

The Two Faces of Capitalism and Left Options

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Introduction

Rightwing politics now dominate the globe. Broadly speaking, the Right can be divided into a US-centered rightwing bloc and a variety of anti-US rightwing regimes and social forces.



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Israel is a special case of a rightwing regime, allied with the US, which acts more independently to pursue its own colonial priorities and hegemonic ambitions.

The *anti-US rightwing* includes *capitalist* China and Russia; the nationalist, Islamist and secular republics of Iran, Syria and Lebanon; and the armed and civilian Islamist mass movements of the Middle East, East and West Africa and South and Southeast Asia.

Leftwing governments and movements, faced with the competing and conflicting rightwing power centers, find themselves having to operate precariously in the interstices of global politics, attempting to play-off one or the other. These include the center-left regimes and movements in Latin America; anti-capitalist opposition parties and trade unions in the EU; nationalist-democratic movements and trade unions in North and South Africa; nationalist and populist movements in South Asia; and a broad array of academic leftists and intellectuals throughout the globe who have little or no direct impact on the direction of world politics. A number of supposedly '*Left*' regimes have capitulated to the US-EU bloc, namely *Syriza* in Greece and the *Workers Party* of Brazil.

In sum, the major conflicts in the world are found between competing capitalist centers; between rising (China and Russia) and established capitalist blocs (US and EU); between financial centers (US-England) and primary export states (Africa, Asia and Latin America); between dominant Judaic/Christian and emerging Islamist states; and between imperialist states and occupied colonized nations. We will explore the nature of each form of right-wing conflict.

The Nature of the Conflicts between the Rightwing Regimes

Despite their common capitalist basis, the conflicts between Rightwing regimes are intense, violent and enduring.

The *US-centered Right* has annexed former Soviet satellites in Eastern Europe and the Baltic and Balkan states. They have encircled Russia with their military bases, seized control of Ukraine through a violent putsch (color-coded revolution) and invaded Russian allies in the Middle East (Iraq and Syria).

The US has mobilized its EU followers to impose crippling economic sanctions on the Russian state and private enterprises in order to weaken its oligarchical ruling class under President Vladimir Putin, force 'regime change' and return Russia to the status of the pillaged vassal state under Boris Yeltsin (1990-2000).

Russia's capitalist state, dependent on the oil and gas industries and western investments and markets, has responded by building up its military defenses. Faced with a US-imposed economic blockade and the growing militarization of US clients on Russia's periphery, Moscow is finally developing local industries to substitute for EU and US imports and establishing alternative trading partnerships with capitalist China, India, Islamist Iran and the center-left regimes in Latin America.

The *US-centered Right* has sought to weaken China by encircling it through expanded military base agreements with Japan, Australia and the Philippines; and by promoting Asian-Pacific trade agreements excluding China. Washington relies on its historic military ties to counter its loss of Asian markets to rising Chinese economic exporters.

China, as the emerging Asian world power, has countered by deepening its trade, investment and financial ties with regional economies. Beijing is cultivating and formalizing trade and investment relations with the EU and Latin American economies. China has increased its defense spending and is constructing a series of offshore military installations to counter US military superiority in the Asia Pacific region.

In both the European and Asian regions of conflict, the struggle is between rival capitalist countries: On one side, there is the declining US-EU-Japanese regimes relying on ever more overt military expansion; while, on the other, China and Russia have turned to trade and economic expansion while fortifying their military defenses.

Both compete to influence the '*Left*', and the independent Islamist countries by intervening wherever possible in internal conflicts.

The Tactics of the Competing Rightwing Blocs

The US-centered bloc relies on various forms of political-military intervention in the politics of their Chinese, Russian, leftist and Islamic adversaries.

These interventions include:

(1) Fomenting ethnic conflicts, e.g. *Uighurs and Tibetans* in China; *Islamists and Chechen terrorists* in Russia; *Western-oriented liberals* in the Islamist countries; and *neo-liberals* in Latin American countries under leftist regimes.

(2) Outright military invasions in the Middle East and South Asia against Islamic and nationalist regimes, including the recent invasions and attacks against Afghanistan, Libya, Iraq, Syria and Yemen.

(3) Financing and organizing '*regime change*' via coups and street mobs in Leftist, nationalist and Islamist countries have increased in recent years. US-backed coups have taken place in Venezuela, Bolivia, Ecuador, Honduras and Ukraine; street uprisings have been financed and orchestrated by the US and its allies in Iran, Serbia, Georgia, Ukraine, Libya, Brazil, Ecuador and numerous other countries.

(4) Economic sanctions and exclusive trade pacts are directed against Russia, Iran, North Korea, Cuba, Sudan, Gaza, Syria and elsewhere.

The intent of US-centered bloc interventions is to weaken capitalist competitors, undermine Leftist and Islamist economies and convert them into political and economic vassal states.

The *anti-US capitalist bloc*, headed by Russia and especially China, has relied predominantly on economic aid, trade and investment to counter Western capitalist political intervention. They have arranged large-scale infrastructure loans and financed major trade agreements with less developed countries in Africa, Asia and Latin America and signed oil and gas agreements with the independent Islamic Republic of Iran and with energy producers in Latin America, especially Venezuela.

