

## **WHO GOVERNS THE WORLD?**

I shall address directly the question: Who governs the world?

For sure and unfortunately, it's not Socialism. We certainly can agree that it is Capitalism. But this is very vague and general. Yes it is Capitalism, but I add two things. One, Capitalism cannot be dissociated from Imperialism. Second, the economic side of the governing system cannot be also dissociated from the political one. I never believed that it is corporations, the market, which governs the world. Capitalists cannot be dissociated from their political state, the State in the Imperialist triad : the United States plus their two external provinces - Canada and Australia-, Western Europe, and Japan. And that triad of states cannot be dissociated from the dominant power operating through the market of the major corporations which dominate the economic system. They are those who govern together the world. This government, in my opinion, is not tolerable; it has disastrous social effects, and it is also rejected to various degrees at least by the majority of the nations, the peoples of the South, particularly those of Asia and Africa, but also of Latin America. Therefore they are in a continuous struggle against that imperialist capitalist system which governs the world. But that doesn't mean that they provide an alternative or even that they are struggling for an alternative one, which we call socialist globalization: Socialist plus Globalism, but on the basis of socialism. They have a lot of illusions, particularly of becoming partners, more or less equal, in that system; that imperialist capitalist system. of becoming partners in capitalist globalization. This is the main contradiction within the system that governs the world.

What I shall try to do, is to try to give out my arguments in favour of what I summarized in the previous sentences. I shall do it by looking at 5 major points.

1. What is really existing capitalism?
2. What have been the stages in the development of the imperialist system, and what is new in that development?
3. What are consequences of my focusing on associating imperialism and capitalism from the very start?
4. What are the challenges that the popular classes, particularly in the South, but also the North are confronted with ? Are we really moving into a new era? Or is it basically the continuation of the past, in spite of a number of changes and new features.
5. In the light of that, what is a global alternative, or alternatives, for the vision of the future ?

And perhaps, in conclusion, we should consider the place and history of China, because we are in China, and because it is an important society and country.

I have always tried to speak of really existing capitalism in contrast with the dominant discourse on so called market economy. I oppose really existing capitalism to what I call imaginary capitalism. I mean that system as imagined by the conventional economists. This is an imaginary system which does not exist; has nothing to do or very little to do with what exists. The really existing capitalism cannot be reduced to market. Market existed long before capitalism, and will probably exist long after capitalism. But for sure, market and capitalism are two concepts which have to be distinguished. What we have in fact, is a system of markets based on private property, and moreover private property with continued centralization of control. Growing centralization has by now led to a system which is Oligopolistic –or say oligarchic- Private property is now private property of a handful : a few thousands of major companies governing the market. That is a basic characteristics of really existing capitalism to day.

Marx was perfectly aware of that distinction between capitalism and market. Apart from Marx, the best thinkers of modern times also shared this view. Unfortunately what is taught in universities these days deals with the imaginary system of generalized markets. The major features of really existing capitalism are ignored. The very important fact that the process of accumulation of capital is based on dispossession as much as or even more than it is on the growing productivity of social labour

is ignored. We are being told by conventional economists, that the system has entered in a phase where accumulation is the result of continuous progress of the productivity of social labour. What I am saying is that accumulation has been based and continues to be based on the process of dispossession. In particular the dispossession of peasants. Capitalism started with that dispossession and continues to do so in different forms today. Lenin wrote about imperialism as the latest stage of capitalism. I speak of imperialism as the permanent stage of capitalism.

Now let us look at the process of dispossession. This process started in Western Europe five centuries ago. This process started relatively early, earlier than in China; and accelerated recently, in the 19<sup>th</sup> Century. The excess of population, which was expelled from agriculture during the five centuries, slowly during three centuries and finally at a quick pace during one and a half century, 1800-1950. A large proportion of dispossessed peasants out migrated massively and created the Americas, North and South, Australia, South Africa. In 1500, the proportion of Europeans represented 18% of the global population. In 1900, the Europeans plus descendants of Europeans represented 36%. This shows how gigantic was that out migration.

The capitalist expansion would not have been possible if not this migration. That is why -and this is the conclusion of my first point- imperialism cannot be dissociated from capitalism. This long history of five centuries, has moved through stages. Each of them had its own specificity, which means that we cannot just reduce that long history to a single pattern of accumulation. At least it should be subdivided into two periods : from 1500 to the industrial revolution at the beginning of the 19<sup>th</sup> Century (that is the mercantilist transition to modern capitalism); then from the beginning of the 19<sup>th</sup> Century to the 2<sup>nd</sup> World War ( I call that period the classical times of capitalism). Post war 2 initiated a new pattern of capitalist expansion and gradually led to the present time of so called neo liberal globalization –now in deep crisis- We are therefore now in a transition phase towards an unknown future.

