

<https://internationalviewpoint.org/spip.php?article8665>



International situation

# State of the world: economic crisis and geopolitical rivalries

- IV Online magazine - 2024 - IV596-September 2024 -

Publication date: Monday 9 September 2024

---

Copyright © International Viewpoint - online socialist magazine - All rights  
reserved

---

**My interpretation of the current situation is based on the hypothesis that the global space is being transformed under the dual pressure of economic dynamics and geopolitical rivalries, the interactions between which differ according to historical circumstances.**

Bringing these two dimensions together and keeping them in mind in the analysis is difficult for two reasons. On the one hand, disciplinary hyper-specialisation in academic research leads to compartmentalisation of thinking and ignorance of work on similar themes. Secondly, there is what might be called a certain Marxist 'bias' which has privileged economic dimensions on the grounds that they constitute the 'infrastructure' of any society. Yet Marx was at least as interested in the 'superstructure' and the role of human beings in the course of history. 'The 18th Brumaire of Louis Bonaparte' is a good example of his interest in these questions. And I would remind you that 'Capital' is not an economic work, but a critique of political economy.

However, there is an analytical framework for analysing these interactions between economic dynamics and geopolitical and military rivalries: it is the one proposed more than a century ago by Marxist analyses of imperialism.

To understand the current situation, and in particular hierarchical capitalist multipolarity, we have at least two theoretical points of support.

Firstly, the definition given by Lenin in "Imperialism, the Highest Stage of Capitalism": 'If it were necessary to give the briefest possible definition of imperialism we should have to say that imperialism is the monopoly stage of capitalism.' This definition would cover all the essentials, for, on the one hand, finance capital is the result of the fusion of the capital of a few large monopoly banks with the capital of monopoly groups of industrialists; and, on the other hand, the division of the world is the transition from colonial policy, extending unhindered to regions which have not yet been appropriated by any capitalist power, to the colonial policy of monopolised possession of the territories of an entirely divided globe.

Financial monopoly capital and the division of the world are closely linked, and this is the singularity of imperialism. Admittedly, Marxist analyses have often had difficulty in linking the two. But capitalism walks on two legs: it is a regime of accumulation with a predominantly financial component, as Chesnais has been pointing out since the 1990s, but it is above all a regime of social domination, whose defence is ensured by the police (internally) and the army (externally), and even, at times, allow its survival. These are the messages in 'La mondialisation armée', a book I published a few months before 11 September 2001, and also in 'Un monde en guerres', published in March 2024.

Another analytical tool for analysing contemporary imperialism is Trotsky's hypothesis of combined and uneven development. For me, this hypothesis is an integral part of the analysis of imperialism, even if for many 'Marxologists' his name is often ignored as a theorist of imperialism alongside Bukharin, Hilferding, Luxemburg and a few others.

Trotsky based his analysis on the existence of a global space that constrained nations and prevented them from going through the same stages of development as the advanced countries. This was the opposite of Stalin's 'stagist' approach. This concept of successive stages can also be found in the recommendations of the World Bank, which considers that the countries of the South should follow the development stages followed by the countries of the Centre. For the World Bank, the rules of good governance and the economic programme of the developed countries must be put in place.

Trotsky reminds us in the 'History of the Russian Revolution' that 'Under the whip of external necessities, backward life is forced to advance by leaps and bounds. From this universal law of unequal rhythms flows another law which, for want of a more appropriate name, may be called the *law of combined development*, in the sense of the coming together of various stages, the combination of distinct phases, the amalgam of archaic forms with the most modern'. And he goes on to say of Tsarist Russia that 'it did not go through the cycle of advanced countries again, but rather became part of it, adapting the most modern results to its backward state'. In my view, this characteristic of Tsarist Russia a century ago is fully applicable to contemporary China, albeit in a different context.

The hypothesis of combined and uneven development is a hypothesis that looks at changes and mutations, in other words, it looks at the transformation of capitalism. It invites us not to take a static view of the criteria used by Lenin to define imperialism - none of which are obsolete - but to take into account the changing face of imperialism. Today, imperialism remains a structure of world domination, and it also continues to define the specific and differentiated behaviour of a few major powers.

