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ON CHINA

"Market Socialism", A Stage in the Long Socialist Transition or Shortcut to Capitalism?

This article is the sequel to an earlier article written in 2000. It is clear from the similarity of the titles of these two articles (the previous one was entitled "Théorie et pratique du projet chinois de socialisme de marché" (The Theory and Practice of the Chinese Plan for Market Socialism) (1) that the issue I am concerned with has not changed.

The previous article was translated into Chinese and this allowed me in 2002, when visiting China again, to take into account the comments of the intellectuals of that country, in particular, those who remain attached to the socialist perspective.

1. My basic question is the same as it was in 1980, that is to say, since China under Deng Xiaoping began to opt for the form of "market economy" that has brought it to where it is today. I was asking this question even some ten years before the disappearance of the USSR, starting with the review of the "Soviet model" known as "really existing socialism" (S. Amin, *Trente ans de critique du soviétisme, Thirty Years' Critical Review of Sovietism*) (2).

This question is still unanswered and will no doubt remain so for a long time to come. Yet, it must – or should - remain at the very heart of the concerns of all those who, unconvinced of the virtues of capitalism (understood in terms of transhistorical rationality and therefore representing "the end of history") are concerned with thinking beyond this system about the requirements and possibilities of a new, superior, socialist social construction.

History is often longer than one might think or wish it to be. The first wave of experiments that were meant to be socialist, at least at the outset, and that took up a large part of the last century, gradually lost momentum, petered out, sometimes disintegrated or have entered a process of reappraisal. A second wave will certainly come and cannot be a remake of the previous one; not only because some lessons must be learned from the failures but also because in the meantime the (capitalist) world has changed. After all, on close examination, the first wave of capitalist transformations that occurred in Italian towns during the Renaissance well and truly failed but it was followed by a second wave in the north-western Atlantic quarter of Europe and this gave rise to the historic capitalism in the essential forms it retains to this day.

So the debate on the future of socialism is very much alive and of vital importance. Naturally, this debate can and must be approached from the many angles of the very diverse and complex social realities that are open to analysis and transformative action. As in the previous article, I shall only deal here with this central question on the basis of reflections inspired by the evolution of China, knowing full well that the same question is addressed elsewhere from different perspectives and based on reflections inspired by other experiments, be they those of Vietnam and Cuba, those of the former Soviet world, the social democracy of developed capitalist countries or even those of the radical national populism of the third world.

My central question is this: is China evolving toward a stabilised form of capitalism? Or is China's perspective still one of a possible transition to socialism?

I am not asking this question in terms of the most likely "prediction". I am asking it in altogether different terms: what inconsistencies and struggles have emerged in China today? What are the strengths and weaknesses of the approach adopted (to a large extent capitalist in fact)? What advantages do the (at least potentially socialist) anti-capitalist forces have? Under what conditions can the capitalist approach triumph and what form of more or less stabilised capitalism could it produce? Under what conditions could the current moment be deflected in directions that would become a (long) stage in the (even longer) transition to socialism?

A militant mind, defined by the desire to put its capacity for analysis at the service of transformative action, cannot avoid making predictions, if only because it must weigh up the consequences of the line it criticises and the action it defends. It cannot, however, be content with "foreseeing the future" as a detached observer might. Since its main concern is that of discovering how to influence the course of history, it must go well beyond a single interpretation of the course of the evolution.

2. The Chinese ruling class has chosen to take a capitalist approach, if not since Deng, at least after him. Yet it does not acknowledge this. The reason for this is that its legitimacy is rooted in the revolution, which it cannot renounce without committing suicide. The Chinese Revolution, like the French Revolution, is the major event, the decisive break in the history of these two peoples. Both made their massive and conscious arrival on the scene of their history through these revolutions, however imperfect or even deceptive they may have been in some regards. They are "sacred" even if in both cases some reactionary intellectuals spend their time trying to denigrate them or even deny their impact.

Yet people and the political forces they represent must be judged by what they do and not by what they say. The question that must be asked, therefore, concerns the future of this fundamental de facto option. The real plan of the Chinese ruling class is capitalist in nature and "market socialism" becomes a shortcut whereby it is possible to gradually put in place the basic structures and institutions of capitalism while minimising friction and difficulties during the course of the transition to capitalism. The method is the exact opposite of that adopted by the Russian ruling class who decided to renounce both the revolution and the subsequent evolution that allowed it to form a new class, a candidate for becoming bourgeois. The Russian method thereby fitted into the system of "shock therapy". I do not know if history will allow it to succeed with this approach and put in place a stabilised form of capitalism ensuring the permanence (for a time) of its class power. That is not what concerns me here.

