

Theoretical Review of the Revolutionary Communist International Tendency



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# The New Cold War between the U.S. and China

PLUS: Revelations about the approach of the U.S. to the Assad regime US: Racists Attack Rashida Tlaib \* Telling Trends on China's Economy

# English-Language Theoretical Review of the Revolutionary Communist International Tendency (RCIT), New Series No.19, June 2019

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Revolutionary Communism is the monthly English-language journal published by the Revolutionary Communist International Tendency (RCIT). The RCIT has sections and activists in Nigeria, Zambia, Kenya, Pakistan, Sri Lanka, Yemen, Israel / Occupied Palestine, Brazil, Mexico, Russia, Britain, Germany, and Austria.

## "We Worried that the Assad Regime Might Finally Collapse"

#### New revelations about the approach of U.S. imperialism to the Assad regime

By Michael Pröbsting, International Secretary of the Revolutionary Communist International Tendency (RCIT), 15.05.2019

ne of the standard denunciations promoted by the obdurate supporters of Assad and Putin against the Syrian rebels has been that they have functioned as "CIA agents". The Greek KKE, for example, a leading force in the international maze of Stalinism, denied the popular character of the mass uprisings in the Arab world, including Syria, vilifying the revolutionary masses as "proxies of U.S. imperialism". (1)

Unfortunately, many Western progressive forces (including numerous, self-proclaimed "Trotskyists") that were initial supporters of the Syrian Revolution also later deserted the struggle by echoing that scurrilous claim that the rebels had become "proxies" of the West.

In contrast, the RCIT and all authentic socialists and democrats, have consistently rejected such slanders. We denounced the image of the Assad regime as "anti-imperialist" as a reactionary myth. (2) While criticizing the petty-bourgeois nationalist and Islamist leadership of the struggle against the Assad tyranny, we have always defended the Syrian Revolution as an authentic popular uprising. (3)

We have patiently explained that U.S. imperialism was not sympathetic to Assad. They viewed him as a Russian proxy. However, Washington had hoped for a coup d'etat from within the Assadist state apparatus that would replace the pro-Russian lackey with a pro-Western lackey. They were temporarily willing to lend some modest material support to small sectors of the Syrian rebels. But this was always both tentative and limited in scope. The U.S.

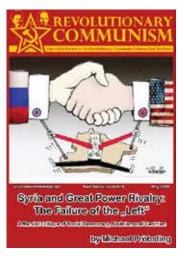
never seriously intended to arm the rebel masses nor dispatch troops to Syria in order to overthrow the regime. In fact, the number of U.S.-trained and armed fighters in the Syrian resistance movement was never more than a few hundred, at maximum, among a mass of 150-200,000 rebels (one U.S. general gave the number of 175). (4)

The real U.S. proxy has been the Kurdish SDF/YPG that has fought for years under the command of American imperialism. Unsurprisingly, this has not stopped the Stalinist sycophant, Assad, from cheering on the YPG! (5)

In contrast to the servile "left-wing" lackeys of Assad and Putin, the RCIT has always insisted that Washington viewed a successful popular revolution in Syria as a much bigger threat than the Assad regime itself. To head off such a popular revolution, U.S. imperialism collaborated with its Russian rival to pacify and disarm the rebels. (6) Washington also put the hard-line wing of the rebels, like HTS, on a terror list and repeatedly targeted their leading activists with assassination. (7)

Our analysis was recently confirmed, yet again, with the publication of the statement made by Andrew Exum at a hearing of the United States House Committee on Foreign Affairs on 9 May. Exum served as a deputy assistant secretary of defense for Middle East Policy under the Obama Administration in 2015-17. (8)

Exum observed that by summer 2015 Washington panicked that the Assad regime might fall causing major damage to the interests of U.S. imperialism as well as to the Zionist state: "[W]e worried that the Assad Regime might finally



## **Publications of the RCIT**

# Syria and Great Power Rivalry: The Failure of the "Left"

By Michael Pröbsting, April 2018

The bleeding Syrian Revolution and the recent Escalation of Inter-Imperialist Rivalry between the US and Russia – A Marxist Critique of Social Democracy, Stalinism and Centrism

Introduction \* The liberation struggle of the Syrian people against Assad retains its just character \* Against all imperialist aggressors! \* Old and new Great Powers \* The Ex-Stalinist turned social democrats: "God save the United Nations" \* The Stalinists (and some caricatures in Trotskyist camouflage): social-imperialist servants of Assad and Putin \* The Morenoite LIT, UIT and FLTI: the heart on the right place but not their brains \* CWI and FT: failure to understand the imperialist nature of China and Russia \* CWI / SWP(UK) / FT: refusing to support the Syrian Revolution \* Conclusion \* Footnotes

collapse – and do so quickly, in a way that would endanger U.S. interests, to include the security of the state of Israel."

The U.S. Administration was fully aware that Russia, its imperialist rival, viewed such a scenario with even greater worry: "It's fair to conclude that if we, sitting as we were in a five-sided concrete box in Washington, were worrying the Assad Regime might suddenly collapse, the Russians and Iranians – sitting much closer to the situation – were likewise worried."

As a consequence, according to Exum's testimony, Washington held regular meetings with Moscow to negotiate and coordinate their intervention in Syria: "[F]or much of 2016, the U.S. government engaged in a lengthy series of negotiations with the Russian military and intelligence services over the fate of Syria."

Naturally, this shared interest in preventing the Assad regime from collapsing did not extinguish the rivalry between the two imperialist Great Powers. As Exum acknowledges, Russia's intervention in Syria had the secondary purpose of strengthening its global stature in relation to its Western rivals: "It was Russia's way of saying to us, "You have your coalition, yes, but we have one as well. We are equal to you and deserve to be treated as a peer.""

These new revelations about the real intentions of U.S. imperialism in the Middle East demonstrate, once again, the idiocy of the Assad/Putin apologists who contradicted reality with their unending claims that U.S. imperialism was always on the verge of overthrowing the regime in Damascus.

Also revealed is the fact that precisely at the point when various self-proclaimed "Trotskyists" abandoned the Syrian Revolution, claiming that the rebels had become "proxies" of the West, that exactly in this phase (2015-16) U.S. imperialism was intensifying its collaboration with its Russian counterpart and intervened to safeguard the genocidal Assad regime!

This demonstrates, once more, that the task of revolutionaries remains, eight years after the beginning of the Syrian Revolution, one of supporting the legitimate popular uprising against the Assad tyranny and to coincidentally oppose the intervention of Russian, U.S. and all other imperialist powers. This merely illustrates the compelling truth that revolutionaries must base their intensified collaboration on a proper joint assessment of crucial world events such as the ongoing Arab Revolution.

#### **Footnotes:**

- (1) "It should be noted that the KKE from the very first moment, in 2011, denounced the intervention that has very serious consequences for the people of Syria and also for the people of the wider region. When bourgeois and opportunist parties celebrated the so-called "Arab Spring", our party exposed the organized efforts to fund and arm the so-called Syrian opposition by the imperialist powers." (Elisseos Vagenas: The Military-Political Equation in Syria, (Extensive excerpts from the article published in "Kommounistiki Epitheorisi", the political-theoretical journal of the CC of the KKE, issue 1 of 2016), <a href="https://inter.kke.gr/en/articles/THE-MILITARY-POLITICAL-EQUATION-INSYRIA/">https://inter.kke.gr/en/articles/THE-MILITARY-POLITICAL-EQUATION-INSYRIA/</a>.)
- (2) See on this e.g. Yossi Schwartz: The Myth of Assad's Syria as an Anti-Imperialist Regime, November 2013, <a href="https://www.thecommunists.net/worldwide/africa-and-middle-east/myth-of-assad-s-anti-imperialism/">https://www.thecommunists.net/worldwide/africa-and-middle-east/myth-of-assad-s-anti-imperialism/</a>; see also Yossi Schwartz: Victory to the Revolution in Syria! The second anniversary of the uprising in Syria, 15.3.2013, <a href="https://www.thecommunists.net/worldwide/africa-and-middle-east/victory-to-syrian-revolution/">https://www.thecommunists.net/worldwide/africa-and-middle-east/victory-to-syrian-revolution/</a>.
- (3) The RCIT has published a number of booklets, statements

