwards of \$600 billion a year. For example, Motorola in 1997 had 80 percent of the cell towers in the world, 80 percent market share, and were a \$17 billion company. A deal between Motorola and Huawei enabled Huawei to steal their technology, and in 2011, that \$17 billion company was sold to Nokia for \$900 million, costing America 50,000 jobs, and loss of national income.

https://foreignpolicy.com/2019/07/26/congress-to-china-stop-stealing-our-stuff/. Perhaps the persistent and increasingly confrontational problem China is faced with is the accusation that China is not bound by any rules and regulation set up by multilateral agencies. In particular the theft of technology and trade secretes among others leveled against China has reached a boiling point. FBI Director Chris Wray said at a news conference "[no] country poses a broader, more severe long-term threat to our nation's economy and cyber infrastructure than China." [...] China's goal, simply put, is to replace the U.S. as the world's leading superpower, and they're using illegal methods to get there." (Reuters.com/economic espionage). Director Wray stated that currently there were 1000 cases of Chinese theft of US technology under review. Brigadier General Robert Spalding claims that China is more dangerous than the Nazis and the Soviets and that China is invading the US without firing a shot. Senator Josh Hawley (R-Missouri) blamed China for the loss of 3 million jobs since 2000. The Senator also made an interesting remark that the US cannot ignore and ought not to allow corporations to act as the arm of the Chinese state. It is important to note that in most cases, the Chinese allegedly hire former (American) security and intelligence official to provide them with top secret technology blueprint and/or putting

them in touch within insiders who have access.

https://www.theatlantic.com/politics/archive/2019/08/inside-us-china-espionage-war/595747/. On January 13, at Hoover Institution, US Secretary of State Mike Pompeo accused China of stealing advanced American technology. FBI Boston Division Special Agent in Charge Joseph R. Bonavolonta, while announcing the arrest of two Chinese researchers at Harvard University, reiterated the prevailing belief that "no country poses a greater, more severe, and long-term threat to our national security and economic prosperity than China" and that China is aiming to replace the United States as the superpower. And China has never denied that economic and military supremacy is its strategic aim.

These are some samples of American political, economic and national security personnel and institutional views regarding China's behavior. The number of books and articles (scholarly and otherwise) on China/US problems has increased dramatically and will continue to increase as the relationship between the two superpowers continues to evolve. But the idea that China, and China alone, is responsible for the theft of American technology and Intellectual Property willfully overlooks the fact that without the cooperation and collaboration of the American techno sector and lobbyists, the Chinese would not be as successful. In the 1980s the Japanese were accused of industrial espionage. But the Japanese were accessing transistors, industrial blueprints and chip technology and today the theft of new technological platforms including AI by a perceived hostile power justifies the heightened tension. Symbolism has been a critical component of Mr. Xi in what appears to be the fanning of the Cold War flame as is the case for Mr. Trump. Mr. Xi sponsored the construction of a huge statue of Marx in London and his birthplace, while in rural China a recently erected 12 feet statue of Mao was demolished due to zoning violation. Xi no longer adheres nor expects China to adhere to its old strategic approach --"hide your strength and bite your tongue." Cold War is dead, long live the Cold War. Henry Kissinger believes that although the U.S. and China are at the "foothill of a new cold war", the two countries could avoid serious problems by simply stating their objectives and communicating these objectives to each other. But he is optimistic.