The Chinese ruling class has made a very different choice. I think that a significant proportion of this class knows that the line it is trying to advance leads to capitalism and wishes it to do so, even if perhaps a proportion (without doubt the minority) remains imprisoned by the rhetoric of "Chinese socialism". The Chinese ruling class also - probably - knows that its people are attached to "socialist values" (equality first and foremost) and the real progress that has been associated with this (the right of equal access to land for all peasant farmers primarily). So it knows that capitalism must be approached with great care and at a calculated slow pace.

So, the question is whether it can achieve its ends? What might the characters (specific or otherwise) of the Chinese capitalism under construction be? And, in particular, how stable

would it eventually be? To give a negative reply to this question saying that "the Chinese people will not allow it" is far from satisfactory, even if roughly speaking that is not entirely impossible, and one wishes it to be so or even takes action to promote such a course.

To progress with the reasoning on the question requires further analysis of the contradictions inherent in the capitalist approach, its strengths and weaknesses, what it can and cannot offer in terms of growth, development, improvement of social conditions and living standards. Here again, to say simply that the capitalist approach is based on exploitation of labour and to condemn it does not help us much. This is true, yet, it hardly prevents capitalism from existing and being considered legitimate even in the eyes of many of those who are exploited. Capitalism's strength, therefore a significant part of its legitimacy and the stability of its construction, lies in its capacity to create economic growth whose material benefits are largely distributed albeit unequally so.

The structure, nature and form of the construction of capitalism and its degree of stability are the result of "historical compromises" – to use the Italian phrase –i.e. social alliances that define the hegemonic blocks that supersede each other as the system develops. The specificity of each of the historic paths (English, French, German, American, etc.) that are defined by these successions have in turn resulted in the final characteristics of the contemporary forms of each of the capitalist societies in question. It is because these various approaches were successfully implemented that the capitalist systems in the countries at the centre of the global system have been "stabilised" (which is not the same as being "eternal"!).

What options are open to the capitalist path in China today? Alliances between the powers of the state, the new class of "large private capitalists" (to date mainly comprising Chinese from abroad but not excluding the emergence of an analogous class of Chinese from inside) , peasants in areas enriched by the prospects offered by urban markets, fast-growing middle classes are not difficult to imagine, they already exist. Yet the fact remains that this potential rather than real hegemonic block does not include the large majority of workers and peasants, so any analogy with the historic alliances formed by some European bourgeoisies with the peasantry (against the working class) or the subsequent capital-labour compromise of social democracy is artificial and fragile.

This weakness in the pro-capitalist hegemonic block in China is the source of the contentious problem of the political management of the system. I will leave the pleasure of putting an equals sign between market and democracy to vulgar American propagandist ideologists. Under certain conditions, capitalism operates in parallel with a political practice of a given democratic form, inasmuch as it succeeds in controlling its usage and prevents the (anti-capitalist) "deviation" from it that democracy fatally implies. When it is incapable of it, capitalism simply survives without democracy and is none the worse for it.

The democratic question in China is more complex because of the legacy of the (Marxist-Leninist-Maoist) Third International and its singular concepts concerning the "proletarian dictatorship" and the so-called "socialist democracy". This is not what I am concerned with here (I dealt with this elsewhere) but clearly the maintenance of these political forms is hardly incompatible with what increasingly appears to be a capitalist alternative. How will the Party-State be able to keep its name (Communist Party!) and its reference derived from pure rhetoric even if from Marx and Mao! Will abandoning them and adopting of forms of "western democracy" in their place (essentially the multi-party system) work in the conditions of this country? I doubt it, not for so-called historical para-cultural reasons (such as

"democracy is a foreign concept to Chinese culture") but because the social struggles in which the majority of the popular classes might mobilize would make its practice untenable. China must invent another form of democracy linked to market socialism and conceived of as a stage in the long socialist transition, this is a matter to which I will return. Failing that, I can only see the succession of autocracies lacking legitimacy and interludes of unstable "petty democracy" which is currently the lot of the capitalist third world.

The economic opportunities of the capitalist approach in China and the associated range of forms of political management also depend - in part at least - on the conditions in which capitalist China is integrated in the current and future global capitalist system. I will return to this multidimensional question. It is not only a question of the economic aspects of this integration. The geopolitical dimensions of the problem are no less important and in this regard, as we know, the USA have proclaimed through the voices of Bush elder, Clinton and GW Bush that the emergence of a new Chinese power will not be tolerated even if it is capitalist.

Rhetoric concerning the various forms of capitalism abounds everywhere in the world today, it is often associated with an magical evocation of ill-defined specificities exploited by people with flagrant political opportunism. China is no exception and the "Chinese way" - tacitly considered capitalist by some, affirmed socialist by others - is rarely expressed in sufficiently precise terms to escape these opportunistic orchestrations.