It is an undeniable fact that there have been many changes in the physiognomy of imperialism since the Second World War, in particular the construction of US hegemony. These changes led some Marxists to announce the obsolescence of imperialism, based in particular on the end of inter-capitalist wars. Over the last few decades, the processes of globalisation have also given rise to claims that imperialism has been overcome by the emergence of a transnational capitalist class, or even a transnational state.

The current historical conjuncture contradicts these analyses and underlines the fact that within the framework of contemporary imperialism, capitalist social relations remain *politically* constructed and *territorially* circumscribed.

## A concordance of temporalities: the 2008 moment

Three points are worth mentioning:

a) Since the end of the 2000s, the global space has been characterised by a convergence of *crises*. I use the term crises for want of a better term, because each of them has its own temporality, determined by its economic, geopolitical, social and environmental specificity. However, the fact that they converged at the end of the 2000s confirms that capitalism is facing an existential upheaval, a multidimensional crisis. We might mention:

- the 2008 financial crisis, which turned into a 'long depression' (M. Roberts).
- the emergence of China as a 'systemic rival' to the United States (in the language of US strategic documents). This is another way of seeing the decline of US hegemony;
- the spiral of environmental destruction produced by the capitalist mode of production and consumption;
- the social resistance that has spread across the planet since the Tunisian revolution of 2011, crying out for 'Work, bread, freedom and dignity'.

The efforts of the dominant classes to overcome these crises can only accelerate the march towards catastrophe and barbarism.

b) A major characteristic of this 2008 moment is that it re-establishes a close proximity between economic competition and politico-military rivalries. As I mentioned earlier, this proximity was already a feature of the pre-1914 situation.

c) The 2008 moment opens up an area of global rivalry that is broader than the East-West confrontation of the Cold War era, and not that of a 'Western' world pitted against the 'Global South'. My framework of analysis is that of a *hierarchical capitalist multipolarity* and therefore of inter-imperialist rivalries. These rivalries seem new after the transitional period of overwhelming US domination that followed the Second World War, but they were a major feature of the pre-1914 era.

However, in the space of a century, the world has become much denser. As a result, rivalries are more open, with a greater number of countries aspiring to play a role in a global economy marked by the formation of regional blocs. Rivalries are also taking more diverse forms than they did before 1914. They establish a continuum between economic competition and military confrontation, including what some experts call 'hybrid wars' (cyber-warfare, disinformation and surveillance and so on).

I would point out, however, that although the hierarchy and status of imperialisms were more limited, they were already under discussion before 1914. [1] It is interesting to recall Trotsky's characterisation of Tsarist Russia in his 'History of the Russian Revolution'. He wrote: 'Russia's participation was of an ill-defined nature, intermediate between the participation of France and that of China. Russia thus paid for the right to be the ally of advanced countries, to import capital and to pay interest on it, in short, the right to be a privileged colony of its allies; but, at the same time, it acquired the right to oppress and despoil Turkey, Persia, Galicia, and in general countries weaker and more backward than itself. The equivocal imperialism of the Russian bourgeoisie had, in essence, the character of an agency in the service of greater world powers'.

This ambiguous status of Russia obviously did not prevent Marxists from placing Russia on the side of the imperialist countries. This flexibility of analysis and the taking into account of multidimensional factors - economic, political and military - makes it possible to account for the diversity and hierarchy which characterise capitalist multipolarity. For example, following on from the work of the Brazilian sociologist Ruy Mauro Marini, some Marxists today use the term 'sub-imperialism' to describe a more or less long list of countries (South Africa, Brazil, India, Iran, Israel, Pakistan, Turkey and so on) which find themselves in an intermediate position.