During the four first centuries the victims of accumulation by dispossession were the peasants of Europe who later moved into industries, where work and living conditions were terrible. A good part of the benefits of growth as measured by GDP per capita were captured basically by the state and allowed the modernization of the army. Accumulation by dispossession benefited basically to the political side of the building of modernity. That is fundamental.

First, it created conditions for a political change exemplified by the French revolution, which created modern political organization, systems and values.

It also created the awareness that Europeans got a military superiority. Until the 19<sup>th</sup> Century, GDP was higher in China than in Europe. That is crucially important because the new century starts there when the Europeans acquired a military superiority.

That was followed by the classical period with the industrial and political revolutions. The industrial revolution produced a monopoly of industrialization to the benefit of new Europe, North America and a little later Japan. The long period 1800/1950 was the classical capitalist imperialist period based on the monopoly of industries to the benefit of Europe , North America and Japan.

This pattern has developed not as a consequence of a higher competitiveness of western industries. It was guns that gave a higher competitiveness to the Western powers. Then the deployment of the process created the conditions for unequal competitiveness. That system created a gap at the global level that humankind had never known before.

In 1800, the ratio of average of productivity of social labour between the most advanced (China and then Europe) and the less advanced was 1 to 1.2. Within a century, it became 1 to 60. That was the product of really existing capitalism.

Now after World War 2 there was a short period during which, the victories of national liberation movements did start changing the pattern and moving away from the classical period. Countries of the South moved into industrialization and modernization, and created, to different extents, their own military power to resist external aggressions.

Really existing capitalism is a permanent war of the dominant powers against the peoples of the dominated periphery of the imperialist system. Now we are moving into a new pattern, with new elements, but which is also a continuation of the past. Imperialism in the past was to be conjugated in the plural tense. There was a permanent war among the imperialist powers themselves to control the peripheries. That has started changing towards a collective imperialism of the “triad” (US, Europe, Japan).

The challenge for socialism should be defined and analyzed taking seriously into consideration the imperialist dimension of really existing capitalism. The common view which dominated in the western socialist parties was that revolution had to start in the west, in the most developed areas of capitalism. The others who are simply lagging behind should follow after having in their turn developed along a capitalist line.

I do not share this view.

The reason is that in the centers of the capitalist imperialist system, political forces supporting a socialist perspective are weak. Countries of the North are benefiting from what I call the imperialist rent and that explains the weakness of the socialist demand there. It is not by pure chance that moving towards socialism has started from revolutions in the Russian semi periphery and then Chinese periphery. Taiwan's later successes would never have existed without the victory of communists in China.

The achievements in the western developed capitalist societies were also related to their imperialist dominant position. The social progress in the west cannot be dissociated from the imperialist positions. In the East and South, which remains what I call (after Mao) the zone of tempest (ie of instability) the pattern of capitalist expansion cannot be sustainable because catching up is made impossible by the working of the very logics of capitalist imperialist accumulation by dispossession. The idea and attempt to develop in a capitalist way through participating in the capitalist imperialist globalization is based on illusions.

Now, the tempest can potentially crystallize into an alternative, which takes into account the real challenges, it can become a revolutionary advance which will open the way for further revolutionary changes on the long road to socialism.

I move now into the fourth point, which is what is really new today with respect to globalization as a dimension of really existing capitalist expansion. Roughly, the dominant discourse is dominated by economic illusions and reduces the challenge in terms of "catching up". It says that corporations – who fortunately govern the world- (and I consider that saying as pure ideology), will help achieving that goal (catching up) by investing in the developing countries, finally fortunately open to their activities. But really existing capitalism is something different from that, it operates on the basis of accumulation through dispossession and therefore cannot but lead to the deepening of the N/S gap.

Yet there is a number of things which are new, but have no relation to the conventional discourse.

The first important change relates to the political order. I again repeat here that the move towards the collective imperialism of the triad is to be mentioned here. The building of that collective imperialism started after WW2 with NATO and the US/ Japanese military and political alliance. The dominant common opinion in that respect is that this western bloc was created in order to confront communist China, the Soviet Union, the national liberation movements. It is looked at as a political alliance but it does not deny the inter-imperialist economic conflicts. I do not share that view. I submit that this qualitative change is the product of a higher degree of centralization of capital. This is not market but what is beyond market.