Variety is natural and observation of the diversity of capitalist societies, a platitude. It is true, capitalism in the Rhineland (not to say that French and German capitalisms are somewhat different! Franco-German reconciliation is an obligation!) is different from the "Anglo-Saxon" model (but here too, north American capitalism is somewhat different from British capitalism, etc.). So why? With regard to this matter, I proposed transferring the debate from a description of the current situation to that of historical analysis of the political cultures that emerged as a result of the social struggles that accompanied the formation of modernity (S. Amin, *Marx et la démocratie*; S. Amin, *La raison*) (3). Without returning to these arguments that I put forward on that occasion, I shall summarise their scope stressing the contrast between north American and European ideologies. The first only recognises two basic values: private property and freedom (understood as the freedom to use property free from all constraints). The second recognises the value of equality. The conflict between this value and that of liberty must be managed through the recognition of constraints imposed on property (which the French revolution then replaces with fraternity). In fact I placed this contrast at the heart of the Europe-United States contradiction which I do not consider a conflict of interests of the dominant capital as the collective imperialism of the triad (United States, Europe, Japan) has taken over from the imperialism of earlier history (S. Amin, *Au delà du capitalisme sénile*)(4)

Equally important, if not more so, the contrast that sets all the peripheral capitalist systems (themselves different in space and time) against the central ones. This contrast has changed completely from one stage to another of the growth of ever imperialist world capitalism (in the sense of polarising) but has always deepened. The future, in this respect, is no different from the past or the present, as polarisation is inherent to capitalism. I will not return here to the new currently developing forms of the centre/periphery contrast that are based on new monopolies articulated by the centres (technology, access to natural resources, communications and information, control of the global financial system, weapons of mass destruction) that replace the simple monopoly of industry of earlier times. In this respect, the

description "emerging countries" is ideological farce; far from "catching up", these countries are building the peripheral capitalism of tomorrow and China is no exception.

Invoking the so-called cultural dimension and the variety it implies (or would imply) for the capitalist (or socialist) approach becomes a ritual in its forms of expression and opportunistic in the ends that it uses to justify (badly) as long as that "culture" is perceived as a transhistoric invariable, and this postulate is necessary for all fundamentalists (Bush and Bin Laden alike). The real questions concerning the interaction of cultures and their permanent transformation as from the outset it are removed from reflection.

No less vulgar is the alleged contrast between "normal capitalism" (as per the Weber's ideal type) and "popular capitalism" that is claimed to be founded on property that is if not equally then at least very widely shared (the citizen is then both worker and shareholder as conceived of in the mode of "patrimonial" accumulation and many other discourses in the manner of the time).

Beyond all these past and future, central and peripheral variations and varieties, capitalism always defines a society (and not only an economy) founded on economicist and market alienation which is inherent in its submission to the demands of accumulation.

3. Socialism is defined first, therefore, as the emancipation of humanity and thus the construction of a mode of general organisation of society that is free from the alienating submission to the demands of the accumulation of capital. Socialism and democracy are therefore inseparable.

I will not return here to what I have written elsewhere on the nature of the systems of the Soviet world and Maoist China, their original plans and their evolution (or deviation), responsibility for the circumstances in their transformation under the pressure of the demands to "catch up" and that of the ideologies of the workers' and socialist movements of the Second and Third Internationals. I shall only mention that I pointed out the simplistic confusion that assumes centralised planning (as it was conceived, in response -appropriate in my opinion- to a very early necessary moment in the circumstances) as a synonym for "fully developed socialism".

"Fully developed" socialism, if any social system can be described as such, which is necessarily also globalised and even more so than capitalism (whose globalisation is truncated and distorted as a result of the central/peripheral polarisation inherent in it) cannot be described beforehand in terms of forms of precise organisations and appropriate institutions but in terms of the principles that must guide the creative imagination of the peoples and their full exercise of the powers that a never-ending, ever-deepening process of democratisation provides them with. In this respect, the creative utopia inspired by Marx (on the assumption that to be Marxist is not to stop at Marx but to start with him), like that of liberation theologies, has much more to say than a supposedly realist mediocre sociology can contribute to the reflection.

The road towards socialism will be long, longer than (and different from) what was envisaged by the Second and Third Internationals (cf. S. Amin, *Les défis de la mondialisation, Conclusion : retour sur la question de la transition*) (5). From this perspective "market socialism" could be an initial phase but if this is to be the case, there are certain conditions which I shall express as three proposals.