In a way, then, capitalist multipolarity is the historical norm. It is hierarchical, and the dominant imperialisms, whether declining or emerging, are fighting for a slice of the global cake (the mass of value created by labour), which is not only no longer growing sufficiently, but also requires gigantic environmental degradation in order to be produced. The aspiration of emerging countries to achieve the status of regional or global power is widening the scope of economic and military rivalries. These emerging countries are not anti-imperialist; on the contrary, they are trying to carve out a place for themselves within contemporary imperialism. The governments of these countries often develop anti-Western rhetoric that is falsely equated with anti-imperialism.

The social movement must obviously take advantage of inter-imperialist rivalries and contradictions. However, in the name of 'anti-Western multipolarity', this must never lead to support for the governments of countries such as Russia, Iran or India, and thus give the impression that they could open up emancipatory prospects for the peoples who are the victims of capitalist exploitation, even though they are harshly repressing their own people.

## China-US: a clash of imperialisms

In my view, it is these transformations of the world space that justify the term 'clash of imperialisms' between China and the United States.

We need to look briefly at how their relationship has evolved, because it confirms that interdependence between rival

countries has grown considerably. Before 1914, interdependence was used to justify the liberal theses which saw international trade as a factor for peace. Interdependence was also used by Kautsky to herald the emergence of an ultra-imperialism that would put an end to wars.

It is clearly important not to make the same errors of assessment, and therefore not just to observe the growing interdependence of nations, but to consider the economic and geopolitical environment in which it is developing.

In the 1990s and 2000s (up to 2008), interdependence between the United States and China was a 'win-win' game for the capitalist classes. China provided new territories for Western capital, which was then suffering from over-accumulation following the crisis of the 1970s and 1980s. This crisis of over-accumulation, which reflected a fall in the profitability of capital, had not been overcome in the central countries. On the other hand, it had shaken the emerging countries, which were the repeated victims of financial crises: Mexico in 1983, Asia, Russia and Brazil in 1997-1998, and Argentina in 2000.

However - confirming the hypothesis of combined and uneven development - China has not only remained a host territory for the accumulation of Western and Asian capital, it has also become an economic and military power that is challenging US domination.

China's emergence on the world market thus provided a temporary solution to the structural ills besetting capitalism. However, the intensification of economic competition in a context of low economic growth has rapidly transformed the world market into a 'place of all contradictions', as Marx put it. Conversely, by becoming the 'workshop of the world', the Chinese economy has passed on to its own territory the contradictions in the global economy that arise when capitalism reaches its limits. Chinese industry has been over-accumulating capital for years. The crisis was first triggered in property construction, but according to economists' analyses, this over-accumulation is now affecting dozens of traditional construction-related sectors (steel, cement, etc.), and even emerging industrial sectors. This is the case with solar panels, where China has conquered a virtual world monopoly, and more decisively with the battery sector for electric vehicles. So it's hardly surprising that this sector is one of those experiencing the greatest trade tensions between China and the United States and the European Union (i.e. mainly German industry).

Economic interdependence therefore has contradictory effects. China's economic growth must not be incompatible with US economic leadership, declared the Secretary of State for the Treasury, and she proposed relocating the activities of major US groups present in China to 'friendly countries' (nearshoring). [\[2\]](#)

Let's listen to the response from the CEO of RTX (formerly Raytheon), designer of the US and Israeli missile defence system and the world's second largest military group: 'It's impossible to leave China because we have hundreds of subcontractors who are essential to our production'. This says a lot about the degree of interdependence built up by the global production chains of major groups, including those with military specialisations.

Another example of interdependence: the Chinese government is now involved in drawing up prudential rules for the financial markets, which were introduced in the wake of the 2008 crisis and are designed to prevent the emergence of new financial crises. The US Secretary of International Finance strongly welcomed the excellent relationship between the US Treasury and 'our Chinese counterparts at the Central Bank of the People's Republic of China as co-chairs of the G20 working group on the development of sustainable finance'. This call from the US to China means that, for the US ruling classes, preserving the stability - and therefore the prosperity - of financial capital must not be compromised by trade rivalries. It is, however, a fragile balance.

## China, an emerging imperialism

China is an emerging imperialist country because, like the capitalist countries before 1914, it combines strong economic development with first-rate military capabilities.