## **Artificial Intelligence and the Reproduction of Hegemony**

Technocracy inaugurated by the Industrial Revolution has never relinquished its grip on the socio-economic and political structure and never will. Indeed the technical know-how provided a much more effective structure and the infrastructure for colonial expansion. McNeil's "Rise of the West" is the story of the rise of the West on a cosmopolitan scale from 1750 to 1950, characterized by "territorial expansion, industrialism, democratic revolution, and intellectual development. This period marks a discontinuity: the global influence of the West expands beyond all historical parallels." The articulated industrial mode by virtue of its will, techniques and auxiliary institutions nourished itself by draining the resources from the unarticulated modes within spheres of its influence. A mode of production is articulated if the essential characteristics of one social formation overshadow the characteristics of other modes, and/or the resources of the subservient mode are used to further reproduce and to expand the influence of the articulated mode. Even within one articulated mode, as the technology evolves, the change from stack industry to the internet of things to Artificial Intelligence could develop into a semi articulated mode. As the world inaugurated the Fourth Industrial Revolution beginning in 2014, the Chinese leadership headed by President Xi was more determined than any of his predecessors to master the new platforms, and in particular the potential of AI. In 2017 China allocated \$150 billion for the design and development of AI with the expressed aim of making China the global leader in AI and machine learning by 2030 (Tim Sandle Dec 16, 2017, Digitaljournal.com). The rapid advances of China in AI both in design and application along with advances in robotics place it in a precarious position. On the one hand, as a self-proclaimed socialist country, it was expected to prioritize the proletariat's wellbeing while on the other hand trying to keep up with the cutthroat competition with advanced economies. Nevertheless, the Chinese government has been engaged in an extensive overhaul of its technological strategy. It is focused on the pursuit of technological alliances with global capitalists in the technology sector. Fields such as wireless communication, aviation, nanotechnology, and automobile technology among others that are rapidly transformed.

Weaponization of AI, surveillance, facial recognition for use by the security states, the use of drones for assassination and so on are expanding all around the globe.

Moreover, the Western-trained Chinese scientists were prized human capital for foreign, mainly Western investors. "Data from the U.S. government's Student and Exchange Visitor Information System (SEVIS, 2018) shows that in the 2016-17 school year, a total of 350,755 Chinese students were enrolled in U.S. universities, accounting for 32.5 percent of the total 1.08 million international students in the United States" (Chinasouring.com Oct 3, 2018). Realizing the value of the US educated Chinese graduates in 1991, in a purely voluntary basis, the U.S government decided to allow Chinese students to apply for permanent residency incentivizing their stay in the US (Brain Gain), and a great number of them did just that. "From 1978 to 2000, there were over 220 thousand Chinese [who] came to study in the States. 57 thousand were funded by government and another 102 thousand were funded by government organizations and companies." The Administration of President Trump is now targeting Chinese graduate students (3000 of them) for deportation on suspicion that they are here to steal advanced American technology.

Both American and Chinese officials agree that China's economic and political approach goes beyond the desire for survival. It is designed to gain the upper hand vis-à-vis the lone techno superpower—the United States of America. Of late President Xi's speeches reflect the content and the direction of the policy to that end. With the advent of the Fourth Industrial revolution, China has shown an incredible ability to advance its technological capabilities. Its progress in the area of digital technology, and in particular robotics and artificial intelligence, the basis of the Fourth Industrial Revolution, has been phenomenal. According to Kai-Fu Lee (2018), Artificial Intelligence "is the new oil" and China is "the new Saudi Arabia." In fact Lee (a former Google China CEO) is confident that China and the US will dominate the field of Artificial Intelligence. This new and powerful position brought on by the production and control of Artificial Intelligence has national and international ramification. Moore's Law states that "the output of advanced digital technologies such as microchips will double every 18 months." In the context of the Human Development Index and Human Capital Index this means a phenomenal expansion of these indices due to AI adoption and application. AI uses huge data and superfast computers, both of which are critical for advancing into the future, and in particular in the area of control. President Xi of China refers to technology as "the sharp weapon of ...." This is a statement of purpose in regard to the use of AI in disabling future contenders for global leadership. Indications are that Chinese AI will surpass Silicon Valley soon. Interestingly, "Silicon Valley