The second important change is derived from the first. I submit that the centralization of capital associated with the crystallization of the collective imperialism, implied the financialization of capital accumulation. In its turn that leads to moving away from democracy, even bourgeois democracy. The more we move towards centralization, the more we move away from democracy.

Now I come to the science and technology revolution, which is accelerating. This is so obvious that denying it would be unrealistic. That revolution provides the frame in which the new monopolies of the centres operate. I classify these monopolies into 5 categories.

1. The control of technology; the whole effort of the WHO through the overprotection of industrial or intellectual property aims at protecting as long as possible the monopoly of control of new technologies.
2. Access and exclusive control of major natural resources of the planet. You are not allowed to keep your own resources for yourself, for example, oil must be offered on the market to meet

the demands of the centers. This monopoly is an enormous scandal. 15% of the global population misuse and waste these resources and deprive 85 % of human kind from the access to them. The control of the access on natural resources is fundamental.

3. The monopoly on the centralization of financial means. 50 years ago in a independent capitalist country, 80-90% of local savings were centralized by local agencies (banks etc). It was only marginally that these savings would have access to the global financial market. To day the financial market is really globalised.
4. Para-Political, Para-cultural, Para-ideological monopolies such as the control of communications for example, TVs and so on.
5. Control of mass destruction armament. Iran is considered as a menace because it is trying to break that monopoly. The monopoly benefits the US, and eventually, their Nato and Japanese allies. Why should the other peoples, the victims of the permanent war against them accept that monopoly over arms?

Therefore the challenge today is to fight these 5 monopolies. And the conditions for the success of their fighting do exist.

But this struggle do indeed conflicts with the political choices of the ruling classes of many countries of the peripheries today.

Yet a number of countries including China and India today can challenge those monopolies. Provided the ruling powers get rid of the illusion of moving ahead within the logics of global capitalist expansion. A pattern of development which would reduce the effects of the monopolies of imperialist powers needs a very strong and popular support. Therefore, for a country to be strong today, it has to have a social system which is based on a national popular strong basis.

Now I shall go into the history of the Chinese world. The contrast between eastern Asia on the one hand and the Mediterranean/Middle East region on the other hand is enormous. On both sides, civilization started very early. These are a family of systems which shared a common major character i.e. that the surplus was extracted by domination of a political ideologized power. There were attempts to centralize the control of that surplus in the frame of empires. This attempt succeeded in China, but failed in the west, for better or for worse. In the west there was a succession of attempts to do it. The first – the Hellenistic period- was a purely ideological attempt, semi-military and political, joining the 5 major civilizations of the area (Egypt, Mesopotamia, Phencia, Persia and Greece). Second was the Roman Empire shifting to the west, but with a strong basis in the east. Third one was the Islamic Califate, the orthodox Empire of Byzance and then after the Ottoman Empire. These Empire have achieved brilliant successes but only for short periods. A long preparation but a short time of success followed by long declines; a succession of abortive attempts to move beyond the old system towards the invention of capitalism.

This final pattern which achieved that jump crystallized the political ideological pattern with the European Renaissance and some time later the Enlightenment. The despots of the Enlightenment were very admirative of the enlightened despots of China.

In China the private property of land was not established and access to land for the majority of peasants continued to be ensured. That implied a very different pattern of development based on intensification of production, higher productivities and so on.

China moved out of its pattern of religious state (Buddhist) and created a semi secular state 5 centuries before the Europeans at the times of the Sung and Ming. China moved into that through a re-interpretation of Confucius thoughts which was not totally honest but efficient. Another pattern of capitalism started there. It was far more developed than the European until the industrial revolution.

**Professor Samir Amin's Lecture 2**  
**12/8/2008 afternoon**

**Imperialism, Nationalism and Socialism**

I am very happy to be with you this afternoon. Thank you for your support and the organization which gave me this beautiful opportunity of meeting young people or activists of social movements.

I want to go straight forward into the question of "Is there an alternative to present capitalism?" and "Are those movements of different nature which are happening everywhere in the world building the alternatives?". What are their strengths, weaknesses, limits, contradictions and achievements?