The first is that forms of collective property are created, maintained and reinforced throughout the entire process of social progress. There can and even must be many of these forms: corresponding to the state, regional collectives, workers or citizens collectives. However, in order for them to operate with all the responsibilities that respect for market exchange requires, they must be conceived as forms of authentic property (even if not private) and not as poorly defined expressions of powers. In this regard, I do not accept the fashionable simplification invented by von Mises and von Hayek that confuses property and private property. This simplification arises from Soviet/socialist centralised planning confusion. So, the two adversaries are on the same ground. Moreover, the dominance of collective property does not exclude the recognition of a place for private property. Not only of local "small property" (craftsmen, small and medium-sized businesses, trades and services), but perhaps "large enterprises" or even arrangements with large transnationalised capital provided that the framework in which these are authorised to operate is clearly defined.

The exercise of the responsibilities of the "property owners" (state, collectives and individuals) must be regulated. This second proposal is formulated here in vague terms that can only become specific when taking account of both the concrete demands of successive moments during the transformation process and those of the furthest reaching perspective of the socialist objective. To put it another way, regulation must be understood to mean the conflictive combination between the demands associated with accumulation of a capitalist nature (in spite of the collective character of the property) and those of the progressive deployment of socialist values (equality above all, the integration of all in the process of change, public service in the most noble sense of the term).

My third proposal concerns democracy, which is clearly inseparable from the concept of emancipation. Democracy is therefore not a formula given once and for all that has only to be "applied", it is a never-ending process which explains why I prefer the term democratisation. The latter must therefore be capable of combining, in unceasingly and increasingly rich and complex formulations, the essential demands of their definition in terms of precise "procedures" (the rule of law in simplified language) and in "substantial" terms. I mean by that, the extent to which this democratisation can be used to reinforce the impact of socialist values on the process of decision-making on all levels and in all domains.

Would the socialist system have been able to evolve in this direction? Would it have been able to make this sort of reform, freeing it from the constraints of centralised planning in its own way and from the party-state allowing it to establish itself as "avant-garde"? The question henceforth is a matter for history which in any case reveals that "reforms", when they were envisaged, did not go in this direction but, on the contrary, aimed to prolong the survival of the system that had reached its historic limits.

Modern day China has already positioned itself beyond "market socialism" as proposed here and is progressing along a capitalist path having agreed, in principle, to the replacement of the dominance of collective and public property with private property. Many critics of the current system, Chinese in particular, say that therefore it is "already too late". This is not without solid factual arguments but is not exactly my point of view. As long as the principle of equal access to land is recognised and is effectively implemented, I think we can conclude that it is not too late for social action to successfully influence an as yet uncertain evolution. This point of view was also shared by William Hinton. I shall develop the argument in the following section.

4. In 2000, the population of China reached 1,200 million inhabitants, two thirds of whom lived in rural areas (800 million). A simple forecast for 2020 (twenty years) shows that it would be illusory, even dangerous, to think that urbanisation could significantly reduce the number of people living in rural areas even if it could reduce the proportion of them.

Demographic growth of the order of 1.2 % per year will take the population of China to 1,520 million in 2020. Moreover, let us suppose that China manages to sustain a healthy growth in its industries and modern services located in urban areas at a rate of 5% per year. In order to manage this, modernisation and the demands of competition would certainly mean that this growth could not be produced exclusively by a method of extensive accumulation (the "same industries and services" as at present only more of them) but by a partially intensive method, associated with a significant improvement in the productivity of labour (at a rate of the order of 2% per year). The increase in the availability of urban employment would then be 3% per year, taking the figure for the population that could be absorbed in urban areas to 720 million. This figure would include the same currently volume of urban population either unemployed or in informal work with no security (and this amount is not negligible). Nevertheless, their proportion would then be significantly reduced (and this would already be a good result).

Simple subtraction therefore shows that 800 million Chinese - the same number as today but in a proportion reduced from 67% to 53% of the total population - would have to remain rural. If they are forced to emigrate to the towns because they have no access to land, they will only enlarge a marginalized shantytown population as has long been the case in the capitalist third world.

A longer term projection - forty years - would reinforce this conclusion. Even in the most optimistic of scenarios concerning the pursuit of a major process of modernisation and industrialisation and without hitches due to events and unfavourable national or global, political or economic circumstances, even if transient, one can only expect to see the proportion of the population living in rural areas fall slowly for at least a century.

This problem is far from being specific to China. It affects the whole of the third world, that is to say, 75% of the world's population.

