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China and India: A Conflict of Giants

by Michael Pröbsting

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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?

by Michael Pröbsting,

International Secretary of the Revolutionary Communist International Tendency (RCIT), 18 August 2017

INTRODUCTORY REMARKS

The recent escalation of the conflict between China and India is an important issue – irrespective of whether it will lead to a war as it did in 1962.

It isn't difficult to understand the relevance of this issue for socialists and liberation activists – in these countries as well as internationally. Other than these two states' being the two most populous countries in the world, there are additional factors. For one, China is also an emerging imperialist power challenging the long-time hegemon – the US – not only in Asia but also globally. On the other hand, India, while not an imperialist power, is certainly an important and vibrant capitalist country which aspires to become a kind of regional power and is even attempting to increase its influence in other regions like Africa.

To these factors must be added the fact that the very centrality of these two states and their respective influence in Asia guarantees that other imperialist powers – like Japan and the US – invariably involve themselves in this conflict in order to advance their own interests.

The RCIT has repeatedly pointed out that socialists can only intervene and lead the vanguard in ongoing workers' and popular struggles if they possess a correct understanding of the fundamental dynamics and the crucial events of the world situation. This necessitates a careful study of the ongoing changes in the relations between the classes and states as well as the nature of any given conflict. It is therefore

vital that we not remain satisfied with some general theoretical concepts, but always strive to concretize them in any given situation of class struggle, conflict and war. Revolutionaries are well advised to take to heart Trotsky's insistence that "*the truth is always concrete*":

*"The vast practical importance of a correct theoretical orientation is most strikingly manifested in a period of acute social conflict of rapid political shifts, of abrupt changes in the situation. In such periods, political conceptions and generalizations are rapidly used up and require either a complete replacement (which is easier) or their concretization, precision or partial rectification (which is harder). It is in just such periods that all sorts of transitional, intermediate situations and combinations arise, as a matter of necessity, which upset the customary patterns and doubly require a sustained theoretical attention. In a word, if in the pacific and "organic" period (before the war) one could still live on the revenue from a few ready-made abstractions, in our time each new event forcefully brings home the most important law of the dialectic: The truth is always concrete."*¹

For all these reasons, socialists and liberation movement activists in India, China and around the world need to understand the nature and the background of this conflict and to develop appropriate revolutionary tactics. The following pamphlet should help achieve this important goal.²

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I. RECENT DEVELOPMENTS

Let us first summarize the recent developments which have led to the present stand-off between Chinese and Indian troops along their common border.³ In recent weeks, tensions between China and India in the Sikkim border region have intensified to a level not seen since the 1980s. On 18 June, Indian troops, with two bulldozers, entered the area known as Doklam (by India) or Donglang (by China). This area is located on the strategically important Himalayan plateau at the tri-junction of Sikkim, Tibet and Bhutan. While Doklam/Donglang is officially part of Bhutan, China also has claims on it. (See Map 1 below.)

The trigger for this attack is the ongoing construction of a road in this area by China. China's attempt to control Doklam/Donglang is an extremely sensitive matter for India, as it overlooks the Siliguri corridor, the 27km-wide so-called "Chicken Neck" which links mainland India with its remote northeastern regions and which is only 100km from China's military fortified Chumbi valley. In other words, access to this region potentially enables China to easily disrupt the land connection between the bulk of the Indian state and its northeastern regions.

Vice Admiral (retired) Vijay Shankar, former Commander-in-Chief of the Strategic Forces Command of India, expressed the concern of India's ruling class in a recent article: "*Recall in 1962, the real anxiety was that the thrust of China's Army of Tibet would develop on a North-South axis from the Chumbi Valley to cut off the strategically vital Siliguri corridor (Chicken Neck). In 1965 again China in support of Pakistan, threatened to open this front. If China were to ever get hold of this territory, the Northeast would remain in a state of unremitting peril.*"⁵

Since then, up to 400 Indian troops stationed on the peak of the plateau, have occupied the area and thereby in effect obstructed Chinese work on a road spanning the heights. These troops allegedly entered the area at the formal request of Bhutan, but this is a matter of dispute between Delhi and Beijing. Contrary to Indian claims, the official press release of Bhutan's Ministry of Foreign Affairs does not mention any request for Indian aid – in fact it does not mention India at all.⁶

Bhutan is a traditional ally – one would more aptly call it a satellite state – of India, even though this status is probably now more in flux given the rise of China as a neighboring Great Power economically superior to India. (More on this in chapter II.)