was once able to write off Chinese tech companies as mere copycats. The big American players, from Twitter to Facebook to Google, all had a Chinese impersonator." (Emily Parker, WSJ, November 2, 2018). All is shifting from an "Age of Discovery," in which the advantage lies with brilliant researchers and breakthrough insights, to an "Age of Implementation," in which engineers need only be competent, not geniuses. While a few advanced countries march forward with maddening speed, poor and underdeveloped countries will continue to stagnate, thus further intensifying global inequality. In the case of China, increases in rural-urban migration on the one hand, and the rapid application of Robotics and Artificial Intelligence (AI) on the other, are serious threats to employment. For example, the municipal government of Dongguan in the province of Guangdong, one of the most industrialized provinces, spent \$56.8 million to boost automation in factories leading to the elimination of 280,000 workers by installing 91,000 robots (Cissy Zhou (2019). The Taiwanese-owned electronics company Foxconn, which produces half of the world's iPhones, plans to fully automate 30 per cent of its production by 2020. Between 2012 and 2016, it cut more than 400,000 jobs by deploying tens of thousands of robots. The "Made in China 2025" national campaign encourages automation and intelligent manufacturing, and manufacturing robots. Even in the developed world, as predicted by the World Economic Forum, by 2050, 5 million jobs will be lost as AI, robotics, Nanotech and similar developments in social economy replace human labor. According to Lee in the next 15 years 50 million jobs are at risk—jobs that are repetitive and redundant. In addition to two of the most disturbing uses of AI, namely facial recognition and overall surveillance, AI helps and supports various fields, from speech recognition and communication, risk control in finance to human resource management, to health such as treating cancer, DNA analysis, side effects, to quality control, to predicting damage to human body in a car crash, to many other uses in agriculture, medicine, space, computing. AI can also help with ecology, the environment, income, health and longevity, etc. But it ultimately depends on the will, commitment, determination, and yes, compassion to make life better. 5G (Fifth Generation technology) is the platform, the foundation of the future generation of various applications of technology which is now being controlled by the most controversial Chinese multinational corporation, Huawei. Interestingly, the African Union's mission in Ethiopia was built by the Chinese. For five years it transmitted data to its office in Shanghai, until being discovered as a Chinese spy platform. As China expands its

technological capabilities, so does its self-confidence. The challenge for China is now to neutralize the growing American techno-nationalism which is increasingly becoming belligerent towards China in particular. As far the American officials are concerned, Huawei is not just a company in control of advanced technology, but a dangerous arm of the Chinese Communist Party serving the People's Liberation Army (Peter Navarro, trade advisor to President Trump, May 2020).

Interestingly, all countries which are in possession of AI have a number of control mechanisms (principles of use) so as to prevent the abuses of power bestowed by AI. Whether these principles of use materialize on the ground remain to be seen. Like any other tool, AI has the potential of uniting people of the world or breaking them when used as a weaponized high tech killer tool. Furthermore, as Shoshana Zuboff's "Surveillance Capitalism" documents, surveillance is one of the most desired features of AI in all aspects of life. China is building a total surveillance state while Russian President Vladimir Putin made it very clear that Russia is determined to acquire and master AI. But he added that "Artificial intelligence is the future, not only for Russia, but for all of humankind."

## https://www.expatinvestor.com/articles/opportunities-for-ai-machine-learning

In the Middle East and North Africa, the regional ranking is led by Israel (20th) and the United Arab Emirates (25th), followed by Qatar (29th) and Saudi Arabia (36th); Kuwait is the most improved in the region (46th, up eight). Even though the region has been making significant progress in building infrastructure, both the greater opening up of the economy and investments in human capital are needed to transform the countries in the region into more innovative and creative economies. Economies that have channeled investments into human capital, improving institutions, innovation capability and business dynamism will be best placed to revive productivity and withstand a global slowdown. Al requires the creation of complex structures with sophisticated component parts. What increases Al are HPC (high performing computers) connecting and generating data, cloud computing and edge computing, algorithm, and big data analytic. While everyone knows China's story, Saudi Arabia has embarked on a techno hub with initial capital outlay of \$500 billion in the city of Neom in the northwestern part of the country, taking control of the future (SEE Amol Ragan, BBC.com 9/8/18). Petrodollar