and articles on the Syrian Revolution which can be read on a special sub-section on this website: https://www.thecommunists. net/worldwide/africa-and-middle-east/collection-of-articles-on-thesyrian-revolution/. In particular we refer to Michael Pröbsting: Is the Syrian Revolution at its End? Is Third Camp Abstentionism Justified? An essay on the organs of popular power in the liberated area of Syria, on the character of the different sectors of the Syrian rebels, and on the failure of those leftists who deserted the Syrian Revolution, 5 April 2017, <a href="https://www.thecommunists.net/">https://www.thecommunists.net/</a> theory/syrian-revolution-not-dead/; Michael Pröbsting: World Perspectives 2018: A World Pregnant with Wars and Popular Uprisings, February 2018, Chapter V, https://www.thecommunists.net/ theory/worldperspectives-2018/chapter-v/; Michael Pröbsting: Syria and Great Power Rivalry: The Failure of the "Left". The bleeding Syrian Revolution and the recent Escalation of Inter-Imperialist Rivalry between the US and Russia - A Marxist Critique of Social Democracy, Stalinism and Centrism, 21 April 2018, https:// www.thecommunists.net/theory/syria-great-power-rivalry-and-thefailure-of-the-left/

- (4) See on this e.g. Michael Pröbsting: How U.S. Strategists View the Syrian Revolution. Revealing Insights from some Documents of the U.S. Military Intelligence Establishment Another Confirmation of Our Warnings, 25.09.2018, <a href="https://www.thecommunists.net/worldwide/africa-and-middle-east/how-u-s-strategists-view-the-syrian-revolution/">https://www.thecommunists.net/worldwide/africa-and-middle-east/how-u-s-strategists-view-the-syrian-revolution/</a>; High-Ranking U.S. Delegation Meets Assad's Security Chief. How Big Gangsters and Small Gangsters Negotiate to Get a Deal, 30.08.2018, <a href="https://www.thecommunists.net/worldwide/africa-and-middle-east/high-ranking-u-s-delegation-meets-assad-s-security-chief/">https://www.thecommunists.net/worldwide/africa-and-middle-east/u-s-imperialism-wants-to-re-engage-with-the-assad-tyranny/</a>
- (5) See e.g. Michael Pröbsting: The Revelations of a U.S. General on Washington's Allies in Syria. Another Blow to the Stalinist Myths about the Character of Syrian Liberation Fighters and the Role of the Kurdish SDF/YPG, 27.10.2017, <a href="https://www.thecommunists.net/worldwide/africa-and-middle-east/revelations-of-u-s-general-on-washington-s-allies-in-syria/">https://www.thecommunists.net/worldwide/africa-and-middle-east/revelations-of-u-s-general-on-washington-s-allies-in-syria/</a>
- (6) See on this e.g. RCIT: Syria: Down with the Imperialist Geneva Accord! Stop US and Russian imperialist interference in Syria! No imperialist-controlled "peace" negotiations which can only result in a defeat for the Revolution! International Solidarity with the Syrian Revolution against the murderous Assad Dictatorship! 15.9.2013, <a href="https://www.thecommunists.net/worldwide/africa-and-middle-east/against-geneva-accord/">https://www.thecommunists.net/worldwide/africa-and-middle-east/against-geneva-accord/</a>; RCIT: Great Powers Aim to Liquidate the Syrian Revolution! Mobilize for International Solidarity with the Syrian Liberation Struggle against the Assad Dictatorship! Stop the US, Russian and French Air Strikes! No to Daesh/IS-Terrorism! 18.11.2015, <a href="https://www.thecommunists.net/worldwide/africa-and-middle-east/great-powers-syria/">https://www.thecommunists.net/worldwide/africa-and-middle-east/great-powers-syria/</a>
- (7) See e.g. HTS: Denounce the US terror listing of Syria's Hayyat Tahrir al-Sham! The Trump Administration delivers another blow to the Syrian Revolution. Continue the Solidarity with the liberation struggle of the Syrian people! 03.06.2018, <a href="https://www.thecommunists.net/worldwide/africa-and-middle-east/denounce-the-us-terror-listing-of-syria-s-hts/">https://www.thecommunists.net/worldwide/africa-and-middle-east/denounce-the-us-terror-listing-of-syria-s-hts/</a>
- (8) Statement of Andrew Exum at the Hearing on May 9, 2019, United States House Committee on Foreign Affairs, Subcommittee: Middle East, North Africa, and International Terrorism, "Chinese and Russian Influence in the Middle East", <a href="https://foreignaffairs.house.gov/2019/5/chinese-and-russian-influence-in-the-middle-east">https://foreignaffairs.house.gov/2019/5/chinese-and-russian-influence-in-the-middle-east</a> (All quotes from Exum in this article are taken for this document.)

#### The Racists Who Attack Rashida Tlaib

By Yossi Schwartz, Internationalist Socialist League (RCIT Section in Israel / Occupied Palestine), 15.05.2019

Today the Palestinians and their supporters will mark 71 years since the Nakba, the mass ethnic cleansing of the Palestinians in order to form a Zionist state with Jewish majority. Israel replies to the mass demonstration in Gaza with shooting and wounding at least 30 Palestinians have been shot so far.

While the UN marks the day of the Jewish holocaust and this is good, it does not mark the Nakaba, which is bad, as it allows Israel to do everything it can to hide this crime. Yet it is impossible to hide this crime as some courageous people remind the world of this war crime.

One of them is Rashida Tlaib who is one of two American legislators who are Muslim women and are accused time and time again by the racist American President, who is an extremely dangerous person pushing for trade wars and for a war against Iran, as Anti-Semites because they take a progressive stand on Palestine.

During an interview with Yahoo's Skullduggery podcast that was released on Friday, Tlaib was asked about her support for a one-state solution to the Israeli-Palestinian:

"There's kind of a calming feeling, I always tell folks, when I think of the Holocaust, and the tragedy of the Holocaust," she answered. "... And the fact that it was my ancestors, Palestinians, who lost their land and some lost their lives, their livelihood, their human dignity. Their existence in many ways have been wiped out, and some people's passports. "I mean, just all of it was in the name of trying to create a safe haven for Jews, post the Holocaust, post the tragedy and the horrific persecution of Jews across the world at that time, and I love the fact that it was my ancestors that provided that, right, in many ways." But they did it in a way that took their human dignity away, right, and it was forced on them. And so when I think about a one-state, I think about the fact that: Why couldn't we do it in a better way?" (1)

This statement was immediately attacked by Republicans in support of Trump and by the right wing Zionist Danny Danon, Israel's ambassador to the United Nations who accused Tlaib of anti-Semitism and of trying to rewrite history with her comments, while President Donald Trump called Tlaib's remarks "horrible and highly insensitive".

Why Danon says that this statement is Anti-Semitic? Is it not true that the Zionists made an ethnic cleansing in 1947-8? Is it not true that the Palestinians lost their land, life and dignity in 1948 and 1967? Is it not true that the Palestinians

have being paying for the crime of the Nazis?

It is Danon who rewrites history because he belongs to the to the genocide deniers. Israel not only tries to hide the Nakba but for years it also denied the genocide of the Armenians by the Ottomans.

Danon represent a government that is not hiding its plans to annex area C of the West bank of the West Bank (60% of it) and imposes a siege on the starving people of Gaza. A government that kills in average one Palestinian every day. This government loves to accuse progressive people as Anti-Semites and yet its best friends are the very far right including Anti-Semitic regimes in East Europe, Brazil and the Philippines and of Nazi parties in various countries.

It is true of course that the Palestinians did not offer to give the Jews their lands and the creation of Israel was forced on them. Nevertheless it is a fact that Palestine is the country the Zionist colonialists settled in and after the war many of the survivors came as Tlaib wrote.