While there are certain indications that the governments of both countries struck an agreement not to escalate this dispute (e.g., India is said to have reduced the number of its troops to 40 by end-July), there is no solution for the conflict within sight.

All in all, about 3,000 troops from both countries are reportedly stationed near Doklam/Donglang. Tensions in recent weeks between the Chinese and Indian troops have reportedly led to unarmed clashes by "jostling" – bumping chests, without punching or kicking, in order to force the other side back.⁷

The media in both countries are promoting chauvinist, hard-line stances. China's *Global Times*, the regime's inter-

national mouth piece, warned that "*India will suffer greater losses than in 1962 if it incites military conflicts*".⁸

Colonel Wu Qian, a Chinese defence ministry spokesman, said India must not underestimate Beijing's determination to safeguard what it considers sovereign territory belonging to China in the Sikkim border region. "*China's determination and resolve to safeguard national security and sovereignty is unshakable*," Wu told reporters. "*Here is a wish to remind India, do not push your luck and cling to any fantasies*," he added.⁹

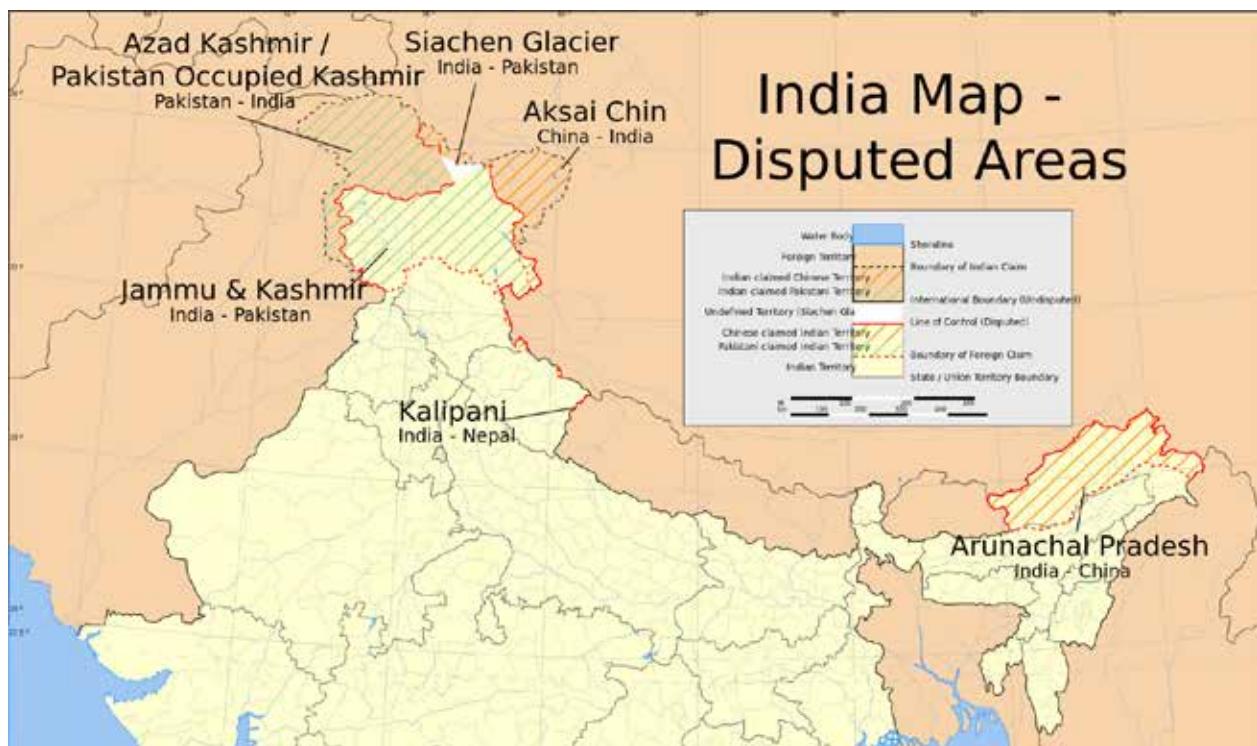
To underline its position, China held live-fire drills on the Qinghai-Tibet Plateau near the site of the standoff in July. So did India, which is similarly in no mood to give in. An Indian military expert, Nitin Gokhale, said India was prepared for a long haul: "*The decision is to stay resolute on the ground and reasonable in diplomacy*".¹⁰ And India's army chief, Bipin Rawat, has said that Delhi is ready to fight a "*two and half front war*" – referring to Pakistan, China and the country's various internal insurgencies.¹¹