On the other hand, they have pushed military sales and loans for their weapon systems with Pakistan (South Asia), Egypt (North Africa), and Iran and Syria (Middle East).

The so-called, *BRICS* and China have organized new financial institutions as a response to the US – dominated IMF and WB.

Capitalist competition may provide some economic options to independent leftist governments, but it does not advance the class struggle. The reason is obvious: Each bloc pursues the capitalist strategy of enhancing market shares, increasing profits and exploiting labor and primary products.

The *Dilemmas of the Left* in a World of Capital Competition

The Left is not a major player in the current configuration of world power. It has a presence in governments and especially among mass-based opposition movements. The current rivalry among capitalist blocs presents opposition movements with options not possible in a unipolar world dominated by US imperialism.

If the Left chose to ally with a 'lesser evil' – Russian or Chinese capitalism would be the likely choice. While Leftists, who sign pacts with capitalists, may end up losing their own identities, when faced with a hostile US-centered bloc the survival of a Leftist regime dictates the need to take risks by establishing such ties.

The best option is to avoid any political alliance while seeking favorable trade and investment agreements to diversify the economy, trade and investment sources and provide 'negotiating' leverage .

Leftists under military threat cannot think of *self-sufficiency* but must concentrate on independence and options.

In today's almost exclusively capitalist world, the Left has to decide whether it makes sense to speak of progressive or regressive capitalist states or enterprises. They have to decide

which is the least regressive or repressive and dangerous economic bloc to deal with. They need to reduce the negative and extract the positive aspects from their negotiations among the competing capitalist blocs.

Criteria for Left Politics

In general terms, the left should choose to work with less militarist and more trade-oriented capitalist states because these are less prone to intervene violently on behalf of their multinational corporations or embark on 'regime change' campaigns against leftist governments, which have been elected to nationalize strategic assets and property.

For this reason Chinese-Russian capitalists are less malignant than those within the US-EU bloc.

Capitalists, willing to invest in minority shares of joint public-private enterprises, are better than those who demand majority shares and managerial control over strategic national assets.

Capitalists, willing to finance local research and development and transfer technology, are preferable to those who monopolize their technology in their 'imperial headquarters'.

Capitalists, willing to add value and invest in the local 'chain of production' make better partners than to those who simply invest in raw material extraction, exporting 'raw materials' and importing finished goods. China has been notorious in pursuing this model of naked 'colonial extraction', which does not advance the economies of the resource-rich countries. However recently, Latin American, African and Asian governments have started to demand that China invest more heavily in local manufacturing and processing sectors.

Capitalists who invest in infrastructure linking domestic producers to each other through a 'grid pattern' bring more long-term economic benefit than those who operate through a 'spoke infrastructure', where transport networks are built exclusively to foreign-owned operations in order to bring raw materials directly to export ports.

It is better to work with capitalists who invest in '*integrated manufacturing complexes*' with high percentage of local suppliers than speculators and capitalists who set up low skill assembly plants using imported parts.

All capitalists seek to maximize market shares and profits by securing tax breaks, finding sources of cheap, docile labor with minimal environmental and workplace protection and easy remittances of profits. The question for the Left is which capitalists are flexible and open to making concessions on these local issues?

Over the past decade, the US capitalist bloc has increased domestic inequalities, cut social expenditures and undermined labor unions and workplace protections.

For their part, over the past two decades, China and Russia have gone through a period of intense concentration of wealth, spiraling inequality, wholesale dismantling of social welfare programs and privatization of resources, banks and factories – all in the course of their headlong transition to capitalism. However, during the last 10 years, Russian workers have benefited from a substantial economic recovery and Chinese workers have secured double-digit wage increases – in contrast to workers in the West with shrinking incomes.

The Left shouldn't expect to find any expression of labor solidarity from either capitalist bloc but is more likely to negotiate concessions from the East, without the threat of military intervention or '*regime change*' it confronts from the West.

Clearly there are dangers in dealing with capitalists of any complexion or bloc: *US-centered capitalists* threaten financial destabilization; *Russian oligarchs* engaged in pillage and gangster-capitalism in their ascent to state power. Neither should be allowed easy entry and quick exit in any economic relations.

Conclusion

For Left governments, operating in a capitalist world, *there are no permanent allies; there are only permanent interests*. The distinctions should be very clear.

Foreign market-oriented capitalism, which increases the productive forces, creating value and raising the proportion of wage workers, can help provide the material basis for the state to socialize the economy – if it operates under strict control.

In contrast, militarized capitalism, like that of the US, poses a constant security threat and is a drain on the resources of any leftist government.

In an insecure world, and under the conditions of an unfavorable balance of power, it is best to tactically ally oneself with emerging capitalists, who may have their own reasons for opposing established imperialism. However, the Left must never give up control of their strategic economic sectors.

The *Chinese-Russian bloc* has its own set of oligarchs and billionaires, exploiters and speculators, but these are not accompanied by imperial state-directed street mobs and saboteurs, militarists and Special Forces.

Left governments should not idealize their relations with tactical allies. Russia and China have betrayed agreements with Left governments when they capitulated under threats and enticements from the US-EU bloc.

'*Agreements*', whether with tactical allies or strategic adversaries, should serve to expand and strengthen the social presence, power and influence of the working class in the economy and state. That should be the strategic priority for Left governments as they navigate in these treacherous waters.

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