Of course, it would be absurd to compare the role of the military in China's global economic expansion with that of the United States, and only those who apply the concept of imperialism solely to the 'US model' can do so. Conversely, because it is emerging as a rival imperialist to the United States, China is almost automatically compelled to develop an expansive foreign policy, as confirmed by its diplomatic insertion in the war being waged by Israel. China already has a strong presence in the Middle East, where it is developing relations with both Iran and the oil monarchies (and Israel), allies of the United States.

China's Belt and Road Initiative (BRI) is a sprawling construction of physical and digital infrastructure. It is reminiscent of the expansion of railways before 1914 - the essential infrastructure of the time - in the dominated countries, whose role both economic (to make the excess capital in European countries profitable) and geopolitical (the role of the Berlin-Baghdad train in the alliance between Germany and the Ottoman Empire!) was analysed at length by Lenin, Luxemburg and others.

## Israel, the arsonist defender of the transatlantic bloc

Israel's war is fully in line with the analytical framework of imperialism: it is a neo-colonial project. Let's look at the figures: 40,000 dead in Gaza is equivalent, in proportion to the Palestinian population, to more than half the number of deaths in France caused by the 1914-1918 war. There is, however, one essential difference: most of the victims were soldiers, whereas in Gaza 60-70% of those killed were women and children.

'Our common enemies throughout the world are watching us and they know that an Israeli victory is a victory for the free world led by the United States', declared Israel's Defence Minister the day after 7 October 2024. He thus confirmed that his country is a major pillar of the *transatlantic bloc*. However, the way in which the Netanyahu government is behaving towards the Biden administration also confirms that contemporary capitalist multipolarity is more diversified than it was before 1914.

From the point of view of the analysis of the current imperialist structure and its hierarchy, it is undeniable that the Israeli government would be forced to stop the war as soon as the USA stopped its arms deliveries. [\[3\]](#) In this sense, the image of Israel as a 'vassal' of the United States no doubt remains accurate. However, the deterioration in the position of the United States in the world order, the rise of Israeli militarism, largely connected to dominant sections of the US establishment and its 'Military-Industrial Complex', and finally the global chaos that underpins contemporary international relations, allow the vassal to play his own game without it corresponding to the immediate imperatives of the US dominant classes.

The 'scorched earth' policy pursued by Israeli governments is no longer just an image, as shown by Israel's desire to raze Gaza to the ground (i.e. to level the territory to 'ground zero') and to physically pulverise the Palestinian people. It is based on murderous - genocidal - processes that neither the United States nor the European Union, which is at least as guilty of supporting Israel's war as the United States, want to stop, even as Israel prepares the next stage of its attack on Iran. For the leaders of the United States and the EU, unconditional support for Israel is the price to be paid for defending the material interests and values of the 'Western world'.

Yet all Western leaders know that this war is bringing the region - and possibly other regions - to the brink of collapse. They also know that it is accelerating the disintegration of the 'rules-based international order', to use the slogan that has served as the political and ideological underpinning for the domination of the transatlantic bloc since the Second World War. This is the dilemma facing the West. They must support the conduct of the Israeli government at a time when Netanyahu's policy is precipitating the end of this 'liberal international order' and thus

heralding new areas of conflict between the transatlantic bloc and many countries.

# France's Indo-Pacific horizon

Announced in 2013 under the presidency of François Hollande, the Indo-Pacific horizon has taken an ascendant place in France's military-diplomatic strategy since the election of Emmanuel Macron as president in 2017. Macron's interest in this region was undoubtedly stimulated by the fact that, as soon as he was elected, he had been informed by the General Staff of the disaster looming in the wars waged by the French army in the Sahel. The Indo-Pacific strategy put forward by Macron is therefore the result of the need to offer the military a new horizon, even if sub-Saharan Africa remains indispensable in economic and geopolitical terms despite the Sahel debacle.