In spite of the Zionist crimes, Rashida Tlaib has the courage and the generosity to offer a solution of one democratic state where Jews and Palestinians will live as equal. This is a serious crime in the eyes of the Zionists. What is the nature of Israel we can see by the fact that "on Sunday, the Central District Court in Lod approved a plea deal between the settler's lawyers and the state prosecutor's office under which a settler was cleared of the murder conspiracy charges following the burning to death of Saad Dawabshe, 31, his wife, Reham, 27, and their 18-month-old son Ali who were killed when settlers set on fire their home in the village of Duma in Nablus in July 2015." (2)

As part of the plea bargain, the suspect - whose name has been withheld - pleaded guilty to conspiring to commit a crime motivated by racism. The indictment was modified to specify the crime as arson, and not murder, under the deal, the settler, would not serve more than five years in prison in connection with the murder. He is still facing charges in relation to three other ideologically motivated incidents, including the torching of a Palestinian taxi in Kafr Yussuf, the burning of a warehouse in Agraba and vandalism in Beit Safafa." (3)

In a few days the Eurovision will take place in Israel. Those who will sing in this lousy event will sing in praise of the Zionist Apartheid. They will sing for theft and murder for oppression of the native Palestinians. Israel is not



### Publications of the RCIT

# The Origins of the Jews

By Yossi Schwartz, July 2015

Chapter I: What are the origins of the Jews?

**Chapter II: The Rise of Anti-Semitism** 

Chapter III: Anti-Semitism and Zionism

Chapter IV: The Russian Revolution: Bolshevism, the Bund, and Stalinism

Nazi Germany but certainly is similar to the South African Apartheid regime. The Eurovision in Israel brings to mind the fact that in 1936, Berlin was chosen for the Olympic Games. It was six years before the mass killing of the Jews began, but opponents of the regime were sent already to the Dachau, (4) that was founded in March 1933. The international committee that choose Berlin knew of the camp. It simply asked the Nazis to remove the road signs that showed the way to the camp.

The racists who believe that the Jews are the chosen people and a master race hate those who dare to offer the only political solution that will end the blood shading of Palestinians and Jews, a democratic state for the Palestinians and the Israeli Jews, a state that can be formed as part of the victorious Arab revolution, a workers democracy as part of the socialist Federation of the Middle East.

Israel was never a bourgeois democracy but is an ethnocracy, however under the criminal Prime Minister of Israel it is liquidating even this form of democracy only for the Jews. Unless an Israeli Jew is a supporter of Netanyahu he is called a lefty and a traitor.

Trump clearly has a different solution than the one democratic state or even a two states solution. After the Ramadan he is going to tell us what is his solution. We may guess that he will support the annexation of area C.

There is no doubt that real Anti-Semitism exists and it is necessary to quash it. The trouble with the Zionists and their supporters is that they call any one who is not a right wing racist and critical of Israel, an Anti-Semite. By doing so they turn Anti-Semitism to a racist weapon against those who oppose the war crimes of the Israeli state against the Palestinians.

For one red Palestinian democratic state.

Appendix A:

Rashida Tlaib: Policing my words and twisting them won't work

"Congresswoman Rashida Tlaib:

Statement on lies being spread regarding Congresswoman Tlaib's appearance on Yahoo's SkullDuggery Podcast. (5)

'Stop attacks against Muslim women'

Democratic leaders rallied behind Tlaib with House Speaker Nancy Pelosi and Majority Leader Steny Hoyer accusing Republicans of taking Tlaib's words out of context.

Nancy Pelosi: Republicans' desperate attempts to smear @RepRashida & misrepresent her comments are outrageous. President @realDonaldTrump & House GOP should apologize to Rep. Tlaib & the American people for their gross misrepresentations. (6)

"Tlaib, a Democrat of Palestinian heritage, has previously come under fire or her comments and position on the Israeli-Palestinian conflict.

Alongside Ilhan Omar, Tlaib is one of the first two Muslim legislators in US history to sit in Congress. She has criticised Israel and the US approach to the issue before and has called for one state for both.



#### FOR IMMEDIATE RELEASE

News from the office of Congresswoman Rashida Tlaib

Sunday, May 12, 2019

#### Statement on Republican Lies Regarding Congresswoman Tlaib's Comments

DETROIT – The office of Congresswoman Rashida Tlaib released the following statement regarding falsehoods that have been spread by Republican leadership. The statement can be attributed to Denzel McCampbell, communications director for the office.

"Once again, Republican leaders and right-wing extremists are spreading outright lies to incite hate. Congresswoman Liz Cheney should be ashamed of herself for using the tragedy of the Holocaust in a transparent attempt to score political points. Her behavior cheapens our public discourse and is an insult to the Jewish community and the millions of Americans who stand opposed to the hatred being spread by Donald Trump's Republican party.

"On Friday, May 12th, Congresswoman Rashida Tlaib appeared on Yahoo's Skullduggery podcast. During one portion of the segment discussing the Israeli-Palestinian conflict, the Congresswoman mentioned the role that Palestinians played in helping to provide a safe haven for Jewish people following the tragedy of the Holocaust. Rep. Tlaib said thinking about this effort to provide a safe haven for people fleeing persecution brought calm to Rep. Tlaib because her ancestors were involved in helping those tragically impacted by the Holocaust. The Congresswoman did not in any way praise the Holocaust, nor did she say the Holocaust itself brought a calming feeling to her. In fact, she repeatedly called the Holocaust a tragedy and a horrific persecution of Jewish people.

"Again, this behavior by a bankrupt Republican leadership is dangerous and only increases hateful rhetoric from those who want to cause harm to oppressed people. The Republican Party has reached a new low."

Omar has also faced criticism from Republicans over her comments on Israel. She apologised in February for using what many considered an anti-Semitic trope when criticising a pro-Israel lobbying group.

Tlaib's supporters said the criticism had more to do with the fact that the congresswoman is Muslim woman than it did about her comments.

Omar, responding to Trump's tweet criticising Tlaib said, "You praised people at a neo-Nazi rally. We don't have to imagine. This is another transparent attempt to sow division b/t minority communities and distract from your own criminal behavior by smearing a Muslim woman. No one should fall for it this time." She was referring to the August 2017 United the Right rally in Charlottesville, Virginia. During that rally, a white supremacist drove his car into a group of counter protesters, killing 32-year-old Heather Heyer.

#### Ilhan Omar:

You praised people at a neo-Nazi rally. We don't have to imagine

This is another transparent attempt to sow division b/t minority communities and distract from your own criminal behavior by smearing a Muslim woman.

*No one should fall for it this time.* (7)

#### Donald J. Trump:

Democrat Rep. Tlaib is being slammed for her horrible and highly insensitive statement on the Holocaust. She obviously has tremendous hatred of Israel and the Jewish people. Can you imagine what would happen if I ever said what she said, and says? (8)

Bernie Sanders, a 2020 Democratic presidential contender, also directed his comments at Trump, tweeting, "Mr. President: Stop dividing the American people up by their religion, their race or their country of origin — and stop your ugly attacks against Muslim women in Congress. You are taking Rep. @RashidaTlaib's comments out of context and should apologize."

*Trump rhetoric* 

Many analysts have pointed to the US president's heated rhetoric as the catalyst for far-right attacks and threats in the country - an accusation the White House has rejected.

Last month, police arrested a 49-year-old man on suspicion of

leaving racist, homophobic and Islamophobic messages filled with death threats on the voicemails of Tlaib, Democrat Eric Swalwell and Democrat Cory Booker.

The man, who reportedly defended President Donald Trump in the messages and warned the politicians to stop criticising the president, has been charged with making threatening communications.

Last year, the Anti-Defamation League said all perpetrators who carried out at least 50 "extremism-related murders" were linked to the far right.

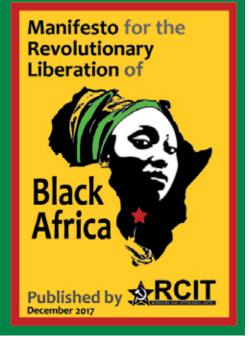
That total marked the largest number of people killed by the far right since 1995, the watchdog said.