In general, with China's rise as an imperialist power, the military balance of power in the Himalayan region has shifted in its favor and to the disadvantage of India. John W. Garver, an expert on China's foreign relations, writes:

*"Across the Himalayan frontier in Tibet, India saw steadily improving PLA capabilities. The opening in 2006 of a high-speed rail line from Xining in Qinghai to Lhasa in Tibet caused Indian military planners to reduce from ninety to twenty days the estimated time it would take China to mobilize two divisions on India's northeastern borders. New Delhi responded by strengthening its defenses. In the early 2010s, India deployed its most capable multirole combat aircraft, the Russian-made Sukhoi-30MKI Flanker, to the northeast to defend Arunachal Pradesh. Old airbases in India's northeast were reopened and refurbished to host those aircraft. India also established two new mountain divisions to serve as a mountain strike force to India's northeast."*¹²

There will be efforts by diplomats to resolve this border issue before a summit of the so-called BRICS nations (Brazil, Russia, India, China and South Africa) in the Chinese city of Xiamen in early September. This would naturally help China to make the summit a show of cooperation and friendship among the participants.

While such a resolution cannot be excluded, it is clear that conflict between the two states can and certainly will emerge again. This is unavoidable given the accelerating rivalry between China and India in this historic period of capitalist decay, as well as the fact that they share a 3,500km frontier large parts of which have been disputed for decades. (See Map 2.)

Map 1: The Sikkim border region between China, India, Bhutan and Nepal⁴**Map 2: India's Disputed Border Areas¹³**

II. THE STRUGGLE FOR DOMINATION OF BHUTAN

One reason for the recent escalation of the Chinese-India conflict is the struggle between the two powers for influence in Bhutan. Geographically, this small country is sandwiched in between the two giants. (See Map 3.)

Bhutan is a very small country in the Himalayan region with a population of less than 750,000. Its capital, Thimpu, is its only city, and has less than 80,000 inhabitants. It has hardly any industry. Its most important source of earnings, beside forestry and tourism, is its selling of hydroelectric power to India.

Politically, Bhutan is very backward, having less than a decade ago witnessed a transition from an absolute to a constitutional monarchy. The country's first parliamentary elections just took place in 2008. A government ban on television and the Internet was only lifted in 1999.

While Bhutan is a very multi-ethnic country, the regime brutally suppresses various minorities. For example, 108,000 Lhotshampas, meaning "southern Bhutanese," have been forced from their homes and seen their land seized in recent decades. Since then, they are living in refugee camps.¹⁵

Bhutan is nothing but a de facto colony of India. Its currency is the *ngultrum*, which is fixed to the Indian rupee. The rupee is also accepted as legal tender in the country. The Indian Army has permanently stationed a brigade in Bhutan.¹⁶ Article 2 of the *Indo-Bhutan Friendship Treaty*, signed in 1949, states: "*On its part the Government of Bhutan agrees to be guided by the advice of the Government of India in regard to its external relations.*" While this formulation was modified in a more recent version of the treaty signed in 2007, one which formally recognizes a higher degree of Bhutan independence, India has continued to exercise a strong influence over the country's foreign policy. Among other things, this is manifested by Bhutan's having no formal ties with the five permanent members of the United Nations Security Council.

However, India's domination of Bhutan has recently come under challenge due to the regional and global rise of China as an imperialist power.

Since the stepping down of the former absolute Druk monarch in 2007, the government of Bhutan intensified negotiations with China in order to settle their border disputes. Some sources suggest that China has already seized over 8,000 km² of disputed lands with the result that Bhutan's total area has been reduced from 46,500 km² to 38,390 km² since 2010.¹⁷

In reaction to these developments, India interfered in Bhutan's 2013 general elections, which brought about the defeat of the Thinley government. However, it appears that, since then, no fundamental reversal of China's increasing control in Bhutan has taken place.