To summarize in a short way, my view of the challenge is:

1. The present system of capitalism is not sustainable, not acceptable and not accepted. There are movements which are protesting and resisting everywhere. But until now, these movements remain basically on the defensive. An alternative means moving towards common strategy with common goals which can change the balance of forces in favour of the fundamental popular classes.
2. Movement has to move from defensive to offensive; that is not to wait until we're cornered by that system. In order to discuss the matter, we ought to know what the visions of that system are. What is this system? To say that it is capitalist is correct, but it is so general that it is not very helpful and not enough. My first point is that this is a capitalist-imperialist expanding system in the sense that capitalism from the very beginning went on conquering the world and that really existing capitalist system has always been, and is and will continue to be imperialist in the sense that it has created a fundamental inequality between the dominant centers and dominated peripheries.

Two centuries ago, the maximal difference between the most and least developed places in the world measured by GDP was 1 to 1.3; that is a very small difference. Until the early 19<sup>th</sup> century, unequal development was continuously challenged and "catching up" for the least developed was possible. Today, after 2 centuries of mature capitalism which expanded after the industrial revolution, the ratio became 1 to 60. Fabulous! Therefore so-called underdevelopment, poverty and so on are not backwardness. They are the product of expansion of capitalism.

We don't really understand the challenge if we don't discuss and agree that it is capitalism which has created the gap.

This gap, this increasing gap has been produced by successive stages of imperialist capitalism expansion for 5 centuries. Each period has its own characteristics and we are entering a new stage of a new period of that continuous capitalist expansion.

From industrial revolution to the beginning of the 19<sup>th</sup> century and World War 2, the center-periphery contrast was synonymous to the contrast between industrialized imperialist dominant centers and non-industrialized peripheries. This contrast was built through the political domination of imperialist powers over dominated colonial and semi colonial submitted peripheries. Those peripheries, or some of them, could have developed by themselves if they had been allowed to do so. For instance China, was an advanced pre capitalist society and had started modernizing five centuries before Europe. Another process of capitalism could have developed there.

During that period of one and a half century, the response to the challenge implied moving towards industrializing. The colonial order not allowing industry was not accepted, it was imposed, including by military threats and conquests. Now, that page is over, in the sense that the struggle of the people under the flag of socialism (started with the Russian and Chinese revolution) or national liberation, or under a mixture of the two, have compelled for a time, from 1950 to 1980, imperialist capitalism to adjust to a change and accept the industrialization of the newly independent peripheries. During that period, it was imperialism which was compelled to adjust to the national independent program of development and eventually to socialism.

This second phase was a phase where the people of Asia and Africa achieved a lot and made tremendous progress. Enormous social progress was achieved even without democracy, but with limits and contradictions, which led to the downfall of the Soviet Union, the move beyond Maoism in China, the end of national liberation radical movements in Asia and Africa. These retreats prepared

the ground for a counter offensive of capitalist imperialist expansion.

We are now in a new period. During the previous phase imperialism was compelled to adjust by creating new basis for continuing unequal development. This basis can be summarized into 5 monopolies aiming at : monopolizing technologies; monopolizing the access to natural resources; monopolizing the controls over international flows of finance capital; monopolizing communication, cultural politics, means of communication through televisions and so on; monopolizing mass destruction armaments. To say that we have moved from imperialism into post imperialism period is simply non sense.

There is something else new. Until World War 2, imperialism did not exist as a unified camp. There were imperialist powers in deep and constant conflict among themselves to control the global system. There were continuous wars among themselves. Now we are facing a united camp, that of the collective imperialism of the triad associating the US (plus Canada and Australia), Europe and Japan.

The present world system is not governed by corporations. It is governed by the oligarchies of imperialist capitalism. The imperialist powers are acting collectively in the frame of that triad, through their military alliances. These are new different dimensions of the challenge.

The counter offensive of capitalist was successful for a short period, from 1990 to 1995. It was a moment of complete breakdown of socialist dreams and dreams of independence. This led to the despair of people. Socialism and development appeared as having been illusions. People accepted the idea that there was no alternative to capitalism.

Yet people started again moving into struggles against the new imperialist system. We saw a renewal of social struggles. These social struggles started from defensive attitudes. People who had lost their jobs started a struggle for employments. People fought for re establishing suppressed public services. New dimensions of struggles appeared such as the demands of women, the demands for the protection of natural resources. This diversity created a new panorama associating many movements. Almost all those struggles and movements are perfectly legitimate. What they demand is not irrational. It is part of the change needed for a human society. Yet the majority of those movements remain on defensive positions. What is to be discussed is how to move ahead from defensive to offensive positions in order to produce alternatives. Building convergences between all those movements, identifying some common political targets, and organizing ourselves in that perspective.