Small farms make up nearly half of humanity - three thousand million human beings. These farms are in turn split into those that have benefited from the green revolution (fertilizer, pesticides and selected seed) which, although barely mechanised, have an output of between 100 and 500 quintals per worker and pre green revolution farms whose output is only around 10 quintals per member of the active population. Capitalist agriculture, led by the principle of the profitability of capital and located almost exclusively in north America, Europe, the southern tip of Latin America and Australia, barely employs a few tens of million farmers who are really no longer "peasants". Their production, thanks to mechanisation (which on a world scale is almost exclusively theirs) and the surface area available to each, ranges between 10,000 and 20,000 quintals in cereal equivalent per worker per year.

Some twenty million additional modern farms, if given access to the large areas of land that they would need (by taking them away from peasant economies and without doubt choosing the best soils) and if they have access to capital markets allowing them to acquire equipment, could produce the basic essentials that solvent urban consumers still buy from peasant production. But what would become of the thousands of millions of these non-competitive

peasant producers? They will be inexorably removed in the short time in terms of history of a few dozen years. What will become of these thousands of millions of human beings, the majority of whom are already the poorest of the poor but who feed themselves as best they can and a third of whom barely manage to do this (three quarters of the undernourished in the world are to be found in rural populations)? In a forecast for fifty years' time, there would be no competitive industrial development, even in the fanciful scenario of a continued growth rate of 7% per year for three quarters of humanity that would be able to absorb even a third of this number. In other words, capitalism by its very nature is incapable of resolving the peasant question and the only perspectives that it offers are those of a shantytown planet and thousands of millions of human beings "useless".

The strategy that the dominant capital would henceforth implement is nothing less than a sort of world-wide "enclosure". We have reached the point where in order to open a new field to the expansion of capital ("the modernisation of agricultural production"), it would be necessary to destroy entire societies "in human terms". Twenty million effective new producers (fifty million people with their families) on the one hand, several thousand million excluded on the other. The creative dimension of the operation is no more than a drop in the ocean of the destruction that it would entail. I conclude from this that capitalism has entered its descending senile phase; as the logic of this system is no longer able to ensure the basic survival of half of humanity. Capitalism becomes barbarous and leads directly to genocide. It is now more than ever necessary to replace it with other more rational systems for development.

The defenders of capitalism argue that the agrarian question in Europe has found its solution through the rural exodus. So why would a similar model of transformation not occur in southern countries given one or two centuries delay? They forget here that the industries and services of 19th century Europe were enormously labour intensive and that any excess of manpower was able to emigrate en masse to the Americas. The third world today does not have this option and if it wants to be competitive as it is ordered to be it must immediately turn to modern technologies that require little manpower. The polarisation resulting from the global expansion of capital prevents the northern model from being reproduced in the South.

So what can be done?

We must accept the maintenance of peasant farming for the whole of the foreseeable 21st century. Not for reasons of romantic nostalgia for the past but simply because the solution to the problem goes beyond the rationale of the capitalist system and forms part of the long secular transition to global socialism. So policies must be devised that regulate the relationship between the "market" and peasant farming. At a national and regional level, these specific regulations adapted to suit local conditions must protect national production thus ensuring the safety of the nation's essential food supply and preventing imperialism from using food as a weapon. In other words, disassociate domestic prices from those of the so-called world market, ensure slow but continuous progress of productivity in peasant farming, control the movement of the population from rural areas to the towns. Of course, the development of peasant farming associated to modern industrialisation can and must also form part of the inventive perspective of a social imagination freed from the wasteful model of central capitalism which it would be difficult to imagine becoming so widespread as to rule correctly many thousands of additional millions human beings.

The "agrarian question", far from being resolved, is now more than ever at the heart of the major challenges which humanity will face during the 21st century. The answers that will be given to this question will be decisive in shaping the course of history.

China has one major asset in this area: the legacy of its revolution, which will allow it to produce one of the possible "models" for what must be done. Access to land is in fact for half of humanity a fundamental right and acknowledgement of this is a prerequisite of its survival. This right, which is ignored by capitalism, is not even mentioned in the United Nations' Universal Declaration of Rights! But it is recognised to this day in China (and in Vietnam). The supreme illusion would be that by renouncing this, i.e. by treating land as a commodity as the propagandists of capitalism in China and beyond suggest, it would be possible to "accelerate modernisation".

The modernisation of agriculture is in fact one of the four modernisations formulated by Zhou Enlai. That modernisation must take place by no means implies that the necessary growth of agricultural production requires that we abandon the right to land for all to the benefit of a few. This approach would certainly produce significant growth in production for a few but at the cost of the stagnation of many. The average that this growth would represent for all the peasantry who stayed out or emigrated to the shantytowns would run the significant risk of finally being mediocre in the long term.

