https://internationalviewpoint.org/spip.php?article7950



China

Zero-COVID, reopening, and the proliferation of state capitalisms

- IV Online magazine - 2023 - IV576 - January 2023 -

Publication date: Thursday 12 January 2023

Copyright © International Viewpoint - online socialist magazine - All rights

reserved

Days after a significant mass uprising in multiple major cities in China in December, the government completely reversed its zero-COVID policies, which had been in place for the entirety of the pandemic. Many people were left newly exposed to the virus, stretching the capacities of medical and other social services, as the government declared that it would stop publicly tallying new cases. With lockdowns eased, masses of Chinese citizens began to travel abroad, many for the first time in years. In a move sure to reignite anti-Asian sentiments, the US hypocritically responded by requiring negative COVID test results for travelers flying into its borders from China, despite already long easing testing, masking, and other precautions domestically and for international travel. In response to the US' declaration, the Chinese Foreign Ministry emphasized that "COVID response measures need to be science-based and proportionate without affecting normal people-to-people exchange," in order to "keep global industrial and supply chains stable."

It can be tempting for some parts of the left to view the US' negligent pandemic controls and the Chinese Communist Party (CCP)'s zero-COVID regime as representing diametrically opposed approaches to governance and public health. Some, like a recent <u>essay</u> in *Monthly Review*, even describe China's disastrous reopening process as "a continuation of a rigorous process of confronting a historic and global pandemic, while putting science and the people at its center." In reality, the CCP's sudden turn from zero-COVID to reopening is a continuation of a logic of governance that prioritizes the preservation of profits for the ruling class over people's livelihoods—a logic shared with the US' own lax pandemic policies. Despite the different approaches of the US and China toward the pandemic, the two hegemons' shared vision has always been a commitment to maintaining the global logic of capital accumulation.

In fact, the CCP's about-face, demonstrates that there is not just one, but multiple, logics of state capitalism. We must differentiate between these to understand how the party-state's zig-zagging public health trajectory (in relation to that of the West) is a part of the global ruling capitalist elites' response to fundamental difficulties in maintaining the rate of profit. In other words, capitalist elites constantly need new ways to maximize the pursuit of global profits, so the strengthening of rivaling national economic blocs to address this also entails zigzagging through a multiplicity of state capitalist modes of governance. We must not mistake this multiplicity for ideological alternatives to neoliberalism. An important effect of this shift is the strengthening of divisions between the working-class and other independent mass movements. The key for the left is to uncover new strategies for mobilization which are attuned to the pluralism of emerging social movements, whose ideological and organizational variegation mirror and resist the multiple forms of state capitalism.

The pandemic has plunged the world economy into its lowest levels of growth since the Second World War—creating a need for global ruling elites to once again diversify and reinvent new methods to restore economic profits. China did not sustain its high economic growth last year as consumption levels continued to wane and industrial profits fell. The declining rate of profit across decades, only temporarily revived in the early days of neoliberal financialization, continues to be fueled by the perennial crisis of overproduction on a global scale. This is paralleled by the general downward trend in the non-financial sectors' rate of profit in the US as well. There has not been another "long wave" of capitalist growth in decades—a reality further troubled by the pandemic—though we witness occasional and uneven booms spurred by economic policy adjustments.

The declining role of US hegemony requires new corrective structures for different national ruling elites to perpetuate market accumulation to restore the rate of profit. As political economists Bastiaan van Appeldoorn and Naná de Graaff <u>observe</u>, this has led to "a reconfiguration of the various roles states play within and vis-à-vis (global) capital

Zero-COVID, reopening, and the proliferation of state capitalisms

accumulation and capitalist markets," such that "both the US and the Chinese case show clearly how indeed the different roles of the state that we have identified, while potentially contradictory, can very well go hand-in-hand." In other words, it is not enough to say that we are tending toward a general rise in state-centric and authoritarian paradigms—we must recognize the diversity of their expressions as they actually exist. Or even further: precisely the *pluralistic and uneven* nature of state capitalisms lends new force to a new phase of capital accumulation.