Trump last month tweeted out a video of Omar featuring footage of the World Trade Center burning juxtaposed with her comments, taken out of context to portray her attitude to the 9/11 attacks as glib. Omar said she experienced an increased number of death threats after the video was shared. At least one other man was arrested.

The president's language was also criticised following an anti-Semitic massacre in Pittsburgh last year - and during a weeklong mail bombing spree that saw another Florida man target high-profile liberal political figures, Trump critics and the news outlet CNN." (9)

#### **Footnotes**

- 1) https://www.jta.org/2019/05/14/opinion/what-did-rashida-tlaib-say-about-the-holocaust-its-probably-not-what-you-think
- 2) https://www.aljazeera.com/indepth/features/2017/05/duma-arson-attack-sadness-stopped-170521064148825.html
- 3) https://www.aljazeera.com/news/2019/05/palestinian-family-slams-israeli-plea-deal-2015-arson-attack-190514070035910.html
- 4) <a href="https://en.wikipedia.org/wiki/Dachau\_concentration\_camp">https://en.wikipedia.org/wiki/Dachau\_concentration\_camp</a>
- 5) https://twitter.com/RepRashida/status/1127759449526013953
- 6) https://twitter.com/SpeakerPelosi/status/1128022871442382852
- 7) https://twitter.com/IlhanMN/status/1127962172166946817
- 8) https://twitter.com/realDonaldTrump/status/1127938873630367744
- 9) https://www.aljazeera.com/news/2019/04/man-arrested-threatening-democratic-politicians-190419234316461.html



#### **RCIT AFRICA PROGRAM**

# Manifesto for the Revolutionary Liberation of Black Africa

Adopted at the 2<sup>nd</sup> World Congress of the RCIT in November 2017

Introduction \* Foreign Exploiters – Out of Africa! \* The Wealth to Those Who Create It! Economic Freedom Now! \* Down with the Capitalist Dictatorships and Corrupt Pseudo-Democracies! \* Organize the Workers and Oppressed for the Mass Struggle! \* For a Government of Workers and Poor Peasants! For a Socialist Revolution! \* For Pan-African Unity! For the United Socialist States of Africa! \* For a United Front of Struggle! Overcome the Crisis of Leadership – Build a Revolutionary Party Nationally and Internationally! \* Appendix

A RCIT Pamphlet, 24 pages, A5 Format

### **China: Two Telling Trends**

### New data from the OECD verifies once again the imperialist character of China's economy

By Michael Pröbsting, International Secretary of the Revolutionary Communist International Tendency (RCIT), 28 April 2019

Te have published a number of articles, studies, and books in the recent period demonstrating that China has not only regressed into capitalist property relations but has emerged as an imperialist rival to the other Great Powers. We have specifically examined the rise of China's share of global capitalist value production, capital export, military expenditures, its share the world's select population of billionaires, its *Belt and Road Initiative* project, its increasing dominance in various African and Asian countries, etc. (1)

In this article we do not intend to repeat that analysis. We, instead, draw the reader's attention to two telling sets of figures recently published by the OECD – the authoritative imperialist economic organization that regularly publishes comprehensive studies delineating the state of the world economy. Both graphs (available in the appendix below) outline the arc of China's rise as a major capitalist power.

Figure 1 shows the development, broken down by each of the world's leading national economies, of the specific share these economies have had in the *global gross fixed capital formation* for the years 1960-2015. "Gross fixed capital formation" is a bourgeois economic category that reflects the process of capital accumulation. As the graph illustrates, the US – the postwar, global hegemonic imperialist power – enjoyed, by far, the largest share until the early

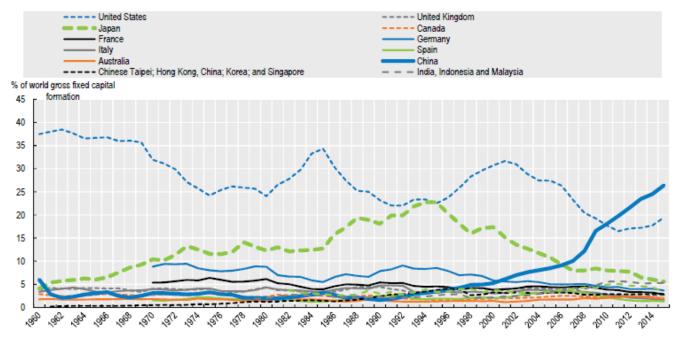
2000s. (This leading position was briefly but unsuccessfully challenged by Japan in the early 1990s.)

However, since the restoration of capitalism in the 1990s, China rapidly caught up to the United States. While its share of global investments was about 6% in the year 2000, this rose to exceed 26% of the world total by 2015. By 2011 China overtook the U.S. as the world's number one and the gap between these two biggest imperialist powers has only continued to increase. The fact that China has become the world's leading economy in terms of capital investment is further proof of the Marxist appreciation that this East Asian state has not only entered the ranks of imperialist Great Powers, but has quickly moved to the front of the pack.

A second, equally telling, graph generated by the OECD deals with international, corporate mergers and acquisitions (M&A). This category embraces cross-border capital investment. Figure 2 shows Chinese inward and outward cross-border mergers and acquisitions flows as a share of the world total for the years 2005-2016.

As one can see, China's share of global mergers and acquisitions flows has, as with *gross fixed capital formation*, only continued to increase. While it was about 1% in 2005, its share of the world total, by 2016, had increased to 11%! It is also important to note that since the beginning of the present decade, China's outflow of M&A investment has

Figure 1. Share of gross fixed capital formation of selected countries, 1960-2015 (Percent of world total) (5)



Source: The World Bank, OECD National Accounts, OECD calculations

overtaken the inflow. This reflects its transformation into a primarily capital exporting nation, i.e. an economy that invests more capital in other countries than other countries are investing in China. This is another benchmark of China's emergence as an imperialist power, exporting huge sums of capital abroad in the unquenchable pursuit of expanding profits.

Our movement arrived at the conclusion that China had become an imperialist power, almost nine years ago, in summer 2010. This uniquely, farsighted assessment has only received deepening vindication in subsequent years. (2)

We close this article by repeating our additional, urgent conclusion that it is impossible to understand the dynamics of the current world situation without recognizing the rise of China as an imperialist power, and with that, the related acceleration of Great Power rivalry. (3) Only by recognizing this sea change in international relations is it possible to draw the correct conclusion that socialists must oppose *all* Great Powers – the U.S., China, Russia, Japan and the EU (4) - and champion an independent, revolutionary path for the international working class.

#### **Footnotes**

(1) Our documents which analyse China's capitalism and its rise to a new imperialist Great Power in detail are collected in a special section on our website: <a href="https://www.thecommunists.net/theory/china-russia-as-imperialist-powers/">https://www.thecommunists.net/theory/china-russia-as-imperialist-powers/</a>. All publications can be read online or downloaded for free at these links.

- (2) More on this in Michael Pröbsting: China's transformation into an imperialist power. A study of the economic, political and military aspects of China as a Great Power, in: Revolutionary Communism No. 4 (2012), <a href="http://www.thecommunists.net/publications/revcom-number-4">http://www.thecommunists.net/publications/revcom-number-4</a>. This was our first major study on the issue of capitalist restoration in China and its transformation into an imperialist power.
- (3) See on this e.g. our recently published book by Michael Pröbsting: Anti-Imperialism in the Age of Great Power Rivalry. The Factors behind the Accelerating Rivalry between the U.S., China, Russia, EU and Japan. A Critique of the Left's Analysis and an Outline of the Marxist Perspective, RCIT Books, January 2019, <a href="https://www.thecommunists.net/theory/anti-imperialism-in-the-age-of-great-power-rivalry/">https://www.thecommunists.net/theory/anti-imperialism-in-the-age-of-great-power-rivalry/</a>.
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- (5) OECD: Business and Finance Outlook 2017, OECD Publishing, Paris, p. 35
- (6) OECD: Business and Finance Outlook 2017, OECD Publishing, Paris, p. 125  $\,$

Figure 2. Chinese inward and outward cross-border mergers and acquisitions flows (Share of world totals) (6)



