

China passes the US on Global Business Ranking for the first time

New data on global corporations reflects China's rise as an imperialist Great Power

By Michael Pröbsting, International Secretary of the Revolutionary Communist International Tendency (RCIT), 23 July 2019, www.thecommunists.net

The U.S. business magazine *Fortune* is an influential organ of the top tier of the capitalist class. It is famous for its lists of global rankings of companies by revenue. These have been published annually since 1955. This ranking, known as the *Fortune Global 500*, is a useful indicator of the relation of forces between the largest capitalist corporations in the world (another well-known list is the *Forbes 2000*).

We have pointed out in past statements that the most significant recent trend in these lists has been the decline of the U.S. and the converse growth of China. We have consequently noted that this increasing share of Chinese corporations among the global elite reflects China's rise as an imperialist Great Power.

The *Fortune Global 500* of this year has historic significance insofar as it shows that China has now reached parity with the long-time hegemon – the U.S. *Fortune* magazine is fully aware of the implications and titled its article - “*It's China's World*”.

*“As the Chinese Century nears its third decade, Fortune's Global 500 shows how profoundly the world's balance of power is shifting. American companies account for 121 of the world's largest corporations by revenue. Chinese companies account for 129 (including 10 Taiwanese companies). For the first time since the debut of the Global 500 in 1990, and arguably for the first time since World War II, a nation other than the U.S. is at the top of the ranks of global big business.”*¹

The report continues: *“It's true that Chinese companies' revenues account for only 25.6% of the Global 500 total, well behind America's 28.8%. But that's to be expected. China is the rising power, economically smaller but growing much faster.”*

The report also reveals that both the Chinese and US companies on the list are mainly concentrated in five industries - energy and mining, commercial trade, banking, insurance, and aerospace/defense.

This report is another powerful confirmation of the RCIT's analysis that China had become a capitalist state by the early 1990s and, more recently, entered the ranks of imperialist Great Powers.² According to this report, China's share among the most powerful 500 corporations has risen to 23.8% (25.8% if we include Taiwan) while the share of the U.S. has declined to 24.2%.

¹ Geoff Colvin: *It's China's World*. China has now reached parity with the U.S. on the 2019 *Fortune Global 500*—a signifier of the profound rivalries reshaping business today, July 22, 2019 <https://fortune.com/longform/fortune-global-500-china-companies>

² 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: <https://www.thecommunists.net/theory/china-russia-as-imperialist-powers/>. All publications can be read online or downloaded for free at these links. For our analysis of capitalist restoration in China we refer readers in particular to a major study by 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), <http://www.thecommunists.net/publications/revcom-number-4>

We have shown that behind the curtain of “socialist” rhetoric in official Chinese media lies the reality of capitalist exploitation and capitalist property relations. China’s banks and industry – both private and state-owned – operate according to the capitalist law of value and play an increasing role in the super-exploitation of the countries of the South (e.g. China’s *Belt and Road Initiative* project).³

The current relation of forces between the imperialist powers

The *Fortune Global 500* list also reflects the current relation of forces between the monopolies and the imperialist powers behind them. (See the Table in the Appendix.) As we noted, China and the U.S. are the undisputed leaders with, respectively, 129 versus 121 corporations. The next nation is Japan with 52 corporations (which represents a global share of 10.4%), followed by France (6.2%), Germany (5.8%) and the UK (3.4%). This clearly expresses the decline of European imperialism as the combined number of French, German and British corporations is still far behind the number of each of the two leaders.⁴

Another highly interesting result of this compilation is the fact that South Korea continues a sustained trend of placing among the Top 10. Again, it is ranked as No. 7 with only one corporation less than Britain (3.2%). This buttresses the thesis of the RCIT and our South Korean comrades that South Korea is not longer a semi-colonial country but has transitioned into an imperialist state.⁵

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, <https://www.thecommunists.net/theory/anti-imperialism-in-the-age-of-great-power-rivalry/>.

⁴ 2019 Fortune Global 500, <https://fortune.com/global500/2019/search/>

⁵ On our analysis of South Korea as an imperialist state see e.g. 홍수천: 한반도 전쟁 위기와 미·중 제국주의 패권 쟁투 (Hong Su-Cheon: War Crisis on the Korean Peninsula and the Rivalry between US and Chinese Imperialism, Article in Korean language, Spring 2019), <https://www.thecommunists.net/home/%ED%95%9C%EA%B5%AD%EC%96%B4/crisis-on-korean-peninsula-us-and-chinese-imperialism/>; 홍수천: 현 시기 격화하고 있는 제국주의 패권쟁투와 사회주의자의 임무 (Hong Su-Cheon: The Acceleration of the Great Power Rivalry in the Present Period and the Task of Socialists in Korea, Article in Korean language, March 2019), <https://www.thecommunists.net/home/%ED%95%9C%EA%B5%AD%EC%96%B4/struggle-for-imperialist-hegemony-socialism/>; Michael Pröbsting: *The Korean Peninsula: Imperialist Aggression, Capitalist Restoration and Revolutionary Defensism* (Chapter VI. in *World Perspectives 2018: A World Pregnant with Wars and Popular Uprisings*), <https://www.thecommunists.net/theory/world-perspectives-2018/>; Michael Pröbsting: *Capitalist Development in South Korea and Taiwan* (1997), <https://www.thecommunists.net/theory/capitalism-in-south-korea-taiwan/>; *Down with the Imperialist Trade War between Japan and South Korea! Down with all chauvinist boycott campaigns! Class War instead of Trade War! Joint Statement of the Revolutionary Communists of South Korea and the Revolutionary Communist International Tendency (RCIT)*, 19 July 2019, <https://www.thecommunists.net/worldwide/asia/trade-war-between-japan-and-south-korea/>; *Korea: There Is No Peace Without Overthrowing Imperialism and the Rule of Capital! Peace through the Proletarian Socialist Revolution! Joint Statement of the Revolutionary Communists of South Korea and the RCIT*, 8 March 2019, <https://www.thecommunists.net/rcit/joint-statement-on-south-korean-imperialism/> [The Korean-language version of the statement can be read here: <https://www.thecommunists.net/home/%ED%95%9C%EA%B5%AD%EC%96%B4/joint-statement-on-south-korean-imperialism/>]; See also <http://go.jinbo.net/commune/view.php?board=cool&id=51945&page=1>]