This fact does not interest the unconditional supporters of capitalism. The accumulation of wealth of a few is the only law it knows, the exclusion of the "useless", even if they number thousands of millions of human beings is not its problem.

The history of China over the course of the last half century has demonstrated that a different approach whose aim is to engage the whole of the peasantry in the process of modernisation (which therefore respects the right of land for all) can produce results that favourably support the comparison with the capitalist approach (the comparison between China and India in this regard is very instructive). Choosing this approach is certainly not choosing the easiest way as the strategies, means of intervention and institutional forms that can bring about its maximum desirable effectiveness cannot be given once and for all and be the same everywhere (currently in all regions of China) and at all stages of evolution. The mistake made by the Kolkhoz Soviet model and that of the Chinese communes was precisely, in parallel with that of centralised planning, to have established these formulas and solutions as definitive. I return here to the proposals made by numerous Chinese peasant organisations and William Hinton which, in the current situation, advocate support for a diversified movement of voluntary cooperatives.

Whether one likes it or not, the "agrarian question" is still one of the main issues of the challenge of modernisation. The centre/peripheral contrast is itself largely produced and reproduced by choosing the "capitalist approach" the effects of which on peripheral societies have been and continue to be disastrous. The "peasant approach", developed in the frame of a stage of "market socialism" is the only appropriate provisional response capable of bringing third world societies out of their "under-development", the growing poverty that afflicts thousands of millions of human beings and the insignificance of the power of their states on the international scene.

5. The full weight of the legacy of the Chinese Revolution exerts and will continue to exert considerable positive force.

Although the success recorded over the course of the last twenty years - exceptional balanced economic growth, urbanisation on a massive scale (200 million new urbanised) and on the whole successful, a remarkable capacity for technological absorption - is described as miraculous, in actual fact it is not. Without the revolution to lay the foundations of the necessary conditions for success, it would not have been possible. I have referred to this point of view, which I share with almost all respectable Chinese intellectuals, in my earlier writings on China. Only the propagandists of American imperialism and their European and Chinese followers seem to be unaware of the fact. The most debatable and frequently discussed results in social terms (cf. my previous article)(6) - social and regional inequality, unemployment and the influx of people from rural areas to the towns - cannot be compared with the catastrophes observed elsewhere in the capitalist third world experiments, neither those also described as "miracles" (with no future) nor the others. The Chinese are largely unaware of these realities and because of this underestimate their own success. But anyone who knows the third world well cannot be unaware of the huge difference that distances China from the other peripheries of the world system.

"China is a poor country in which only a few poor people are to be seen". China feeds 22% of the world's population even though it only has 6% of the arable land on the planet. That is where the real miracle lies. To attribute the origin of it to the ancientness of Chinese civilization is incorrect for while it is true that until the industrial revolution China had technological equipment that was more advanced as a whole than all other large regions of the world, its situation deteriorated for a century and a half and resulted in the spectacle of large scale poverty comparable to that of peripheral countries ravaged by the imperialist expansion, India and others. China owes its remarkable recovery to its revolution. I would place Brazil "a rich country in which you only see poor people" at the other end of the spectrum of situations created by the global capitalist expansion.

Few third world countries are as poor as China in terms of the population/arable land ratio. As far as I am aware, only Vietnam, Bangladesh and Egypt are comparable to it in this respect. Some regions of India or Java are also but neither India nor Indonesia in their entirety. Yet, in India, Egypt and Bangladesh, as in almost all of Latin America (with the exception of Cuba), the spectacle of immeasurable poverty shocks any self-respecting observer. Anyone who has travelled the thousands of kilometres through the rich provinces and the poor regions of China and visited a good number of its large towns must honestly say that they have never encountered such shameful spectacles as those that cannot be avoided in the countryside and shanty towns of the third world. The reason for this success in China is without a shadow of doubt its radical peasant revolution and the equal access to land that it guarantees.

The Chinese revolution has brought modernity to the society of this country. Chinese society is well and truly modern and that can be seen in all aspects of the behaviour of its citizens. By modernity I mean this historic and cultural break after which people consider themselves responsible for their history (cf. S. Amin, *Les défis de la modernité ...*, Appendix; *Au delà du capitalisme sénile*)(7). Never-ending modernity, in China as elsewhere dominates thought, ideologies and behaviour.

This modernity is the reason why in China we do not see the expression of the para-cultural neuroses that still reign elsewhere in Muslim countries, Hindu India and sub-Saharan Africa. The Chinese live in the present, they are not given to these types of nostalgia for a reconstituted mythological past that is so typical elsewhere. They have no "identity" problem.