Source: Dealogic, OECD calculations

### The Next Round of Escalation in the Global Trade War

After negotiations ended without results, the U.S. imposes new tariffs on Chinese imports and Beijing retaliates

by Michael Pröbsting, International Secretary of the Revolutionary Communist International Tendency (RCIT), 13 May 2019

The latest meeting between representatives of the two biggest imperialist Great Powers embroiled in a discussion of economic differences has ended, once more, without a deal. As a result, the Trump administration increased on 10 May duties on \$200bn of Chinese imports from 10% to 25%. The administration had already hit \$50bn of additional Chinese goods with the 25% duties. (1) In retaliation, Beijing announced on 13 May tariffs between 5% and 25% on 5,140 US-originated products effective June 1, according to a statement released by the Customs Tariff Commission of China's State Council. They're part of \$60bn worth of US goods that were initially targeted last year after the first round of tariffs imposed by Washington. Most of those products will be hit with a new tariff of 25%, while others will rise to 10% or 20%. (2)

Furthermore, Hu Xijin, editor-in-chief of Beijing's English-language mouth piece, *Global Times*, reported that Beijing is also considering both halting the purchase of US agricultural products as well as slashing orders for new Boeing planes. Both measures would seriously impact the U.S. economy. (3) There are also discussions in Beijing

about the possibility of China dumping its large holdings of US Treasury bonds. (4)

Reacting to this news, global stock markets are suffering major losses. (5)

This is only the latest escalation in the accelerating rivalry between the two Great Powers. It should not come as a surprise to any observer. As we have explained repeatedly, this economic war has much more fundamental causes than the buffoonery of Donald Dumb or the authoritarian nature of the Xi regime. It is rather a result of the fundamental antagonism between the two most powerful imperialist states. On one hand, there's the U.S., the absolute capitalist hegemon since WWII that is now confronting both its economic and political decline. On the other hand, there's China, the emerging imperialist Great Power that has risen as the most powerful challenger to previous, unquestioned, U.S. dominance. (6)

For this reason, the clashes between these two rivals in the struggle for world hegemony must inevitable accelerate. Of course, temporary compromises are possible and will take place. There is no war without periods of truce.



#### **PUBLICATIONS OF THE RCIT**

# The China-India Conflict: Its Causes and Consequences

What are the background and the nature of the tensions between China and India in the Sikkim border region? What should be the tactical conclusions for Socialists and Activists of the Liberation Movements?

A Pamphlet by Michael Pröbsting (International Secretary of the RCIT)

A RCIT Pamphlet, 36 pages, A4 Format

Introductory Remarks \* I. Recent Developments \* II. The Struggle for Domination of Bhutan \* III. The Background: Accelerating Rivalry between China and India in a Period of Capitalist Decay \* China's Belt and Road Initiative \* India's OCOR as an Alternative to OBOR? \* India's Increasing Ties with US and Japanese Imperialism \* How are the chances in a military confrontation between India and China? \* IV. China as an Emerging Great Imperialist Power \* China's Monopolies \* Super-Exploitation of the Working Class \* China's Capital Export \* China as a Military Power \* V. India: A Peculiar Semi-Colony in the Role of a Regional Power \* A Brief Historical Review \* The Characteristics of India's Semi-Colonial Economy \* India's Economic Elites: Many ... and at the same time Few \* The Parasitic Nature of the Indian Bourgeoisie \* India as a Regional Power and an Oppressor State \* Brief Remarks on an Historic Analogy: The Ottoman Empire \* VI. Revolutionary Tactics in the China-India Conflict \* Appendix: Imperialist vs. Semi-Colonial State: Some Theoretical Considerations \* 1. What are the Respective Characteristics of an Imperialist vs. a Semi-Colonial State? \* 2. Is a Transition from Being One Type of State to Another Possible? \* 3. Is the Category of "Sub-Imperialism" Useful? \* Footnotes

However, the fundamental antagonism between the interests of the imperialist powers will drive them inevitable to accelerate their rivalry, on the economic, the political and, ultimately, also on the military terrain.

We do not intend to repeat our comprehensive analysis of the Global Trade War that we've reviewed in a number of documents over the past 12 months. (7) We limit ourselves to a few, germane observations.

#### Another proof of China as an imperialist Great Power

First, it is important to bear in mind that this latest escalation of the Global Trade War (that began approximately 12 months ago) takes place against the backdrop of a looming Great Recession in the world economy. These latest developments can only contribute to that emerging crisis. (8)

Second, Marxists must conclude that China's willingness to sustain a determined defense of its conflicting economic interests demonstrates very clearly that is has entered the ranks of imperialist Great Powers.

We have no illusions that those Stalinists, Chavistas, and pseudo-Trotskyists who claim China to be a "socialist country", a "progressive force" or some kind of "workers state" would understand this. They are lost. They are "socialists" in words and social-imperialists in deeds. They are servants of a Great Power and as counter-revolutionary in their orientation as various pro-US or pro-EU social democrats.

However, there are a number of sincere Marxists who understand (incompletely) the capitalist character of the Chinese regime. However, as we analyzed in detail in our latest book on the Great Power rivalry, they wrongly refuse to recognize the imperialist character of China. They mistakenly view it as something qualitatively different and weaker and use descriptors such as "semi-colonial" or "sub-imperialist". Again, we will forgo a repetition of our analysis demonstrating that China has become a major capitalist power. We merely limit ourselves to challenging these comrades to explain, in detail, how a non-imperialist country could sustain a major trade war with the biggest imperialist power for the last year without a significant breakdown of its economy?

#### Bernie Sanders: Supporter of U.S. Protectionism

Thirdly, the current Global Trade War shows the true character of various so-called progressive forces. This is not only true for the pro-Chinese Stalinists and semi-Stalinists. It is also true for a significant part of the US-American left. Various organizations – from the "Communist Party" to the CWI's "Socialist Alternative" – have expressed their support for the 2020 presidential candidacy of US Senator Bernie Sanders. Last year, Sanders launched, together with Yanis Varoufakis, an international initiative called the "Progressive International". (9)

The current Global Trade War demonstrates, as Marxists have repeatedly pointed out, that Sanders is a dyed-in-the-wool standard bearer of US imperialism and promotes a protectionist crusade against its Great Power rival, China. (10) Sanders attacked Donald Trump for undermining relations with the Western imperialist allies while simultaneously demanding sanctions against China, Russia, South Korea and Vietnam.

"Donald Trump's haphazard and reckless plan to impose tariffs on Canada and the European Union is an absolute disaster that will cause unnecessary economic pain to farmers, manufacturers and consumers in Vermont and throughout the country. "I strongly support imposing stiff penalties on countries like China, Russia, South Korea and Vietnam to prevent them from illegally dumping steel and aluminum into the U.S. and throughout the world." (11)

In his recently unveiled trade platform, Sanders calls for both Trump and all of his Democratic Party competitors to pledge to renegotiate U.S. trade deals and label China a currency manipulator. (12)

In recent days he attacked President Trump, not from an internationalist, anti-imperialist point of view, but rather for not being protectionist enough! He also criticized the former Vice-President, Joe Biden, for being too soft on China: "It's wrong to pretend that China isn't one of our major economic competitors. When we are in the White House we will win that competition by fixing our trade policies." (13)

Of course, Sanders is packaging his protectionist support for US imperialism in "pro-workers" rhetoric. However, the authentic struggle for the true interests of U.S. workers

# China's transformation into an imperialist power

A study of the economic, political and military aspects of China as a Great Power

By Michael Pröbsting (International Secretary of the RCIT)

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can only be pursued by organizing and mobilizing them directly against the attacks of the bosses who are exploiting them, i.e. first and foremost, the U.S. capitalists. The interests of American workers can never be defended in a treacherous alliance with the American bosses against China!