recycling, once in the exclusive domain of the "rentier states" was limited to purchase of finished consumer goods and advance weapon system, now includes investment in new technology including AI as a potential source of national pride and less dependence on fossil resource exports. Saudis have initial investments in advanced technologies. Investments in Tesla, Uber, JD Corn, Magic Leap, Lyft, and Lucid Motors are among the top twenty technologies between 2013 and 2018. Diversification of and increases in investments are essential in reducing and eventually eliminating dependence on oil. Major Saudi investments are Public Investments Fund of Saudi Arabia (PIF), Saudi Royal Family, Kingdom of Saudi Arabia among others. PIF also has strong ties with SoftBank, which has contributed \$45 billion to the company's \$100 billion Vision Fund in 2016. Ben Salmon is one of the biggest fund raisers for the Vision Fund. Authorities in Abu Dhabi in collaboration with SoftBank's Vision Fund and Microsoft as a strategic partner have allocated \$272 million to attract and develop technology start-ups. (CBInsights.com). Forward-looking countries (as is also the case for individuals and institutions), pursue as part of their strategic plan social stability through sustainability measures in society and economy in the context of global economy. This strategy in the context of the Fourth Industrial Revolution on the part of forward-looking countries involves incorporating Artificial Intelligence. The adoption of AI varies across the globe. It is primarily a function of the authorities and the national economic decision makers. "Dubai Technology Entrepreneurship Campus (Dtec), a tech hub by the Dubai Silicon Oasis Authority (DSOA) -- the innovation and entrepreneurship platform anchored at NYU Abu Dhabi." AI is expected to account for 45% of the global economy's gains by 2030 — the projected annual growth of AI to the UAE is 33.5%. This is followed by Saudi Arabia at 31.3%, the rest of the Arabian Peninsula at 28.8% and Egypt at 25.5%" amounting to \$329 billion. A report by Price Waterhouse Cooper shows that "45% of total economic gains by 2030 will come from product enhancements, stimulating consumer demand. And ....the greatest economic gains from AI will be in China (26% boost to GDP in 2030) and North America (14.5% boost) (Dina al-Shibeeb, 2019) https://gulfstateanalytics.com/uae-attracts-ai-companies-due-to-flexibility/. Even though the region is still in the periphery of the new global technostructure, in the long run their strategy will likely involve joining a side on which there is a well developed technology. Regions that are

developing new technology or becoming a hub for AI and beyond, such as the rich Arab states of the Persian Gulf, are more likely to join the dominant technostructure led by the United States than the evolving bloc led by China. This is partly due to the fact that the US still is the dominant power: the global socio-economic and military/political power as manifested by the consumption of American popular culture abroad; the American dollar is a universal currency, and the US holds unrivaled control over multilateral and supranational agencies and institutions from the United Nations and all of its agencies to global financial institutions, among others. They don't mind using Russia's cyber capabilities in crushing domestic opposition, but that would be the extent by which Russia or China for that matter can exercise influence.

## Al and the Global Environmental Impact: Who speaks for the Planet?

Since the First Industrial Revolution, environmental concerns due to industrialization have been incorporated, albeit sporadic, in social and scientific discussions. Borrowing from Justus von Liebig's analysis of abusive agriculture, Marx used the term"metabolic rift" to underline the threat posed to the natural environment by industrial capitalism. The rift in the metabolic interaction between human beings and nature is caused by capitalist production. The destruction of the soil is interpreted by Marx as an "irreparable rift in the interdependent process of social metabolism, a metabolism prescribed by the natural laws of life itself." (Capital Vol. 3, 949). Certainly Marx did not distinguish between a capitalist type of technology and a socialist or communist type, but spoke of differentiation and technical complexities as societies evolve. In a hegemonic technostructure, the organized use of advanced tools (technology) is presented as an overwhelming force to be feared and respected. Therein lies the reproduction of the hegemonic technostructure. 'The windmill gives you society with the feudal lord: the steam-mill, society with the industrial capitalist' ('The Poverty of Philosophy', 1847). Accurate for his time, Marx lamented that we have books on the nature's technology à la Darwin, who spoke of organs of plants and animals as tools of production, but we have no book on the history of tools made by men. When the rhythm of nature is disrupted and massive assault on the fabric of a very fragile environment is committed, nature reacts. The metabolic rift is not limited to changing and rising global temperature but must include the current war of attrition with increasingly deadlier pathogens. Avian, SARS, MERS, Zika, and now Covid-19 are just a few