Now, while modernity does not ipso facto produce democracy, it does create the conditions for it and is unthinkable without it. Comparatively few societies of the periphery of the capitalist system have made this advance in modernity (Korea and Taiwan are exceptions in this respect as in others, I shall not go into the complex reasons for this here). On the contrary, the present is on the whole characterised in this regard by horrifying decline through which the failure of capitalism expresses itself. "The old world is dying, the new world is not yet born, monsters emerge in this twilight" wrote Gramsci.

In this field the prevailing discourse concerning cultural heritages that are supposedly favourable or unfavourable to democracy only serve to fuel further confusion because this discourse does not take into account the break that modernity constitutes by attributing invariant transhistoric characters to the supposed "cultures".

The modernity in which China has been engulfed is a major advantage for its future. I do not know if it will meet its people's aspirations for democracy and the invention of adequate institutions quickly enough; but it is not "impossible" and will depend largely on the articulation of democratic and social struggles.

The revolution and the plunge into modernity have transformed the people of China more than any other in the third world today. The Chinese popular classes have confidence in themselves, they know how to fight for what is right and they know that this fight pays. They are largely free from the submissive attitudes the visible expressions of which are a sad reality for any self-respecting observer in other countries. Equality has become an essential value of common ideology as it is in France (which engaged in a great revolution) but is not in the United States (which did not pursue revolution).

Together these profound transformations translate into a remarkable pugnacity. Social struggles are a daily occurrence, number in thousands, are often violent and do not always result in failure. The powers know this and focus their efforts on suppression, preventing the crystallisation of the front lines going further than local horizons (by outlawing the autonomous organisation of the popular classes) and attenuating the dangers of this through "dialogue" and manipulation. These struggles do not appeal to the majority of western supporters "of human rights". Democracy at the service of the struggle of labouring classes does not interest them, it even worries some of them. On the other hand, the democratic demand that they all systematically defend is associated with their virulent defence of the virtues of capitalism !.

6. The national question is also central to Chinese debates and in the political struggles that pit the partisans of different paths of evolution against each other.

China was a victim of the uninterrupted imperialist aggression of western powers and Japan from 1840 to 1949, as were all the nations of Asia and Africa. Their aggressors formed alliances with the local dominant reactionary classes - landlords, compradores (the term was even coined by the Chinese communists) and warlords. The war of liberation pursued by the Communist Party returned China its dignity and rebuilt its unity (the Taiwan question is the only one that remains unresolved today). All Chinese know this.

In spite of the regionalism that the size of the country inevitably produces, the Chinese (Han) nation is a reality (I am happy to say). The only debatable national questions are those

concerning the Tibetans and the Uigours. Here, again, I certainly do not share the point of view of the so-called "supporters of democracy" that serve and sing the praises of the lamas and mullahs who, beyond their obscurantism, always exploited their own people with the most barbaric violence until the Chinese revolution came to set them free. Yet imperialism actively exploits the weaknesses of the regime in its dealing with the mentioned national questions.

I will go a little further in articulating my intuition. I have had the opportunity to discuss the most diverse problems with middle to high-ranking (barely more) leaders of various types of function. My feeling (too much of a generalisation?) is that those responsible for economic management are leaning too far to the right, but those who control political power remain lucid on one point that I consider to be fundamental: they generally consider Washington's hegemonic tendencies to be the number one enemy of China (as nation and state, not only because it is "socialist"). They say this quite readily and often. I am still struck by the difference, in this regard, between their language and that which I have heard used (with apparent conviction) by Soviet political leaders (and a fortiori by those of former popular democracies). The latter have always seemed to me to be not entirely aware of Washington's real objectives as well as of those of the western allies that follow in its footsteps. The type of speech that Gorbachev gave in 1985 in Reykjavik proclaiming - with astonishing naivety - the "end" of United States hostility towards the USSR would be unthinkable in China. By chance, I discussed this shortly afterwards in Peking. All of the Chinese were stunned by this stupidity and, becoming heated, lost no time in concluding that "the United States is and shall remain not only our enemy but our main enemy".

The Chinese are very much aware of the place that their nation occupies in history. The name of the country – Choung Kuo – does not refer to any specific "ethnicity"; it means "empire of the Middle" (and People's Republic of China reads People's Republic of the Empire of the Middle!). They could not bear decline of their nation. This is why the Chinese intelligentsia always turned towards those of foreign "models" that, in their opinion, revealed what had to be done to return China to its rightful place in the modern world. Since the 4th of May 1919, this model has been either Japan (which inspired the Kuo Min Tang) or revolutionary Russia (which is the one that was ultimately applied because it associated combat against imperialism with a revolutionary social transformation that engaged all of the people). With Japan in crisis, Russia having collapsed and Europe even imitating the United States, China risks no longer seeing modernity and progress unless it is through the "American model", which is, however, that of their adversary as Japan formerly was. The great nation of China always compares itself to the most powerful.