#### Class Struggle Internationalism versus Imperialist Globalization and Protectionism!

The fact that large sectors of the U.S. left flirt with supporting the Sanders campaign reflects their adaptation to pro-U.S. social-imperialism. Naturally, the pro-Russian/ Chinese left is not better. The international working class urgently needs a program of struggle that does not accommodate itself with either imperialist camp. By contrast, it needs a socialist and internationalist response. It needs a program of consistent class struggle opposition against all imperialist powers. It needs a program that unconditionally supports the struggle of the world's workers and oppressed people against *all* Great Powers and their local lackeys. (14)

Revolutionaries must oppose the Global Trade War in all of its multiple iterations. They must oppose imperialist globalisation as well as imperialist protectionism. The answer can only be a perspective of consistent class struggle on an international basis. The American as well as the Chinese states and bosses are our enemies under each and every circumstance! At the same time, the American as well as the Chinese workers and oppressed are our broth-

ers and sisters under each and every circumstance! (15) This is the programmatic basis on which the RCIT calls on activists around the world to join us in building a Revolutionary World Party!

#### **Footnotes**

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# **Books of the RCIT**

# Michael Pröbsting: Anti-Imperialism in the Age of Great Power Rivalry

The Factors behind the Accelerating Rivalry between the U.S., China, Russia, EU and Japan. A Critique of the Left's Analysis and an Outline of the Marxist Perspective

In *Anti-Imperialism in the Age of Great Power Rivalry* Michael Pröbsting analyses the accelerating rivalry between the imperialist Great Powers – the U.S., China, EU, Russia, and Japan. He shows that the diplomatic rows, sanctions, trade wars, and military tensions between these Great Powers are not accidental or caused by a mad man in the White House. They are rather rooted in the fundamental contradictions of the capitalist system. This rivalry is a key feature of the current historic period and could, ultimately, result in major wars between these Great Powers.

Anti-Imperialism in the Age of Great Power Rivalry demonstrates the validity of the Marxist analysis of modern imperialism. Using comprehensive material (including 61 Tables and Figures), Michael Pröbsting elaborates that a correct understanding of the rise of China and Russia as new Great Powers is crucial for assessing the character of the current inter-imperialist rivalry.

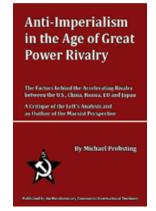
In Anti-Imperialism in the Age of Great Power Rivalry Michael Pröbsting critically discusses the analysis of modern imperialism by a number of left-wing parties (left social democrats, Stalinists, Trotskyists and others). He demon-

strates that most of these organizations fail to understand the nature of the Great Power rivalry and, consequently, are not able to take an internationalist and revolutionary

The author elaborates the approach of leading Marxist figures like Lenin, Trotsky and Luxemburg to the prob-

lems of Great Power rivalry and imperialist aggression against oppressed peoples. He outlines a Marxist program for the current period which is essential for anyone who wants to change the world and bring about a socialist future.

The book contains an introduction and 29 chapters plus an appendix (412 pages) and includes 61 figures and tables. The author of the book is Michael Pröbsting who serves as the International Secretary of the RCIT.



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- (2) See on this e.g. Global Times: China retaliates Trump tariffs with tit-for-tat raise on US goods, 2019/5/13 <a href="http://www.globaltimes.cn/content/1149726.shtml">http://www.globaltimes.cn/content/1149726.shtml</a>
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- (6) See on this e.g. our recently published book by Michael Pröbsting: Anti-Imperialism in the Age of Great Power Rivalry. The Factors behind the Accelerating Rivalry between the U.S., China, Russia, EU and Japan. A Critique of the Left's Analysis and an Outline of the Marxist Perspective, RCIT Books, Vienna 2019. The book can be read online or downloaded for free here: <a href="https://www.thecommunists.net/theory/anti-imperialism-in-the-age-of-great-power-rivalry/">https://www.thecommunists.net/theory/anti-imperialism-in-the-age-of-great-power-rivalry/</a>. In addition the RCIT has published a number of documents on the Great Power rivalry and the rise of China and Russia as new imperialist powers. They are collected at a special sub-page on our website: <a href="https://www.thecommunists.net/theory/china-russia-as-imperialist-powers/">https://www.thecommunists.net/theory/china-russia-as-imperialist-powers/</a>
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### Act Two in the U.S.-China Cold War

# Global Trade War: What's Behind the U.S. Targeting Huawei and What Will Be the Consequences?

by Michael Pröbsting, International Secretary of the Revolutionary Communist International Tendency (RCIT), 24 May 2019

The last few days have opened a new phase in the Cold War between the two largest imperialist Great Powers – the U.S. and China. The Global Trade War, which started nearly one year ago, escalated on 10 May when the U.S. imposed additional 25% tariffs on \$250 billion in Chinese imports. Three days later, China retaliated by targeting \$110 billion in U.S. products with higher tariffs. (1)

In response, the Trump Administration announced its plan to target another \$300 billion in goods — a move that would cover everything China ships to the United States. In a related dramatic escalation, the US President also signed an executive order on 15 May declaring a national emergency, barring the use of telecommunications equipment made by companies that are deemed a threat to national security.

While this Executive Order did not name China or Chinese companies specifically, it cleared the way for an outright ban on products made by Washington's arch-rival. Soon after that order was signed, the US Commerce Department also added the leading Chinese technology corporation, Huawei, and 70 affiliates to its "Entity List" alleging that the Chinese company was engaged in activities "contrary to US national security or foreign policy interests". Inclusion on the list means that a US company, person, or government agency purchasing Huawei equipment now requires a specific license "to export, re-export and/or transfer (in-country)."

Huawei is a major Chinese private corporation with 188,000 employees. It is a global leader in information technology and the No. 2 among the world's leading smartphone companies – trailing only the South Korean technology giant, Samsung. In particular, Huawei has become the leading company in 5G technology – the latest generation of mobile networks. Targeting China's leading monopoly capitalist in the field of modern technology is a crucial step of U.S. imperialism directed towards halting the ascent of its most important rival.

This has already had dramatic consequences for Huawei

given the scale of global cooperation between technology companies. Several of its Western partners such as Google have already announced their intentions of cutting ties with Huawei. The chip-makers Intel, Qualcomm, Xilinx, and Britain's ARM are following suit. Britain's EE and Vodafone and Japan's KDDI and Y! Mobile said they were pausing the launch of Huawei smartphones, including some that can be used on next generation mobile networks, amid uncertainty about devices coming from the world's No. 2 smartphone maker.

#### Huawei was prepared

However, Huawei seems to have been prepared for such an attack by the Trump Administration. According to Bloomberg, it has stockpiled enough chips and other vital components to keep its business running for at least three months. (2)

It has also proactively invested in the development of its own chip manufacturing and Operating System. That is expected to make it completely independent of current Western sources. As a result, Huwai may choose to use this development to replace Western components with their own systems. According to a recently published research report by Jefferies, "Huawei Technologies is likely to be able to weather a reported suspension of business with UK chip designer ARM as it will be able to rely on its own Kirin chips. (...) If Huawei loses its core licence from ARM, it will be able to use its self-developed custom CPU core and CPU architecture, Wu said. (...) "We think ARM's suspension will accelerate Huawei adopting its own customer cores in new Kirin chips, and also developing its own Operating System and ecosystem," said Wu. "We think Huawei will likely launch new Kirin chips in the near term to show little disruption to operations." (3)

Huawei Technologies founder and CEO Ren Zhengfei said in an interview with Chinese state media on 21 May that it has been always clear to him that it was only a matter of time before an inevitable clash with the U.S.: "We sacrificed [the interests of] individuals and families for the sake



#### PUBLICATIONS OF THE RCIT

# The Meaning, Consequences and Lessons of Trump's Victory

By Michael Pröbsting, November 2016

Introduction \*I. The Election Outcome \*II. Where is the Trump Administration Heading? \* III. Global Consequences: The Beginning of a New Era \* IV. Lessons and Perspectives for the Struggle \* V. Summary Theses \* Footnotes

A RCIT Pamphlet, 40 pages, A4 Format

of an ideal, to stand at the top of the world. (...) For this ideal, there will be conflict with the United States sooner or later." (4) Ren also said: "US politicians may have underestimated our capability ... Not only would it not affect us, but others cannot catch up with us, even after two to three years." (5)

#### Beijing prepares its retaliation

As we have repeatedly pointed out in the past, the Global Trade War is making the inevitable transition to a long-term Cold War between the two largest imperialist powers. (6) Both camps are preparing the public for a long-term conflict. U.S. Treasury Secretary Steven Mnuchin is talking to Walmart and other companies about finding ways to ease the pain if Trump goes ahead with plans to extend import taxes to the \$300 billion in Chinese products that haven't already been hit with tariffs. The government is also working on an aid package for American farmers hurt by China's retaliatory tariffs on soybeans and other U.S. agricultural products — on top of last year's \$11 billion farm bailout.