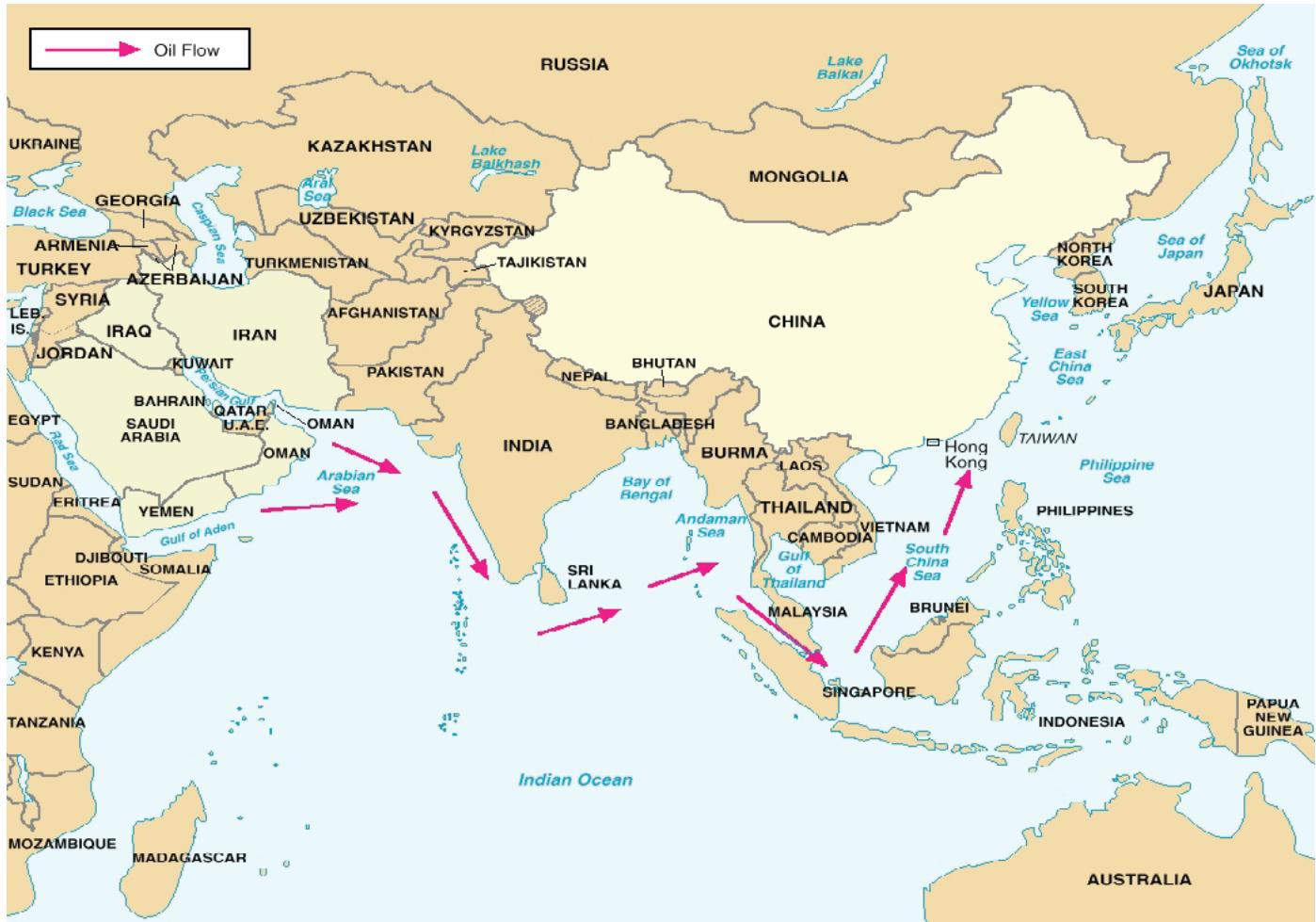
In a position paper which the Chinese Foreign Ministry released on 2 August, Beijing elaborated its stand on the dispute in the Sikkim border region. The document states that China and Bhutan have conducted joint surveys along the border area and have reached a "*basic consensus on the actual state of the border area and the alignment of their boundary.*" All that remains, according to Beijing, is the formal

delineation of the border.

In a sharply-worded passage, the Chinese document states: "*The China-Bhutan boundary issue is one between China and Bhutan. It has nothing to do with India. As a third party, India has no right to interfere in or impede the boundary talks between China and Bhutan, still less the right to make territorial claims on Bhutan's behalf. India's intrusion into the Chinese territory under the pretext of Bhutan has not only violated China's territorial sovereignty but also challenged Bhutan's sovereignty and independence... China will continue to work with Bhutan to resolve the boundary issue between the two countries through negotiations and consultations in the absence of external interference.*"¹⁸

Indicative of Thimpu's move in the direction of Beijing and away from Delhi is the fact that Bhutan's ambassador to India, Vetsop Namgyel, attended an event at the Chinese embassy in New Delhi on 1 August to mark the 90th anniversary of the founding of China's *People's Liberation Army*. This move is even more telling, given Bhutan's having no diplomatic ties with China and the extreme rarity of an ambassador attending an armed forces day in a foreign embassy.