When we move from a period in history into a new period, the forms organization which had been efficient in the past appear losing their efficiency. New forms of struggle and organization need to be invented.

The old forms of organization were structured basically around the construction of the party, considered as the major class organization. Adequate forms of struggle were identified : elections, programmes of reforms, strikes and demonstrations, rebellions and even revolutions if needed. These forms of efficient action had also their respect for democratic traditions, but within the limitations of the time.

It is for this reason that some say to day that they don't want to hear any more of "Socialism". Those focus on the need to respect the autonomy of the struggles. This demand is not a bad thing. Each movement considers itself as independent from the others. The struggles should produce the good result without attempting to construct it consciously. So they say. I do not share that view. We have to move away from that "movement fundamentalism" and develop strategies aiming at building "convergence with respect of diversity".

We hope that the network of the World Forum for Alternatives will contribute to making that convergence along with diversity possible.

### **Professor Samir Amin's Lecture 3 14/08/2008 Morning.**

My first part is about the access to land. Reminding people that we are moving towards 7 billion people living on this earth, more than 3 billion, close to half, are still peasants. They are not

agricultural farmers with modern technologies. In social democracy, the common thought is that the peasant question is being gradually solved by the development of capitalism. This is a generalization of the pattern of what indeed happened in the capitalist centers of the world. This development was based on the destruction of the feudal order in the case of Europe. It gradually shifted to private property of land becoming a commodity. This shift took a few decades, and to the benefit of a variety of people, from big landlords of aristocratic origin in some cases, like in England or in Germany; or to the benefit of middle peasants, as result of the French Revolution, exported to a number of areas in continental Europe. Anyway in one form or another, the system shifted to private property. And the shift to private property led to modernization of agriculture. The new land owners, whether big or medium, introduced mechanization, fertilizers, gradually of course, slowly during 19<sup>th</sup> century, and at a fast rate during the first half of the 20<sup>th</sup> century in Europe. In North America, the original population of aborigines, the Indians were exterminated, and the land was taken over by small but not very unequal settlers. That was also the case in places like Latin America; it was the case also in a variety of forms in South Africa. Now, that pattern also led to, first, a massive expropriation of the right to have access to land of the peasants.

Marx's first political writing in 1840, was in defense of the collective rights of peasants of Western Germany to have access to land, forest, cut the woods for their needs and so on. They were dispossessed by the private properties established as a result of the French Revolution, exported to Western Germany at the time of Napoleon. This was his first writings. He was an advocate of the peasant community against the new owners, and, as a result he moved to the left. Marx understood that this appropriation of land was a social disaster.

Now, where did those former peasants go?

Firstly, and this is the general discourse of capitalism in defense of the system. they did find their place in the new economy; urban, industrial and service economy, which was developing to the benefit of all finally, because the new urban economy provided higher levels of productivity. So they were finally absorbed. That is half of the truth. The truth is that, on the one hand they indeed were absorbed but in terrible conditions of living, and with over-exploitation: 16 hours of labour including labor of children, no housing, no water, etc. That was for a long period, so it was not a beautiful transition before the end of the 19<sup>th</sup> Century. Here again, in 1845, Engels described and analyzed the conditions of the working class of England. We should also remind that at that time the industrial technologies were labor-intensive, and therefore could absorb migration from the rural area on a large scale. But on the other hand, the new industrial modernization could not absorb this enormous mass of dispossessed peasants. Many of them had to migrate out of Europe. And this migration was not a marginal phenomenon.

In 1500, the population of Europeans, and there were very few Europeans outside Europe, represented 18% of the global population. In 1900, Europeans and people of European descent represented 36% of the global population that is proportionally the double. The population of Europeans descent became as much as the Europeans who remained in Europe. That means that historical capitalism, really existing capitalism, could not exist without a gigantic out migration of a high proportion of peasants dispossessed by this process. That means that this pattern cannot be generalized, and that the countries of today cannot reproduce the same pattern of dispossessing the peasants. First because industries today are far more capital intensive and much less labour intensive than they were a century ago. And if we are asked to be competitive, we cannot establish industries with technologies of the early 19<sup>th</sup> century; we have to go straight forward to modern technologies, which can only absorb a very small proportion of the present peasant population. Second because the success of modernizing through capitalist methods would require massive out migration of the excess peasant population. Now, we would need 3 or 4 Americas to receive 3 or 4 billion migrants from China, India, South-east Asia and Africa!! This massive out-migration is needed in the logic of historical capital accumulation.