Take how China's zero-COVID measures have bolstered the productivity of the country's capitalist enterprises as an example. While elements of the left have praised China's pandemic strategy as prioritizing people's lives over profits in the face of the virus, the reality shows that this is untrue—though its failures have not exactly manifested in the same way as in the US. Foxconn's Zhengzhou factory, the site of the world's largest iPhone production site, in concert with regional lockdown measures and with the approval of local government to justify a "closed-loop" regime, which forced workers to remain in the factory to continue working to meet Apple's production quotas. Furthermore, the CCP's strategy of forcibly transferring groups of people during the pandemic in the name of infection control not only led to people being vulnerable in more unsafe conditions, but also introduced new modes of exploitation. Hundreds of riot police were sent on behalf of Foxconn to suppress the workers when they protested, and the CCP sent party <u>cadres</u> to act as scabs for Foxconn's production line when not enough workers returned.

Hundreds of riot police were sent on behalf of Foxconn to suppress the workers when they protested, and the CCP sent party cadres to act as scabs for Foxconn's production line when not enough workers returned.

While the CCP merely adopted many surveillance and anti-worker tactics from Western countries, the pandemic approach in the US framed a different reality of exploitation. With relaxed pandemic control measures and minimal economic protection for infected workers from the start, the US' strategy of allowing COVID to rip across communities created its own set of pressures on workers. This combines a classically American brand of necropolitical social negligence and the expansion of the police state. While working communities faced widespread decimation due to state failure, there still remains some space for sustainable independent self-organization, as evidenced by the growing waves of rank-and-file labor militancy.

These differences in state capitalist governance create opportunities for different regimes to develop their own ways of maximizing accumulation that draws from each state's distinctive political system and culture. The pandemic has given the Chinese state, under the guise of the party's paternalistic care for its citizens, an excuse to continue strengthening its surveillance and policing apparatus through the zero-COVID policy. The US, eager to allow life to return to a facade of normalcy where people's basic liberal freedoms are seemingly respected (spurred on by the anti-vaxxer, COVID-denialist far right) promises a new path to economic revival. Building on the Trump administration's "America First" domestic policy, Biden has encouraged a new era of domestic industrial rejuvenation, though as labor lawyer Naoki Fujita points out, this "overriding industrial policy has been to create a surplus of workers with minimal bargaining power." Biden's recent move to block a potentially historic railroad workers' <u>strike</u> is a clear example of this.

And just as important for the ruling classes on both sides, emphasizing these differences in approach helps to divide the working class by stirring up nationalist sentiments. As the CCP has taken aim at the US' negligent pandemic control and faulty data, the US has lambasted the Chinese regime for its overly restrictive lockdown measures. The Biden administration's new restrictions on travelers from China take a page from Trump's playbook by renewing the targets on Chinese people's backs among Asian American communities in the US.

In this sense, one can understand the CCP's sudden reversal from its years-long zero-COVID regime not as a departure but as an adjustment toward a different logic of state capitalist accumulation in response to market trends. Just as it had imitated (and perfected) the West's road to capitalist industrialization, it is now attempting to do what

Zero-COVID, reopening, and the proliferation of state capitalisms

the US has done at an even faster speed. As the Chinese government <u>slashed</u> funding for medical and healthcare infrastructure in favor of testing and lockdown regimes in recent years, hospitals and other social resources became rapidly stretched thin, especially in <u>rural</u> areas. This means that as death tolls climb, Chinese citizens are finding it even more difficult to get adequate medical care. In the week before Christmas, tens of millions were reportedly being <u>infected</u> daily.

The suddenness of the Chinese regime's turn to reopening should suggest that this will not be its last u-turn or policy shift. We must recognize the diversity of these public health strategies as ruling elites' tactical and contingent responses to preserve a common and central strategy of accumulation. As zero-COVID measures began to take a toll on the Chinese economy-with industrial production slowing, including Foxconn's profits, particularly after a wave of workers' resistance-the party elites decided to take the leap to abandon zero-COVID to recover a new path for capitalist growth and stimulate domestic consumption. And zero-COVID lockdown measures have led to growing local unrest in recent years. The CCP has ample experience in neutralizing such scattered expressions of discontent, but abrupt nation-wide convergences, like the one that occurred in December 2022, threaten to give birth to the party-state's greatest fear: the people's mass politicization after decades of depoliticization, sustained by an organized movement, independent of the CCP's rule. While giving in to some of the people's demands can also risk the further consolidation of this movement—as the people begin to understand the collective power they have—the regime took its chances. Abolishing zero-COVID policies can satisfy the protestors' most immediate demand, potentially defusing the movement while giving the regime an opportunity to reverse stalling economic growth. As ruling elites continue to exhaust different options to restore the rate of profit, we can be sure to see the deployment of different state capitalist strategies. It is imperative not to mistake any of them as providing alternatives to the logic of accumulation, despite differences in form.