examples of the real threats to the planet as consequences of the rift and are not the product of a particular political economy regardless of the brand and claims. Ideological issue is equally problematic in relation to ecology. The Chinese Marxists believe that the ecological problem in the form of global climate change in general and pollution in China in particular is due to the policies of the capitalist countries of the West, which are based on greed and plunder and misuse of resources. And that pollution is a creation of capitalism. The basis of this claim, among others, is the fact that developing countries such as China were for a few decades the recipient of a large amount of disposed plastic and toxic waste from Japan, North America and Europe. In 2017 China refused to take any more plastic from the advanced industrial nations. Even before 2017 only 8.2% was recycled. And therefore, 8 million tons of plastic every year float in the oceans, and some of the plastic ends up in the belly of aquatic creatures. In this case there is an unintended alliance with the parochial nationalists who blame the West for how China was treated in the past, by humiliation and shame. If that is the case, then how can the Chinese government officials (the "Socialists") explain their policies in adopting the same production process with techniques exclusively capitalist and imported from the capitalist west? Given the history of the opening up to the world, out of necessity China became both the factory to the world and also the recipient of a very large amount of waste. Capitalist economies as well as those economies which claim to be different from capitalistic in their various forms have been the major threat to the planet since the First Industrial Revolution. Contemporary ecological catastrophe caused by fossil-based energy is the product of close to 200 years of growth. At the present there is no system with a production process less damaging to the ecosystem. But modifications within the system are occurring, albeit sporadic and uneven. Herbert Marcuse noted that when commenting on Soviet Marxism, the only difference between the "communist" east and the capitalist west were the types of ownership (collective/public vs. private), and the most common feature was technology. Of late the Chinese approaches both in industry and agriculture have struggled to become environmentally sustainable. In 2007, there were three principles -- the commitment to people's livelihood, people's solidarity, and people's cultural diversity -all related and connected in "Socialism" (MR, P. 42). In a 1986 article, Wang Jin used the terms "Ecological Marxism" and "Ecological

Socialism" to describe two separate movements that are converging. But before they converge, what do these movements mean on the ground? Are they occurring parallel with official policy or do they act as lobby attempting to steer government policy in the direction of sustainability? Or are they trying to humanize alienation, accumulation and logic of industrial/finance capitalism?

In China, the Soviet invention of the "ecological culture" (adopted in the 1980s) was changed to "ecological civilization" infused with environmental science and philosophy as an explanation and as a plan to curb the environmental problems associated with industrialization. In China the ecological civilization was added to the two civilizations mentioned by Deng—the material and spiritual civilizations. In 2007, the CPC declared it as one of the goals of the five-year plan—the goal of addressing environmental issues as increasing automation became the primary goal of Chinese planners. Then the Organic Marxism appeared in China in 2015 as an alternative to capitalism and its ecological catastrophe. The argument that capitalism has increased inequality, injustice and devastated the environment is a story well told. Global capitalism is viewed as the greatest threat to ecology, humanity and the entire human civilization. Instead of pursuing reckless industrial expansion, Chinese officials now are enabled by the advances in technical capabilities and "show little tolerance for smokestack factories and energy waste, even if that means slower GDP growth." (Xinhua | 2019-09-22 13:09:06). "The "China speed" in greening the Earth is leading the world and is visible from space (Xinhua | 2019-09-22 13:09:06). Ecological destruction due to unsustainable practices continue and the solutions are sought within the capitalist system. The idea that a socialist or a communist system in name and without a solid foundation would take a different route than the existing global capitalist system is naïve. There must be a will as well as the resources to take such a route but for now we have none. Perhaps a global policy on reducing and eventually eliminating poverty could help humanity avoid a certain demise. As Indira Gandhi succinctly put it, "[p]overty is the biggest polluter." In China the contradictions are enormous and most were revealed as China began opening up in the late 1970s. In 1992 the late Deng Xiaoping, said: "Let a part of the population get rich first" but as an unintended consequence, a number of party officials ended up with accumulated fortunes. China's economic reforms have also enabled party leaders and

