CHINESE IMPERIALISM FILLS THE VOID LEFT BY AMERICAN IMPERIALISM

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Consequences of American fall back

Beyond the anti-Chinese verbiage of Trump and its government, all the practical steps taken in its foreign policy have done nothing but preparing the ground for Chinese imperialism to progressively increase its influence in many of the areas and sectors where American imperialism had historically been more influencing.

The policy of imposing custom tariffs and blocking companies has been a shot in one's foot, because of the consequences it has had regarding the American industry itself. Additionally, this policy hasn't been able to gather any support from the international bourgeoisie, since it negatively influenced the general commodity exchange, resulting even in the WTO declaring it illegal in September 2020.

The entrance of China in the WTO on 2001 formally completed its integration into the world market, from which it shares an increasingly bigger part of its industrial production from even prior to that, as we have thoroughly developed in previous issues of this revue. The entrance into this organism (clarifying for whomever still had any doubts regarding the capitalist nature of China) was greatly celebrated by the international bourgeoisie, which hoped to be able to take advantage of the opening of the Chinese market. However, as the Manifesto of the Communist Party states, *"the cheap prices of commodities are the heavy artillery with which it batters down all Chinese walls, with which it forces the barbarians' intensely obstinate hatred of foreigners to capitulate"*, and the history of those last 20 years of Chinese presence in the WTO has instead been the history of its raise as first industrial power of the planet and of the battering down of the walls of the West and the world because of the cheap prices of their commodities.

The American bourgeoisie, following Bush's proposal on 2008 that was picked up by Obama's government, had attempted to block the increase of Chinese influence in Asia with the Trans-Pacific Partnership (TPP, later on CPTPP) signed on 2016 with several countries of the Pacific area. Once in the White House, Trump rolled this plan back, retreating from this treaty that didn't even have the time to be practically implemented.

However, the need of the countries that integrated this agreement to stretch their trade ties in order to try to find a way out for their products didn't cease to exist. Thus, on November 2020 the parallel Chinese project, RCEP (Regional Comprehensive Economic Partnership), which includes more or less the same members of the Asian Pacific part of the CPTPP, including Japan, South Korea, Australia and New Zealand, was signed. A trade agreement which includes 30% of world GDP and population, and from which the USA is excluded. Once this trade deal of tariff reductions was reached, the Chinese government could not wait to say that *"it could study the possibility of becoming a member of the CPTPP, the successor of the controversial TPP, a trade agreement that groups Asian and South American countries in the other oceanic shore, the very same that Obama's administration promoted in order to exclude China (and from which finally Trump decided to withdraw)."* (La Vanguardia, 20-12-2020).

That is, the protectionist anti-Chinese strategy has practically resulted in an increase of the influence of China both at regional and world level, and in the USA giving in their terrain without even fighting, which is why a part of the big American bourgeoisie has taken the State decision of evicting puppet Trump from the White House.

We have shown in the work *"Development of the economic force relations of imperialism"* published in "Per il Comunismo" #3 and reproduced in the issue #65 of "El Comunista", the economic reasons that determine the fall back of the USA of which Trump's current is a reflex and consequence. In the review in "El Comunista" issue #43 (2004) we stated: *"Which is going to be the attitude, the strategy of the US towards China-Asia? Are they going to follow the English strategy regarding the US during the twentieth century of progressively giving in the domain? Or, on the contrary, they are going to prepare themselves and the military clash of both powers will come in a close and medium-range future? Answering this question is not an easy task, it is not a matter of opinions or of just talk for the sake of talking. It must be the scientific and organic answer of the Party, an answer based upon a scientific ANALYSIS of all the past and present (yesterday and today), of the economic, political, diplomatic and military history of the capitalist system at an international level."*

In general terms, the previous current (both republicans and democrats) represented the tendency towards the second option whereas Trump's current has attempted to impose a turn towards the first one.

But this is NOT a matter of the will of each puppet, current or fraction of the bourgeoisie! The fall back of the US and the expansion of China is determined by the inexorability of the laws of capitalist production to which the US bourgeoisie cannot resist. Coming back to the previous strategy and the outcome that the US bourgeoisie can receive from it will be determined by these material facts: the fall back will continue or the return will be implemented in much inferior conditions. In any case, at the expense of the sacrifice of the material conditions of the American petty bourgeoisie and working aristocracy and an intensificaton of the exploitation of the proletariat.