The European pattern is not valid for the people of Asia and Africa. And therefore, this road, the capitalist road, is closed to us. And to say that we should do as the Europeans have done; move towards private property of land, towards the dispossession of the growing majority of the peasants and modernizing agriculture and having a surplus population going to feed the new modern development, is simply meaningless.. That is a very fundamental point.

To indicate how dramatic is the overlooking of what is really existing capitalism, we have just

to see the devastating effects of the idea of reproducing the western pattern of agricultural development in the contemporary South on the left. In that respect I invite you to refer to the writing of Kautsky, who was a major respected intellectual and political leader of the Second International. Kautsky wrote in 1908 a famous book titled *The Agrarian Question*, which was the bible for social democracy of all the most advanced workers parties of the time. The path of dispossession of peasants through private property of agricultural land; that is the capitalist road was not questioned. It was looked at as the only progressive road to modernity. It had to be repeated everywhere. Even Lenin, who later was critical of the Second International, did not criticize the book of Kautsky on the *Agrarian Question*. That shows how deep the conviction of that there was no alternative was. The first different approach to the problem was submitted by the communist party of China. This is fundamental. What we are having presently beyond China (and Vietnam) is simply the continuation of the process of privatization of agricultural land, which did start in the peripheries in different ways in the 19<sup>th</sup> century and more even in the 20<sup>th</sup> century.

The move from collective use and access to land to private property was gradually introduced everywhere or almost in colonial Asia and Africa. In some cases such as India, this process has been beautifully analyzed by the best historians and intellectuals, such as Amiya Bagchi who showed how the British did upgrade the people who were in charge of collecting taxes from the peasant communities into private owners, creating in that way a new class of big landlords in Northern India.. In some cases as the Ottoman Empire, and I refer to Egypt who was in the vanguard of that change, the Khediv introduced similar changes in order to establish a new landlord rich class to support his policies of modernization. And that is how Egypt moved into the world integrated capitalist system, as a producer of cotton for British industries provided by big landowners of aristocratic descent. In different ways, that was a pattern which developed throughout Latin America, particularly in the Southern cone, South Brazil, Argentina, Chile, and to certain degrees, in Mexico. But it was resisted in the areas where you had a majority of “traditional” Indian communities.

But in tropical Africa, south of the Sahara and north of South Africa, a variety of patterns of traditional access to land for all peasants were apparently maintained, but in fact distorted in order to adjust to the needs of global capitalism. There, the former patterns of access were maintained, but distorted.

The former “traditional” patterns of access to land did associate peasants’ production of food for themselves and for the ruling class. These patterns were formally maintained by colonial powers but were distorted to be integrated in the global capitalist system which requested from the peasants an extra surplus available for export such as coffee, tea, cotton, peanuts etc. The peasant communities were able to meet this demand through their providing additional labour. They continued producing their own food guaranteed by their access to land. One can say the export surplus was produced at a zero price, but not zero effort. Zero prices as long as the peasants could continue to feed themselves, making possible sales of their export surplus of specific products at very low prices. The price was based on a calculation of zero cost for the access to land, almost zero cost for labour, and therefore reduced practically to the cost of collecting and transportation. But the political hierarchies which were needed to reinforce that system and guarantee a political alliance between dominant imperialism and conquered countries were established in a variety of forms.

Those patterns were maintained until relatively recently, after World War 2. These patterns of organization of access to land, excluding private property, maintaining, but in a distorted way, forms of previous rights of access to land did work in the sense that it prevented the growth of a massive out-migration from the rural area. This is why those countries remained almost exclusively rural. There were very few areas which had an urban population of more than 10%. So the system could work, and could cover the minimal demand of labour for the new urbanization, new mining, new transportation and commercial activities.

After World War 2, this system started to change, and it is now accelerating.

The new policies aim at accelerating capitalist expansion; and therefore accelerating privatization of agricultural land quickly, which in its turn lead to an out-migration out of the rural areas on accelerated path. This is what is being requested. Therefore, that surplus of population must go elsewhere. This process has started 50 years ago, and has lead to the constitution of big towns in the south, in Asia, Africa, and Latin America. Towns of more than one million were very few before. In the meantime, within half a century, they have appeared on a large scale everywhere. Now there are



gigantic towns of 25 millions. Enormous urbanization. What we see, is that the growing majority of those urbanized, are not and cannot be absorbed in any significant modern productive industrial and service activities. These populations move to shanty suburbs, nothing else. And this is accelerating in many places. This explains the pressure for out migration. That is the only real result of moving to private property of agricultural land. Now, one can make a calculation, very simple. Assuming even an extravagant high rate of growth of urban industrial and service activities for 50 years, based on modern technologies, such as 7% gross growth along with 2% growth of productivity, that pattern of development could not absorb more than a third of the rural population as it is presently. We cannot escape the conclusion : capitalism is unable to solve the Agrarian problem. That is my conclusion. That is what conventional economics has never recognized.