The China question

Such coverage about China's burgeoning capitalist corporations constitute a rude slap in the face for the numerous Stalinist and Castro-Chavista fans of China who have praised the *Middle Kingdom* for many years as a "socialist" and "anti-imperialist" power. ⁶ In fact, as the RCIT has explained numerous times, China is an imperialist Great Power with a strong monopoly capitalist class that is now challenging the long-time U.S. hegemon. The ruling party is "communist" in name but capitalist and imperialist in practice. Unsurprisingly, the "communist" state media of China has cheered with enthusiasm over the news that their capitalist corporations are overtaking their American rivals. ⁷

The latest *Fortune Global 500* report also demonstrates how mistaken those socialists are who recognize the capitalist character of China but claim that is not an imperialist power but something qualitative weaker (e.g. semi-colonial or sub-imperialist) than the U.S., Western European and Japanese Great Powers. We have previously demonstrated that such a view strongly contradicts reality. ⁸ The publication of the latest *Fortune Global 500* list is an important confirmation of the RCIT's analysis.

We close this article by repeating that Marxists cannot 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. Our principled conclusion? We consistently oppose *all* Great Powers – the U.S., China, Russia, Japan and the EU on the basis of a socialist program for the liberation of the international working class. ⁹

⁶ See on this in particular chapter VIII. "Revisionist Whitewashing: Stalinist and Bolivarian Admirers of Beijing's "Socialism"" as well as chapter IX. "Revisionist Whitewashing: Russia and China are neither Capitalist nor Great Powers (PO/CRFI)", both in Michael Pröbsting: *Anti-Imperialism in the Age of Great Power Rivalry*.

⁷ See e.g. Chi Jingyi and Huang Ge: China overtakes US on global business ranking, *Global Times* 2019/7/22 <http://www.globaltimes.cn/content/1158785.shtml>; Zhuang Qiang: 129 Chinese firms on Fortune Global 500, *chinadaily.com.cn*, 2019-07-22 <http://www.chinadaily.com.cn/a/201907/22/WS5d357fb1a310d830564005b9.html>; Yang Yang: China passes US on Fortune Global 500 for first time, *chinadaily.com.cn*, 2019-07-22 <http://www.chinadaily.com.cn/a/201907/22/WS5d3566f4a310d8305640055c.html>

⁸ See on this in particular chapter X. "Revisionist Whitewashing: China and Russia are Semi-Colonies rather than Great Powers (LIT / UIT / FT)" and chapter XI. "Revisionist Whitewashing: When the Category "Imperialism" has no Meaning (CWI / IMT / IST)", both in Michael Pröbsting: *Anti-Imperialism in the Age of Great Power Rivalry*.

⁹ See on this, in addition to the above mentioned new book on Great Power rivalry: RCIT: Theses on Revolutionary Defeatism in Imperialist States. Resolution of the International Executive Committee of the Revolutionary Communist International Tendency (RCIT), 8 September 2018, <https://www.thecommunists.net/theory/theses-on-revolutionary-defeatism-in-imperialist-states/>; RCIT: Global Trade War: No to Great Power Jingoism in West and East! Neither Imperialist Globalization nor Imperialist Protectionism! For International Solidarity and Joint Struggle of the Working Class and Oppressed People! 4 July 2018, <https://www.thecommunists.net/rcit/joint-statement-on-the-looming-global-trade-war/>

Appendix

Table 1. List of Top 10 Countries with most Global 500 Companies

| <i>Rank</i> | <i>Country</i> | <i>Companies</i> | <i>Share (in %)</i> |
|-------------|----------------------|------------------|---------------------|
| 1 | China (incl. Taiwan) | 119 (129) | 23.8% (25.8%) |
| 2 | United States | 121 | 24.2% |
| 3 | Japan | 52 | 10.4% |
| 4 | France | 31 | 6.2% |
| 5 | Germany | 29 | 5.8% |
| 6 | United Kingdom | 17 | 3.4% |
| 7 | South Korea | 16 | 3.2% |
| 8 | Switzerland | 14 | 2.8% |
| 9 | Canada | 13 | 2.6% |
| 10 | Netherlands | 12 | 2.4% |