China sets the pace at a technological level in spite of the blockades

Another front in which the US is trying to block China, without significantly succeeding, is that of the new technologies that China controls and specifically that of the 5G. The US has only succeeded up till now in dragging towards Huawei's veto the United Kingdom, Sweden, Poland, Japan and Australia (it must be reminded that the latter has however joined the RCEP, and therefore the veto will most likely not be hold for long). Regarding India, which has not joined the RCEP, it first was reluctant to block Chinese technological companies on December 2019, later on it forbid them in fact on August 2020 but it has however included Huawei back in the working groups for the deployment of 5G. This hesitant attitude is explained by the fact that, in spite of the clash between China and India (Kashmir, border clashes at the Himalayas, support to the anti-Chinese attacks of Balochi independentists against the expansion of Chinese infrastructures in Pakistan), the technological dependence in this field is very high. Hence, many others try to reconcile both elements establishing certain limitations but not completely blocking Huawei, because of the fear that, facing the lack of any other alternatives that really offer the same speeds, they may fall behind in this technology. Besides Huawei and other Chinese companies, everything points to the fact that only the South Korean Samsung would be currently able to compete in this field, whereas other companies, like the Swedish Ericsson, try to catch up. Even when the US – or the rest of imperialisms – flees from China, it has to rely on Samsung (South Korea), a country that has recently also joined the RCEP.

The blocking actions instigated by the US have had an impact on Huawei to start with: *"The company sold in its country during the third trimester 34 million smart phones, 18% less, due to raising component supply problems appeared as a result of the harshening of the trade veto of the US on September."* (Expansión, 24-10-2020). The US blocks today the component supply and, thus, it only succeeds in forcing China to produce them itself, making it dialectically more difficult for future vetoes and blockades.

China has placed as Secretary-General of the United Nations Telecommunication Agency a Chinese responsible and has the dominance in "smart city" projects (artificial intelligence and facial recognition included).

The Chinese market itself is also noteworthy: *"Shenzhen has positioned itself as* ***the first city in China to offer 5G network*** *at a big scale on a complete way, deploying* ***more than 46 thousand base stations*** *for five generation services,* ***a number that is comparable to the whole European continent****, (…) At the end of June, China had already deployed more than 410 thousand 5G base stations in the country and it is expected that Chinese mobile operators deploy more than 600 thousand 5G base stations before concluding 2020, according to a report of the China Academy of Information and Communications Technology (CAICT)."* (DPL news, 20-08-2020).

Hong Kong: an example of helplessness

The disqualification of four lawmakers in Hong Kong based upon "*the resolution passed by Beijing to allow the autonomous government to quickly dismiss the lawmakers that it considers to be a threat to homeland security*" (La Vanguardia, 14-11-2020) resulted in the helpless reaction of the mass resignation of all the opposition lawmakers in Hong Kong. To the helpless mass resignation of Hong Kong opposition, which was precisely what Beijing sought, this economical decision can be added: *"Chinese president Xi Jinping, announced yesterday a plan to promote the city of Shenzhen as a big innovation, finance and international trade center, Shenzhen could become an alternative to Hong Kong (…).*" (El País, 15-10-2020).

Shenzhen, right at the other side of the border with Hong Kong, with its more than 10 million inhabitants, is already a city bigger than Hong Kong itself. After having grown on the lap of the Special Economic Zone created there on 1980 by the government of Deng Xiaoping, it grew from a small fishermen's village to what it is now. How was this transformation possible? Through the exploitation of millions of proletarians forced to illegally emigrate inside China itself: *"The Chinese miracle rides on the back of the proletariat 'It is precisely in Shenzhen where there are most illegal immigrants in the whole of China: only 2 million of its 15 million inhabitants have hukou (…)'"* (El Comunista #47, 2008). Moreover, the increasingly bigger and faster interconnection of the whole area of the Pearl River Delta with all sorts of fast trains and means of transportation (including the 55-kilometer-long bridge between Hong Kong and Macao) turns every time more Hong Kong itself (with its 7 million inhabitants) into a small part of this megalopolis of more than 70 million inhabitants.