Beijing is also considering further retaliatory measures. Two of China's three major state-owned airlines — Air China Ltd. and China Southern Airlines Ltd. — demanded compensation from Boeing for the grounding of the plane maker's 737 Max jetliners after fatal crashes in Ethiopia and Indonesia. The third state-owned carrier — China Eastern Airlines Ltd. — made a similar request last month. There is also fear that Beijing will eventually try to limit, or even choke off, Apple's iPhone production and sales in China. That threat has triggered an \$80 billion loss in shareholder wealth so far, this month. "There is rampant fear that Apple has a target on its back, and China is getting ready to fire," Wedbush Securities analyst Daniel Ives said.

In addition, the regime is considering using its dominant position as a global supplier of rare earths. Rare earths are a crucial element in modern technologies. They are used in rechargeable batteries for electric and hybrid cars, advanced ceramics, computers, DVD players, wind turbines, catalysts in cars and oil refineries, monitors, televisions, lighting, lasers, fiber optics, superconductors and glass polishing. (8) They are difficult and costly to mine and process cleanly. China has most of the world's processing capacity and supplied 80% of the rare earths imported by the United States from 2014 to 2017. In 2017, China accounted for 81% of the world's rare earth production. (9) China already used its dominant global position in this area during a conflict with Japan in 2010. (10)

The Stalinist-Capitalist regime in Beijing has offered tax cuts to software and chip companies as U.S. export controls threaten Chinese tech companies. Under the new measure, most software and integrated circuit companies can skip paying income taxes for two years and will see their tax bills cut by half for three years after that, the Finance Ministry said.

The regime has also started airing Korean War movies to arouse patriotic feelings in the public. This is a period, 1950-53, when China and the U.S. were engaged in ferocious military conflict.

China's President Xi Jinping has stressed the need for self-reliance and innovation in order for Chinese capitalism to become completely independent from U.S. technology companies. "Technological innovation is the root of life for businesses. Only if we own our own intellectual property and core technologies, then can we produce products with core competitiveness and [we] won't be beaten in intensifying competition." (11)

Rousing patriotic feeling, Xi called upon the nation to embark on a "new Long March", referring to the famous CCP event organized by Mao in China's civil war in 1934: "We are here at the starting point of the Long March to remember the time when the Red Army began its journey," Xi told cheering crowds on Monday, in footage posted on state broadcaster CCTV's website on Tuesday. "We are now embarking on a new Long March, and we must start all over again!" (12) The remarks of the Chinese President should serve to prepare the people for scarifies and also to accept the policy of authoritarian capitalist regime. "China must be clear-headed about the long-term, complex nature of unfavorable domestic and international factors and well prepared for any difficult circumstances, Xi emphasized, adding that the most important thing for China is to do its own job well. (...) Just like the Red Army in the Long March, "as long as we hold firm ideas and faith and strong revolutionary determination, we can overcome obstacles one by one. Those traps, encirclements, pursuits and blockade lines will be left behind by us," Xi said." (13)

## Both imperialist camps are beating the drums of chauvinism

Strategists on both sides are increasingly outspoken about the strategic and long-term nature of this conflict as it touches the most fundamental interests of the two rival imperialist powers.

Steve Bannon, Trump's former chief strategist, is openly advocating an "all-encompassing war" against China. He recently said in an interview with the South China Morning Post: "The executive order is 10 times more important than walking away from the trade deal. It [Huawei] is a major national security threat, not just to the US but to the rest of the world. We are going to shut it down." (14)

Bannon is also calling for shutting Chinese companies out of American capital markets. "The next move we make is to cut off all the IPOs, unwind all the pension funds and insurance companies in the US that provide capital to the Chinese Communist Party. (...) We'll see a big move on Wall Street to restrict access to capital markets to Chinese companies until [they agree to] this fundamental reform." Bannon also declared that "an economic war" with China "is not going to be resolved quickly. This is the beginning of a very long and tough process."

As part of his anti-China campaign Bannon revived on 9 April this year the cold war *Committee on the Present Danger: China* (CPDC). The CPD was first established in the early 1950s during the U.S. Cold War efforts "against the influence of communism in the US". After being temporarily disbanded, it was reconstituted in 1976 by US foreign policy hawks to counter the Soviet Union during the final stages of that cold war. A third iteration of the CPD emerged in 2004 with the mission of rallying the American people to support the imperialist "war on terror" against "radical Islamists" who "threaten the safety of the American people and millions of others who prize liberty."

However, it would be wrong to imagine that the CPDC is an isolated project of Bannon alone. When this group held its recent conference it had among its speakers lead-

ing Republican politicians like Senator Ted Cruz and former House Speaker Newt Gingrich. The CPDC claims, in its "Guiding Principles": "The United States is likely to face in the foreseeable future a determined and aggressive superpower adversary, prepared and willing to use force, as well as non-military forms of warfare, to defeat this country decisively." The Chinese leaders seek to "weaken and ultimately defeat America" and "subvert Western democracies" in order to clear China's path to "global hegemony." After "decades of American miscalculation, inaction and appeasement," the group calls on the United States to meet this challenge by "mobiliz[ing] all instruments of national power." It warns that there exists "no hope of coexistence with China as long as the Communist Party governs the country." (15)

In response, Beijing's English-language mouth piece, Global Times, denounced in an editorial Bannon's saberrattling in strong terms as "the most hysteric advocacy by this ultra right-wing opinion leader. Bannon is addicted to the rhetoric of general war on China. With China-US relations heading downward, this radical figure makes himself heard by talking loud. (...) Bannon's China policy is a kind of economic fascism. His real objective of forcing Beijing to carry out fundamental reforms is the economic subjugation of China. Bannon's threatening words toward China are bringing an opium high to some people amid the US frenzy of suppressing China. Regrettably, besides Bannon, a group of economic fascists have emerged in the US. They view China's economic development and prosperity as a fundamental threat to the US." (16)

As we pointed out in our last article on the Global Trade War, the anti-Chinese Cold War strategy is not limited to the Republican or Trumpian camp. Senator Bernie Sanders, running as a "progressive" presidential candidate for the Democratic Party, attacks Trump for not being hard enough against Beijing. "There is a bipartisan consensus that China is America's greatest long-term strategic challenge," said Robert Daly of the Kissinger Institute on China and the United States at the Woodrow Wilson Centre in Washington. (17)

Leading Chinese strategists are equally aware of the longterm and fundamental nature of the conflict between the two Great Powers. Jin Canrong, an international relations professor with Renmin University of China, said in an interview with a Chinese website, Guancha.cn, that the endgame of Washington's hawks is to "force China to give up

its development" instead of seeking balanced bilateral trade. Mei Xinyu, a fellow at the research institute under the Ministry of Commerce, said the current trade talk deadlock was similar to the Panmunjom peace talks during the Korean War in the 1950s. "Even if a deal is reached, it could be torn apart [by Trump] easily at any time," he said. Beijing should prepare for the worst-case scenario to defend its rights in climbing up the global value chain through technological catch-up, Mei added.