Macron's determination to keep New Caledonia within the French state is therefore primarily due to this setback in the Sahel, but there are other reasons too. Possession of these territories gives France an exclusive economic zone (EEZ) twenty times larger than that of mainland France. This EEZ offers prospects for the appropriation of undersea resources. Above all, it allows the French army to operate nuclear-powered ballistic missile submarines. Alongside the French Air Force, these vessels are the other component of the nuclear deterrent. This presence of nuclear forces in the Pacific protects France's status as a permanent member of the United Nations Security Council, despite the considerable decline in its economic position in the world. Another reason for Macron's policy is the importance of the archipelago's nickel resources.

Macron's determination to deprive the Kanak people of their legitimate rights and to maintain the neo-colonial status of New Caledonia is therefore understandable if we take into account all the advantages offered to the French economy and diplomacy. However, its negative effects must be measured, even beyond the repression suffered by the Kanak people, more than ten of whom have died. Macron's decisions have in fact provoked a social explosion in New Caledonia on a scale not seen since the 1980s, which testifies to the scale of popular resistance. What's more, the bloody repression of these demonstrations is damaging the image of the so-called 'homeland of human rights' among the people of the Pacific region, and complicating France's diplomatic activity.

Like the interventions in the Sahel in 2000 and 2010, the deployment of 3,000 troops relies on the military apparatus. Macron is seeking to bolster his wavering power and appeal, through this neo-colonial project, to the reactionary metropolitan electorate on the right and far right in France. From a certain angle, Macron's determination is reminiscent of what happened in Algeria at the end of the 1950s. The position of the fascist faction of the army, supported by the majority of the European population, was to keep Algeria within France. In their view, this was the only way to maintain France's 'greatness'. In contrast, De Gaulle, also a military man, advocated ending the war against the Algerian people and granting them independence in order to maintain what he called 'France's standing in the world'. In his view, leaving Algeria would finally enable France to turn its attention to the world, thanks to nuclear weapons, the construction of a Europe in which France could project its power, and an industrial revival based on major technological programmes with military and strategic aims. It was, of course, this Gaullist 'vision' of an imperialist France that prevailed over the withdrawal into Algeria. The fact that Macron is sending three thousand soldiers to protect 73,000 Europeans in New Caledonia (out of the island's 270,000 inhabitants, according to INSEE figures) shows the extent to which the wheel of history has turned for France's place in the world. Macron's policies can only encourage nationalist and chauvinist impulses in mainland France, which are a breeding ground for racism.

To conclude, as I suggested in my speech, the transformations of capitalism cannot be read from its structural determinants alone. Marx's remark in 'The 18th Brumaire of Louis-Napoleon' that 'Men make their own history, but they do not make it as they please; they do not make it under self-selected circumstances', underlines the importance of what in Marxist literature are called 'subjective factors'. These include the behaviour and actions of the ruling classes and governments - as well as the resistance and offensives waged by hundreds of millions of individuals who

are the victims of decisions taken by 'those above' 'History does nothing, [...], it wages no battles. It is man, real, living man who does all that, who possesses and fights.' (Marx and Engels, 'The Holy Family').

- Claude Serfati teaches at the Université de Versailles Saint-Quentin. This was his contribution to the 16th Summer University of France's Nouveau Parti anticapitaliste (NPA), held from 25-28 August 2024.

PS:

*If you like this article or have found it useful, please consider donating towards the work of International Viewpoint. Simply follow this link: [Donate](#) then enter an amount of your choice. One-off donations are very welcome. But regular donations by standing order are also vital to our continuing functioning. See the last paragraph of [this article](#) for our bank account details and take out a standing order. Thanks.*

---

[1] See for example the different classifications made by Lenin in 'Imperialism, the Highest Stage of Capitalism' (and in his preparatory 'Notebooks on Imperialism').

[2] US Department of Treasury 2023, Communication of Janet L. Yellen, Johns Hopkins School of Advanced International Studies, April 20, <https://home.treasury.gov/news/press-releases/jy1425>

[3] On 25 August 2024, the Israeli defence minister boasted that since the beginning of the war '50,000 tons of military equipment have been delivered to Israel by 500 planes and 17 ships'.