The defeat of the opposition in Hong Kong is simply a matter of time as long as in mainland China, and just right on the next corner, there are lots of alternatives to the services and companies that can be found in Hong Kong, including the financial hub that the Chinese government promotes 1.200 kilometers to the north, in Shanghai.

Hong Kong exportations are distributed as follows: *"The main destinations of Hong Kong are China (25.300 million dollars), India (16.000 million dollars), Vietnam (10.500 million dollars), Netherlands (7.050 million dollars) and Macao (6.260 million dollars)."* (https://commodity.com/data/hong-kong/).

"Since the reform and opening-up of the Mainland, its share of Hong Kong's global trade had increased significantly ***from 9.3% in 1978 to 50.8% (HK$4,268.9 billion or US$544.8 billion) in 2019****. It has been Hong Kong's largest trading partner since 1985.*

Hong Kong and the Mainland signed the "Mainland and Hong Kong Closer Economic Partnership Arrangement" (CEPA) in June 2003, providing tariff free treatment to all Hong Kong-origin goods meeting the CEPA rules of origin. (…)

Hong Kong was the Mainland's third largest trading partner *(after the US and Japan) in 2019, and their total trade value accounted for 6.3% of the Mainland's total trade.*

Hong Kong was the Mainland's second largest export market, *taking up 11.2% (HK$2,180.5 billion or US$278.3 billion) of its total exports in 2019.*

The Mainland has been Hong Kong's largest supplier in goods since 1982. The value of Hong Kong's total imports from the Mainland was HK$2,058.1 billion (US$262.6 billion), accounting for 46.6% of Hong Kong's total imports in 2019. (…)

The Mainland was Hong Kong's second largest source of inward direct investment. *At end-2018, investment from the Mainland accounted for about 26.8% or HK$4,121.6 billion (US$525.8 billion) of the total stock of Hong Kong's inward direct investment. (…)*

Hong Kong was the Mainland's largest source of realized foreign direct investment, *accounting for about 54.0% of the national total as at end-2018, with the cumulative value reaching HK$8,616.6 billion (US$1,099.2 billion).*

Hong Kong's investments in the Mainland concentrate largely in the Guangdong Province. In 2017, Guangdong Province's realized direct investment from Hong Kong exceeded RMB$110 billion, representing an increase of 7.4%. (Trade and Industry Department of the Government of the Hong Kong Special Administrative Region, June 2020, https://www.tid.gov.hk/english/aboutus/publications/factsheet/china.html).

The anti-Chinese movement in Hong Kong may be able to delay its absorption by mainland China depending on the support it receives coming from international bourgeoisies (and specially the Anglo-American one) but it will not be able to avoid it.

It is the integration of Hong Kong in China's networks which determines the helplessness of anti-Chinese opposition, the material facts of economy impose themselves.

Taiwan: excluded from the RCEP

Taiwan has been excluded from the free trade treaty (RCEP) because of China's decision to punish it due to its independentist whims. This movement is directed to subdue Taiwan as a condition to be able to have free access to a market of 30% of world's GDP. It is oriented also to corner inside Taiwan the (today governing) fraction that opposes reunification with mainland China and that promised its inclusion in the RCEP. In the more immediate term, however, it throws Taiwan to the arms of the US.

Foreseeing its exclusion from the RCEP, back in August, Taiwan lifted the ban on importation of pork and cow meat from the US and talks started to reach a bilateral trade agreement between Taiwan and the US: *"Fifty U.S. senators from both parties called on Thursday for President (...) administration to begin negotiating a bilateral trade agreement with Taiwan, part of a push by lawmakers for stronger U.S. action to counteract China."* (Reuters News, 01-10-2020). But what can the aged American economy whose debt does not cease to increase really offer? Can Taiwan really survive through US trade? Economic data show the contrary. Taiwan exports are distributed as follows: *"Top export destinations for Chinese Taipei are China ($97.4 billion), Hong Kong ($42 billion), United States ($41.6 billion), Japan ($23.9 billion), and Singapore ($22 billion)."* (https://commodity.com/data/taiwan/).

Exports to China, including Hong Kong, add up to 137,4 billion dollars, more than three times the exports to the US. But, additionally, both Japan and Singapore (whose exports are tantamount to those made to the US) are states that have just signed a free trade agreement with China (RCEP) from which Taiwan has been excluded.