"The trade war, as seen from the current situation, will be a long-term issue," Zhang Yongjun, a senior economist of the China Centre for International Economic Exchanges, said. "To fight the trade war, China must boost its domestic market demand." (18)

Graeme Maxton, a British economist and former Secretary General of the Club of Rome, summarized aptly: "What is at stake here is not just business access. It is about the chance to influence Chinese thinking and so the country's long-term political development. It is, at its core, a battle for hearts and minds. (...) This is not just a fight about trade. It is an ideological war." (19)

#### Clash of antagonistic strategic interests

It is evident that this is going to be a long Cold War. Even professional optimists from the ranks of the bourgeoisie are increasingly worried. David Dollar, senior fellow at the Brookings Institution and a former official at the World Bank and U.S. Treasury said, "I increasingly think that this is going to turn into a long-term trade conflict. We have to entertain the possibility that there is no deal." (20)

In a recently published report, US brokerage Academy Securities noted, "there is reason to believe that the US has now crossed the Rubicon in terms of dealing with China", adding that the Trump administration is now showing a "true commitment" to treating China as the "strategic competitor" it had labeled it as. (21)

The U.S. attack on Huawei points directly to a core issue of the U.S.-China Cold War: dominance in the strategic sector of informational technology. Graeme Maxton explains: "As with Huawei, though, the fight is really about security, economic power and sovereignty. With Huawei, the US fears that with the shift to 5G communications technology, China will control large parts of the networks across which the world's

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## African People - Then as Now!

The Imperialists Enslave the

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# is in mortal Danger!

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The Syrian Revolution

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data flows. It is not just about who provides the equipment. It is a question of who controls access to the internet's plumbing. For America's hi-tech firms, China is different from almost every other market. They have failed to completely dominate the tech and information industry as they have almost everywhere else, largely because China is one of the few countries to have successfully established competitive rivals – firms like Weibo, Alibaba, JD.com, Baidu, Tencent and Lenovo. As a result, US firms have very little access to Chinese data." (22)

The whole dynamic points to the inevitable decoupling of the two largest economies. They will increasingly limit the access of their rivals to their domestic markets. They will strive to become independent of each other in the field of information technology. This could also result in the creation of a "digital iron curtain", dividing the world into two separate technological spheres.

Related to this are the efforts of Washington and Beijing to pressurize their allies to side with them against their respective rivals. The Trump Administration has demanded that their European and Asian allies join its boycott of Huawei. Beijing also used the latest meeting the *Shanghai Cooperation Organization* in Kyrgyzstan to seek support from Russia and from its Central Asian neighbors. (23) With its gigantic *Belt and Road Initiative*, involving infrastructure development and investments in 152 countries and international organizations, China has a powerful foundation to rally global support.

As a result the European Union, a divided imperialist conclave with less weight than the U.S. or China, is already coming under pressure from both sides. On 12 March, the European Commission issued a statement that characterized China as an "economic competitor" and a "systematic rival." (24) The EU is increasingly worried about China's growing influence in Europe. Beijing has successfully approached individual EU member states in recent years. The so-called 16+1 forum facilitates China's partnership with 16 countries in Central and Eastern Europe and includes 11 EU members. In addition, Italy recently joined the Belt and Road Initiative. (25) At the same time, the EU, until now, has rejected Washington's pressure to boycott Huawei.

#### An inevitable and long-term Cold War

The latest escalation in the Global Trade War should not surprise anyone. Marxists have explained for some time now that the rivalry between U.S. and Chinese imperialism is a key feature of the current historical period. The RCIT has elaborated in a number of works that such a development is the result of the decline of the U.S. as the dominant Great Power and the parallel rise of China. These are developments which are taking place within the moribund decay of capitalism. (26)

We predicted one year ago, at the onset of the Global Trade War, that while short-term compromises are possible, a full-blown conflict is inevitable: "Of course, it is not inevitable that a full-blown Global Trade War will take place in the next few months. As mentioned above, both U.S. as well as Chinese capitalists fear such a development and its consequences for the world economy. (...) For all these reasons, one cannot exclude that Washington and Beijing might find a temporary compromise and delay an all-out global trade war for some time. However, given the fact that warmongering in the Middle East

and economic protectionism are essential aspects of Trump's political project, it is very unlikely that such a compromise could last very long. Despite all the inner contradictions and obstacles, there can be no doubt that militarism and protectionism are the key answers of U.S. imperialism against its decline as the hegemonial global power. This would also be the case if the U.S. would have a less mentally deranged and more perceptive President. For all these reasons, a full-blown Global Trade War is inevitable sooner or later." (27)

At this point, we do not intend to repeat our analysis of the Global Trade War that we have elaborated over the past 12 months in numerous articles. We limit ourselves to re-emphasizing that it is impossible to understand the character of the present tensions between the Great Powers without the appreciating the class character of the parties involved. More specifically, the precondition for a correct understanding is recognition of the imperialist nature, not only of the old imperialist powers – the U.S., Western Europe and Japan – but also of the emerging imperialist powers, China and Russia.

From such a Marxist understanding must flow a consistent revolutionary and anti-imperialist stance in conflicts like the Global Trade War. This means a position of consistently opposing all imperialist powers and of intransigently fighting against their national chauvinism and militarism. In our "Six Points for a Platform of Revolutionary Unity Today" we have summarized the position that we believe is the only legitimate stance for Marxists:

"It is only possible to understand the driving dynamic of the present period of capitalist crisis and to take a correct position if one recognizes the imperialist character not only of the US, EU and Japan but also of the new emerging powers, Russia and China. Only on such a basis is it possible to arrive at the only correct, anti-imperialist program on this issue – proletarian internationalism and revolutionary defeatism, i.e., the perspective of consistent struggle of the working class independent of and against all imperialist powers. This means that revolutionaries refuse to lend support to any Great Power in inter-imperialist conflicts under the slogan 'The main enemy is at home!"" (28)

We call all those who share such an outlook and strategy to join us in building a Revolutionary World Party fighting for a socialist future that will liberate humanity from the heel of the imperialist powers in both the East and West!

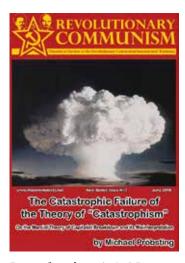
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#### **NEW RCIT PUBLICATION!**

# The Catastrophic Failure of the Theory of "Catastrophism"

By Michael Pröbsting, May 2018

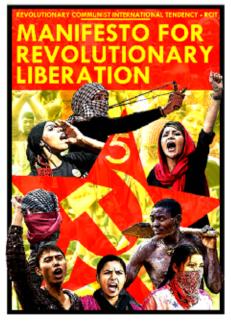
On the Marxist Theory of Capitalist Breakdown and its Misinterpretation by the Partido Obrero (Argentina) and its

"Coordinating Committee for the Refoundation of the Fourth International"

Introduction \* A Note on the PO's term "Catatrophism" \* What did the Marxist Classics Say? A Brief Overview \* Empirical Evidence for the Long-Term Decline of Capitalism \* What will come after Capitalism? \* Epoch and Periods \* The Current Historical Period which Opened in 2008/09 \* Empirical Evidence for the Decay of Capitalism in the Present Historic Period \* The Dialectical and the Mechanistic Interpretation of Cycles on Capitalism \* Permanent Collapse? No, there is Collapse and Collapse \* Consequences of "Catastrophism" (I): Confusion on Capitalist Restoration \* Consequences of "Catastrophism" (II): Confusion on China and Russia as Capitalist Powers \* Excurse: The Theory of "Long Waves" and Dialectical Materialism \* From Economic Crisis to Revolutionary Situation? \* Can the Crisis of Leadership be Solved without an International Democratic-Centralist Organization? \* Conclusions \* Footnotes

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#### PROGRAM OF THE RCIT

## **Manifesto for Revolutionary Liberation**

Adopted at the 1<sup>st</sup> World Congress of the RCIT in October 2016

Introduction \* I. Decaying Capitalism \* II. Today's Worldwide Historic Revolutionary Period \* III. The Reactionary Offensive of the Ruling Class \* IV. A Program for Socialist Revolution to Halt Humanity's Collapse into Barbarism \* V. The Crisis of Leadership and the Construction of a Revolutionary World Party \* VI. Work in Mass Organizations and the United Front Tactic \* VII. The Semi-Colonial South \* VIII. The Emerging Imperialist Great Powers of the East: China and Russia \* IX. The Old Imperialist Great Powers: The EU, North America and Japan \* X. Conclusion

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