their families to get rich (Isabel Hilton The Guardian, Fri, 26 Oct. 2012). Deng's reforms – economic liberalization increased the average per capita income for the Chinese, while it has, as admitted by the party officials, caused widespread corruption with no serious inquiry on the part of the Chinese media. "Chinese media that do so can face the serious charge of threatening "social stability". International media such as the New York Times and Bloomberg were blacked for reporting the wealth of the communist party officials. The National People's Congress as shown by the annual Hurun report on China's rich "is now a billionaires' club: the wealthiest 70 members enjoy a combined net worth of \$85bn." Measuring the success of a system by the number of billionaires is a new normal and a source of aspiration for masses of wage earners. As of now China is home to 373 billionaires as compared to 585 in United States. And by the same token, the failure of any social formation in various parts of the world from Russia, Eastern Europe, Central and South America, Africa, and the Middle East are used to show the triumph and the resiliency of the capitalist system—the end of ideology, and according to some narratives, "the End of History." Development either in the context of an authoritarian or democratic political order with or without corruption can and will take place provided that the political structure pursues the national economic interest. For that it must have a sense of duty, commitment, and integrity mixed with a heavy dose of patriotism. But corruption can erode the public trust and raise security concerns for international investors and other interest. Has the Chinese development, particularly in the past 40 years, been capitalistic or socialist? Deng Xiaoping would have said, "Who cares?"

The authoritarian approach may work in its initial phase in terms of discipline, acquisition of technology and foreign investment, and allocation of resources for the sake of national interests. But eventually it must relinquish and allow for larger and diverse groups to enter and play their roles. This progress is stifled by despotic regimes, effectively enriching themselves while enhancing their own backward march. As the social media further proliferates, social control becomes much more difficult and therefore, these regimes will have to allocate more of their resources to that end. The preoccupation with this task diverts the necessary from the urgent national economic priorities and would compound the problem of uneven development.

The Chinese economy, and in particular the manufacturing sector supplied with a pool of disciplined and skilled but cheap labor, along with an authoritarianism have been attractive features of the Chinese economy for multinationals, while providing China with a point of entry into the global capitalist system. The evolutionary/pragmatic approach of the contemporary Chinese leadership is considered the sole measure of national achievement. Attracting foreign investments by way of providing low wage and disciplined workers has been an important factor in manufacturing growth. Currently (2020), in spite of all attacks, investors' friendliness index (confidence) for China is about 91% (ceoworld.biz). Even though the manufacturing wage in China has increased over the past three decades, there remains an enormous gap between manufacturing wages in China and those in the developed economies of Asia, thereby increasing the desirability of China for foreign investors https://conferenceboard.org/pdf free/workingpapers/E-0043-09-WP.pdf. Cross industry wage comparison shows that until the early 1990s, high tech and skilled professions average wages increased dramatically. China has a serious problem with indebtedness. Indebtedness is a global economic problem which in many cases can lead to two very unpleasant outcomes; austerity programs (lower social services, higher prices, lower wages, and higher taxes), and greater surplus extraction (higher rate of exploitation). Debt in China (corporation, household, and government) rose to 303 per cent of the GDP in the first quarter of 2019, up from 297 per cent in the same period last year. China's corporate debt in 2017 was higher than the G20, advanced and Euro zone and emerging market. (Bank for International Settlement (BIS https://www.bis.org) China Monitor: Mercator Institute for China Studies) https://www.merics.org/en/chinamonitor/content/4256). China is the largest recipient of the World Bank Loans, a revelation that of late has come under scrutiny. The growing debt crisis including banks operating in the red compelled President Xi in 2019 to appoint a dozen financial experts to key positions so as to reduce economic risks, and in particular the financial risk associated with increasing indebtedness. With the advent of Coronavirus and economic damage (the domestic and global magnitude of which yet remains to be determined), Chinese municipalities are encouraged to borrow more so as to increase growth and offset the losses. As a rising superpower, China is confronted with several domestic and international challenges. Domestically, the rising social problems such as rising unemployment, indebtedness, pollution, ethnic and regional tensions (5), are of concern to the leadership. On the international level the rising tension with the United