The first political force to recognize it was the Chinese communist party. And therefore what happened with the victory of revolution was maintaining the access to land of all peasants by not making an agrarian reform distributing, even equally, land as private property for the peasant families.

The land remained formerly property of the state. With access to it, theoretically equal, to all peasant families living in the village. Only 2 countries in the world, China and Vietnam, have such a system. The idea of moving to capitalism through private property of land will not help solving the problem, but would be a dramatic no response to the social challenge. This major success and achievement of China and Vietnam is now menaced in both countries by liberalism. Yet, until now, China and Vietnam have resisted.

When we compare two important areas of the globe - the Chinese world on the one hand and the Mediterranean /European region on the other hand -we do find a gigantic difference that appears between them. That difference started early, from the most ancient time until modern times. In both areas the tribute was pumped out of production by the ruling classes. But this was operated successfully on a large scale, in the frame of a large state in the case of the Chinese empire. While it did not succeed in the Mediterranean/ European area where the establishing of large state was a long succession of abortive attempts. The first attempt goes back to the Hellenistic period of Alexander the great. And then it moved a to the west, to the Roman Empire, which co existed with the Tang in China. This Roman Empire did not survive very long. It was disintegrated, and afterwards reappeared under the flag of the Moslem Califate and later the Ottoman Empire. All these Empires were short-lived. The process finally moved into what was historical capitalism starting in small parts of Atlantic Europe and then expanding in western and central Europe. The process was associated with the privatization of agricultural land and also massive migration.

If we look on the other side, the empires were accompanied by religion, Christian, Muslim and Buddhist.

The historical process to modernization in China was different. Through a re interpretation of Confucius, China entered modernization very early. The ideas of modernization were all there, and that was accompanied by something that was different from the pattern of the west. The pattern of access to land was different. For sure access to land was not equal for all, and even questioned from time to time. In Europe, it moved towards privatization. In China, it moved a little towards privatization, but finally the access for all peasants was always maintained. That led to a pattern of agricultural development which was very intensive, including labour and technology. All the good historians recognized that. Chinese and western historians both recognized that the Chinese agriculture was far more productive than the European.

In Taiwan, the rural population is now a minority, and Taiwan has achieved a successful modernization of its agriculture, moving from peasant traditional Chinese agriculture to modern farmers, closer to the Japanese and European models of intensive modern agriculture. This success produced higher standards of living, less poverty, and created better conditions for more democracy. Yet this pattern is now in crisis. It's not sustainable.

I move now to the second part of my lecture and shall consider the present food crisis. This crisis is the result of the acceleration of privatization of agricultural land during the last 30 years. That has led, within 30 years, some countries becoming totally unable to cover any significant proportion of their food needs, compelling them to import them . Additionally the rural areas are surviving at lower level of food consumption; suffering permanently from semi famine. Good and honest conventional economists recognize the fact but that is not enough as long as they do not understand that

privatization of land must lead to those results.

We are not living in a market economy. We are living in really existing capitalism which is capitalism of oligopolies. That is, a far more centralized pattern of private property in all the dominant spheres of production than it was only half a century ago. Add to that “unfair” trade for agricultural commodities. This is a central issue in the WTO negotiations or, I should say “para negotiations”. In this respect WTO aims at forcing liberal recipes on the global level. “Technically”, the debates are presented as a question of subsidies to agriculture which are classified by experts in 3 categories with different colors: red, blue and green. Red are those subsidies which are considered dumping practices in international trade, green are those subsidies assumed to having no effect on export, and blue is in between.

The World Bank denies the right of nations to ensure their food sovereignty and replace it by the concept of “food security” which is the capacity to produce locally or alternatively to pay for the importation of food.

The main battles concern access to land on the one hand, and on the other hand national food sovereignty. Food sovereignty in its turn implies the legitimization of protection of agriculture. Therefore these should be the two strategic targets for the radical left at the world level: access to land as equal as possible in all countries of the south who have still a peasant agriculture, national macro policies guaranteeing food sovereignty.