Even though Taiwan is a distinctly exporting state, the analysis of imports is also not promising, the first five are all RCEP countries except the US: *"The top 5 countries that provide Chinese Taipei imports are China ($49.5 billion), Japan ($41.1 billion), the United States ($31.2 billion), South Korea ($20.6 billion), and Singapore ($10.5 billion)."* (https://commodity.com/data/taiwan/)

This economic and trade war has its reflection in the military parades of the contenders that for the time being have not gone beyond a war dance.

"Taiwanese forces perform this week their annual maneuvers called Han Kuang, where they rehearse how to reject an eventual invasion from China. The troops of the PLA have performed, on their side, several sets of maneuvers in the vicinity of Taiwanese waters and have flown planes in the proximities of the island." (El País, 15-07-2020).

Ever since the visit to Taiwan of the U.S. Secretary of Health and Human Services (the first US high officer since 1979) that was received by Chinese fighter jets flying into Taiwanese air space (see "El Comunista #64"), two more visits of high US officers have occurred. The last one, announced two weeks before the deposition of clown Trump as president, has provoked the following reaction of the Chinese mission in the UN: *"We want to remind the US that that who plays with fire can get burnt. They will pay a high price for their action."*

What happens is that, in this macabre dance, instead of folk costumes, the contenders accumulate weaponry:

If on July *"The United States will modernize the Taiwanese surface-to-air Patriot missiles, in an operation with a cost of 620 million dollars (540 million euros). (…)"* (El País, 15-07-2020), in October China parades the new missile Tianlei 500 which *"uses a laser guide and is capable of distributing submunition in the air"* and warns the US *"against the possibility that Washington performs new weapon selling operations with Taiwan."* (El País, 14-10-2020).

If the US would succeed in instigating a direct clash in Taiwan (or, with even lower probability, in Hong Kong), it could become the first act of the Third World War in Chinese territory, likewise the first two which occurred in European territory. In this case, the first act of this war would be the crushing of Taiwan (or Hong Kong) which would be used and sacrificed in an attempt to set the general fire, as it happened in Georgia in 2008.

For this reason, neither China nor Taiwan are interested in an open clash, in spite of the military acrobatics and bravados, whereas the US will attempt to throw as much fuel to the fire as it can. The increasing integration of Taiwan into China, its economic dependency from the RCEP countries and the process of economic fall back of the US make the clash even more unlikely.

But should the confrontation burst whether in Taiwan or in Hong Kong, we communists must and will have to call the proletariat of Hong Kong, Taiwan and the rest of the area (either Chinese or immigrant), to organize itself in an autonomous way, against all the warring fractions of the bourgeoisie and towards social revolution; which requires denouncing the FALSE SOCIALISM IN CHINA and the anticommunist nature of the so-called Chinese Communist Party, recovering class unionism and the organization in the International Communist Party.

From the analysis that we drafted of the advance of Chinese imperialism and the retreat of the American one it must not be interpreted in any case that Chinese capitalism gets away on the submission of its economy to the laws of capitalist economy and in particular to the tendential fall of the profit rate, that is, to the decreasing rhythm of capitalist accumulation as its development increases, as we have already exposed in the article *"Development of the economic force relations of imperialism"* in this very review.

The Left has always set down that, with the unification of the world market, the inter-war crisis would not leave any State out and what was stated at the end of the fifties about the young Russian industry can nowadays be stated about the already not so young Chinese industry: "*(…) when the word of the emulation and the peace finally unveils its economic content: **single world market**. Then the crisis will not leave any State out."* (The Course of World Capitalism in the historical Experience and in the Doctrine of Marx, 1958).

*"But if a crisis would come, as it will, not only will Marxism have won. The ferocious laugh of Stalin will not be able to sound behind the whistles of the first missiles anymore, but it will be of no use that, according to their dirty trend, Kruschev and colleagues curse against themselves. Through the curtain, turned into an emulative spider net, the universal mercantile crisis will also bite the heart of the young Russian industry. **This will be the result of having unified the markets and made a single one the vital circulation of the capitalist monster! But that who unifies the bestial heart, unifies the Revolution**, that after the crisis of the second inter-war period, and before a third war, could find its world time."* (Dialog with the Dead, 1956).