States and some countries in its neighborhood, are greater challenges since all domestic issues could be used to weaken the central government and effectively halt its progress and/or push it towards a military confrontation. Ultimately it is China which must decide how to face up to these challenges. There is only one proven successful strategy that can remove existential threats: that is through respect for its proud people. From the late 1940s until the late 1970s, as the home of Maoism, China was based on "voluntarism" as opposed to the crude determinism of the Marxism and Leninist varieties. China emphasized context-specific communism with greater emphasis on the role of peasantry in permanent revolution and social transformation. Maoism was a model for some liberation movements around the world, particularly in Malaysia, Korea, Vietnam, Cambodia, among others. In China, both Mao (formerly known as the "Red Emperor" in the west) and Maoism have been pushed by the Party to the margins of history. But Maoism's eulogy was written in the country of its birth. "In 1990s the Chinese intellectual community popularized the slogan "farewell to revolution" a Chinese version of "the end of history"—a sentiment expressed by the Russian, Chinese and the Western intellectuals regarding the revolution." (Wang Hi, 2017). In January 2016 a 36 meter (12 feet ) statue of Mao costing close to \$650,000 (312,000 Pound Sterling) in Henan was erected but demolished a few day later due to zoning violation (The Guardian, 2017).

Today China is a country that has reached the highest level of technical development and sophistication in a very short period of time. Thus it ought not to have any difficulty becoming a better role model now. As for socialism, so far its unidimensional definition, particularly that which permeates the Marxist tradition (scientific form) and those appearing in the context of hegemonic political parties in Western democracies, prevents a multidimensional view of socialism. The idea of socialism as an alternative to capitalism must be viewed in an organic form, reflecting the totality of human existence. It must have the three critically important dimensions of "freedom", "equality" and "ethics" (Shariati, 1973) –the essential features of a life with dignity and social responsibility. Until then we have to keep "waiting for Godot."

## **Endnotes:**

1) In addition to the 1911 Revolution in China, references are also made to the Revolution in Russia in 1905, Iran, 1907, and Turkey 1909).

- 2) "Belt and Road" is a manifestation of China's foreign policy. A foreign policy (adopted in 1949) designed to gain access to all that the world has to offer by engaging with democratically elected and fine leaders and at the same time shaking the bloody hands of dictators and murderers and the hands of corrupt petty leaders whose hands are covered in blood and pus.
- 3) Griffiths Dan F. (1924), *What is Socialism? A Symposium*, Richards, London.1924) is a collection of 199 definitions of socialism supplied by British intellectuals, trade unionists, and politicians of its time (including Maurice Dobb, Bertrand Russell and Sidney Webbhttps://docresearch.org/2018/05/rise\_and\_fall\_of\_socialism/. Varieties of "unscientific" forms of socialism were and are primarily concerned with distribution of society's resources rather than being concerned with production, creation of value, wages and surplus expropriation. Plato, the ancient Persian prophet Mazdak, Jesus, and Abu Zhar (an Islamic sage in the early years of Islam) among others in the Ancient World were a few advocates of socialism as a response to the socioeconomic and political malaise of their epochs. None spoke of production, but of distribution of wealth and denunciation of the methods and excesses of accumulation.
- 4) To Moore, the transformation from agrarian to modern industrial society has taken three distinct routes; the capitalist democratic route, exemplified by England, France, and the United States, with powerless peasantry compared to a strong national bourgeoisie and its ally, the aristocracy. In the "capitalist reactionary" route, exemplified by Germany and Japan, the peasantry was crushed by the combined authoritarian and Fascist forces. In the communist route, as in the cases of China and Russia, the peasantry was strong enough to be a major player in a radical revolution. (Moore, 1966: 413).
- 5) Fenby raises several issues with respect to the Chinese drive for supremacy, involving the "Shock and Awe" approach. China is determined to maintain national unity (Tiger Head) but it is a mass of "snake tails" by which Fenby means that "[t]here is not one China but a hundred, a thousand or a million." According to Fenby, even though China is politically centralized and appears in charge, beneath the veneer there is massive corruption, including bribery and favoritism.

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