#### **Professor Samir Amin’s Lecture 4 14/8/2008 Afternoon**

I shall focus first on the issue of the organization of labour in the processes of production. There are periods in the history of capitalist where trade unions are relatively stronger. Capitalists are then compelled to negotiate seriously and make compromises with the working classes. There are periods in which the positions of the working class are weaker. We are in such a period.

We ought to question ourselves why it so ? what are the objective frameworks which create favorable or non-favorable conditions, and how the working classes can respond to the challenge.

In the countries of the imperialist triad, 50 years ago, the working classes enjoyed almost full employment, at least were not seriously menaced by unemployment; and large segments benefited from a number of social rights as well of an acceptable level of wages. The proportion representing that relatively “stabilized working class” was high : 80%. The non-stabilized, those in precarious places, not benefiting from same advantages, were a minority. And that minority was basically women.

In the periphery at that time, 50 years ago, we had the following proportions in the peripheries: 50/50. That is a larger proportion of non-stabilized working classes, with lower living standards.

These were conditions, objective conditions which did create a good frame for strong organizations, particularly trade unions, strong political left parties, social democrats etc. They could therefore develop forms of action which proved to be efficient.

We cannot separate the fact that trade unions were strong, and that they had an ideology. They also had a long run vision. They were not there just to defend the rights of a group of workers. They were part of political life. This is why they were strong.

These objective conditions were not inherited; they were created by struggles.

Now we are in another period; in a sad period. If we look at the figures now around 2000, and on the basis of the same definitions of “stabilized” versus “non stabilized” working

classes we find that in the centres, the proportions are 50/50, or perhaps even 60/40. That means that the proportion of non-stabilized working classes has grown considerably. Among non stabilized there are more women than men, and more migrant workers. Yet precarity also affects the nucleus of traditional, stabilized industrial and service sectors.

At the same time, we see not only the trade unions weakening, and the political left party, social democracy moving into a crisis, abandoning any long run vision, turning into social liberals who “adjust” day by day with no perspective. Simultaneously, we see movements moving out of the frame, spontaneous and fragmented.

What I derive from this is that there is a need to promote unity of the labor classes in order to create proper conditions for further social advances. That would need a sense of class and identification of objective real demands. We are facing many problems. Trade unions have to move ahead in an inventive way. They will keep on weakening if they just stick to the defense of the rights they had conquered which are now menaced. If trade unions remain on a defensive position, they will be defeated gradually. Is it possible to move towards offensive positions; to identify a theoretical political way to move ahead, identify steps and immediate demands ? as well as targets for medium term such as how to give to the working people a real say in economy decision making at all levels from labour place, companies, townships, countries ?. Is it possible to restore the legitimacy and credibility of the long term target : socialism ?

If we look, for instance, at the European trade union, it is a catastrophe. Within the European Union, the confederation of the trade unions is becoming a kind of lobby, not much more than that; a lobby to defend a number of positions.

But we do have elsewhere some indications of progress. In Argentina for example we have on the one hand formally strong trade unions inherited from Peronism, now under control of bureaucraties. But we have also new TU, democratic, which reacted positively to the new challenges by creating a new pattern of organization which brings together the employed and unemployed, around collective concrete demands. That is one of the experiences to be looked into more carefully.

The last topic is on education. Education is not a commodity. It's a common good for a nation. Therefore it must be free. It has a cost, but the cost must be paid by the employers, by the state and not directly by those who benefit from the education. The quality and level of education is determinant in the productivity in the social labor. Productivity of labour is collective and social before being individual. That observation is fundamental when we deal with the problem of education. That leads also immediately to the questions related to the content to be included in education. Education for what ?. Here we have to consider complementary contradictory targets. Education to produce citizens who are able to understand what is really the society in which they live ? what society they want ? Education therefore aiming at providing to the citizens a capacity to be critical. But we need also education for training producers and consumers. We need to meet both demands. We need citizens, producers and consumers. Therefore we need a combination of those targets similar for everybody. In the US pattern, you have small elite schools and universities which prepare a minority of real citizens on the one hand and mass education which simply train people to be producers and consumers, not citizens on the other hand. We need another pattern of education and find the ways to associate for all the development of critical mind and the capacities to operate in the productive system; the same for everybody, at any different level. 50 years ago, an important international organization of teachers had been created to that effect. It seems that this organization has lost its strength. We have now a fragmented set of trade unions and organizations of teachers, which are for sure conducting struggles, but their ideological background and targets are unclear.