I do not want to underestimate the enormous dangers that this perspective implies. It nourishes the illusion of "American friendship" among the younger generations. It contributes to making people forget the decisive importance of rebuilding internationalism among the peoples in order to drive back the aggressive, hegemonic tendencies of the United States, for behind the European ruling classes (aligned to Washington's strategy and concerned exclusively with defending the common interests of the dominant capital of the new collective imperialism of the triad), there are people whose vision of modernity is not that which globalised, Americanised neo-liberalism would impose. Behind the power of the compradores in desperate straits in the third world, there are people who yesterday drove back the imperialism of the time in an expression of solidarity with the Afro-Asian peoples through the Non-Aligned Movement. China's building of the Tanzam railway line, the only solid initiative that was to liberate Southern Africa from its physical dependence on the apartheid

regime of South Africa and the work of Chinese doctors in remote villages of Africa won immense popularity in and for China at the time. To revive the solidarity between African and Asian peoples faced with the present day and future savage aggressions of American hegemonic tendencies is one of the most important tasks of anti-imperialist strategy for China and the others. It is a necessary condition if the foreground in the resistance to imperialism is no longer to be occupied by the likes of Saddam Hussein and Bin Laden.

7. All the great revolutions - French, Russian and Chinese - projected far beyond the "needs of the moment" and the immediate necessary transformations in the societies in which they occurred. The fraternal and popular Republic that 1793 intended to build "straight away", the communist flag under which the Russians and the Chinese led their revolution, formulated creative utopias for a more distant future

So it should come as no surprise to us that all the great revolutions were followed by declines, "restorations" and "counter revolutions". Still, although these declines set the records right, they did not manage to eradicate the fecund seeds of more fertile revolutionary visions. Only petty revolutions - if the term revolution can really be applied to them - such as the "glorious" (rather less than glorious) English Revolution of 1688 or the so-called American Revolution, that changed nothing in the colonial social system and merely transferred political power as a last resort from the mother country to the colonists, can boast about having "succeeded 100%", as they did little more than record what was occurring spontaneously within society.

Yet, decline is still a very serious matter. It threatens Russia with virtual disappearance as a nation, with still no sign of recovery. China risks becoming bogged down in the peripheral capitalist approach with no future. It is not difficult to list the negative phenomena that reflect the already present reality of this danger. The new Chinese bourgeoisie is no less selfish and vulgar than the comparadore bourgeoisies of the contemporary third world are. It does not (yet?) occupy the forefront of the political scene but it does not lack the means (corruption among others) to influence decision-making. The young among the new fast-growing middle class exhibit the same "Americanisation", of an undoubtedly superficial nature to immediate appearances, but behind which hides a serious depoliticization. Some young workers were formerly sent to the USSR to learn to make airplane motors. Today, the offspring of the new middle class go to the United States to learn hotel management!

In these conditions, the future of China remains uncertain. The battle of socialism in this respect has not yet been won. But neither has it been lost (yet?). In my opinion, as I have already tried to show above, it will not be until the day when the Chinese system renounces the right to land for all its peasants. Until then, the political and social fights may sway the course of evolution.

The ruling political class directs their efforts to controlling these fights through the sole means of its bureaucratic dictatorship. Fragments of this class also consider circumventing the emergence of the bourgeoisie by the same means. The bourgeoisie and middle classes as a whole have not decided to fight for an "American style" democracy. With the exception of a few ideologists, these classes accept the "Asian style" autocratic model without difficulty, provided that it allows the deployment of their consumer appetites. The popular classes fight on the grounds of defence of their economic and social rights. Will they manage to unite their fights, devise suitable forms of organisation, produce a positive alternative approach and define the contents and means of a democracy capable of serving it? In the long term, it seems

very likely to me, taking account of what I said concerning the peoples that went through the experience of great revolutions. In the medium term, I could not say.

This is why each of the four scenarios I described in an earlier article still seem to me as possible as the others. The best of these scenarios would mean a change of direction in the construction of market socialism conceived as a stage in the long transition to world socialism. The worst, the one that the imperialists have never renounced, would result in the break-up of China, which is considered "too great a power" in the eyes of the Washington establishment. Between the two, the maintenance of the current "compromise" or its evolution to the right while safeguarding the unity of the country and without making concessions to democracy may seem to be the most probable option in the short term. The fact remains that these compromises cannot guarantee either the stability of this particular form of "Chinese capitalism" (even if it is described as "Chinese socialism"), or even, in my opinion, the pursuit of accelerated economic modernisation.

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