This multiplication of forms of state capitalism reinforces the fragmenting of resistance movements. The US establishment's weaponization of human rights abuses in China to stir up military funding has discouraged progressive and left-wing organizations from building solidarity with workers and mass movements in China and its peripheries. Asian American organizations, by and large, had little to say about the largest mass protests in China in years which took place early in December 2022. Chinese protestors, including workers, have few avenues of support in progressive and left-wing organizations abroad, especially as such relationships can often elicit severe charges of "foreign interference" from the state.

But despite their brevity, the mass protests in China produced a new awakening in political consciousness across communities, sectors, and identities. Local kinds of actions persist in the mainland—medical students from multiple Chinese cities have protested over inadequate working conditions in the past month. Feminist and LGBTQ+ activists have been pivotal in the movement and in sustaining the momentum on the mainland and overseas. Overseas feminist activists have organized political education and other actions abroad, and are now spearheading one of the more prominent campaigns for a Chinese LGBTQ+ activist "Dianxin," who was detained for participating in the protests in Guangzhou.

Some initiatives are actively bridging the gap between Chinese activists and broader left-wing movements abroad. The US-based Apple Retail Union has recently released a <u>statement</u> in solidarity with Foxconn workers. A multi-city global solidarity <u>protest</u> for Foxconn workers had seen collaboration and support from various radical left organizations like Labour Movement Solidarity with Hong Kong in London, joined by <u>United Tech & Allied Workers at</u> <u>Apple</u>, and Black Flag in Sydney. Many Chinese international students were active organizers in the recent academic workers' strike on the University of California campuses—the largest of its kind in US history.

Indeed, geographical fragmentation and political diversity can frustrate efforts to articulate connections between these struggles. But this sprawling and uneven landscape of emerging movements can also be the seeds of something uniquely powerful, especially when we are faced with a ruling class whose interests and power span across borders. The rise of a new generation of Chinese youth militants, embedded in multiple and diverse

movements, can powerfully synthesize lessons to organize a global left opposition around clear programmatic alternatives to state capitalism. This would inevitably entail building deeper ties and overlaps between Asian American, labor, socialist, feminist, and other movements.

Just like the plasticity of state capitalist regimes and initiatives, the open diversity of these movements might be exactly what is needed to build an anti-capitalist mass movement that can transcend the errors of past generations of the Chinese left: Han chauvinism, authoritarianism, sectarianism. But pluralism does not mean ideological disunity or disorganization. We must converge on the basis of understanding that neither bourgeois democratic reforms nor adjustments within the existing authoritarian capitalist system can promote struggles for genuine democratic self-organization and practice. We must continue to act as a bridge between different local movements and a broad-based program for revolutionary change that incorporates insights and organizers from different struggles. Different organizations can develop coalitions and parallel campaigns as we collectively model the political future we want to build: a genuinely socialist and democratic system in China and other regions in its periphery, where organizations of workers and other marginalized communities come together to plan the public health measures and other aspects of society and production they need without coercion.

Such a vision of society would be the antithesis of the ones promoted by both the US and Chinese capitalist elites. Just as they have found variegated methods to enact their values that privilege profits over people, from zero-COVID to "letting the virus rip," we must build our own pluralistic movement to effectively combat the many faces of US, Chinese and other state capitalisms.

Source: Lausan Collective.

PS:

If you like this article or have found it useful, please consider donating towards the work of International Viewpoint. Simply follow this link: <u>Donate</u> 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 <u>this article</u> for our bank account details and take out a standing order. Thanks.