In short, one important reason for the recent escalation of the conflict between China and India is their rivalry over the domination of Bhutan. While India has been the traditional hegemon, China has succeeded in challenging this status in recent years. With its armed intervention in the Sikkim border region, Delhi hopes to reverse this trend and to regain its full domination of Bhutan.

Map 3: Bhutan, China and India¹⁴

Books of the RCIT

Michael Pröbsting: The Great Robbery of the South Continuity and Changes in the Super-Exploitation of the Semi-Colonial World by Monopoly Capital. Consequences for the Marxist Theory of Imperialism

The RCIT is proud to announce the publication of a book called *THE GREAT ROBBERY OF THE SOUTH*. The book's subtitle is: *Continuity and Changes in the Super-Exploitation of the Semi-Colonial World by Monopoly Capital. Consequences for the Marxist Theory of Imperialism*. The book is in English-language. It has 15 chapters, 448 pages and includes 139 Tables and Figures. The author of the book is Michael Pröbsting who is the International Secretary of the RCIT.

In *The Great Robbery of the South* Michael Pröbsting analyses the super-exploitation and oppression of the semi-colonial world (often referred to as the "Third World") by the imperialist powers and monopolies. He shows that the relationship between the small minority of rich capitalist countries and the huge majority of mankind living in the semi-colonial world forms one of the most important elements of the imperialist world system we are living in. The Great Robbery of the South shows that the past decades have been a complete confirmation of the validity of Lenin's theory of imperialism and its programmatic conclusions. *The Great Robbery of the South* demonstrates the important changes in the relationship between the imperialist and the semi-colonial countries. Using comprehensive material (including 139 Tables and Figures), Michael Pröbsting elaborates that never before

has such a big share of the world capitalist value been produced in the South. Never before have the imperialist monopolies been so dependent on the super-exploitation of the semi-colonial world. Never before has migrant labor from the semi-colonial world played such a significant role for the capitalist value production in the imperialist countries. Never before has the huge majority of the world working class lived in the South – outside of the old imperialist metropolises.

In *The Great Robbery of the South* Michael Pröbsting argues that a correct understanding of the nature of imperialism as well as of the program of permanent revolution which includes the tactics of consistent anti-imperialism is essential for anyone who wants to change the world and bring about a socialist future. Order your copy NOW! \$20 / £13 / €15 plus p+p (21\$ for US and international, £9 for UK, €10 for Europe)

The Great Robbery of the South

Continuity and Changes in the Super-Exploitation of the Semi-Colonial World by Monopoly Capital. Consequences for the Marxist Theory of Imperialism



By Michael Pröbsting

Published by the Revolutionary Communist International Tendency

III. THE BACKGROUND: ACCELERATING RIVALRY BETWEEN CHINA AND INDIA IN A PERIOD OF CAPITALIST DECAY

However, the conflict between Beijing and Delhi over the domination of Bhutan is only part of a more comprehensive struggle between these two powers for regional hegemony. China's rise as an imperialist power has resulted in a series of economic and political initiatives by Beijing both in Asia as well as globally. One of these initiatives is the co-called *Shanghai Cooperation Organization* (SCO) – which is basically a kind of loose political and military alliance dominated by China and Russia and which is intended to serve as a counterweight to NATO.

The character of the SCO is relatively lax, something which becomes manifest when we realize that both India and Pakistan joined it June 2017. As is well known, these two countries are engaged in a bitter, long-standing border conflict between them, in particular regarding the region of Kashmir. The ongoing conflict between China and India further demonstrates the limited coherence of the SCO.

China's Belt and Road Initiative

Another particularly important project of imperialist China is the so-called *Belt and Road Initiative* (originally called *One Belt, One Road* or OBOR) which was launched in the autumn of 2013. This is a huge project which seeks to bring about economic integration – under Chinese hegemony – of Asia, Europe, the Middle East as well as East Africa and Oceania. It involves more than 60 countries accounting for about 60% of the world's population and with a cumulative GDP equivalent to 33% of the world's wealth. In contains numerous infrastructure projects (ports, highways, railways, etc.) as well as the intensification of trade.

On the one hand, the *Belt and Road Initiative* incorporates a sea-based *Maritime Silk Road* initiative (also called the *21st Century Maritime Silk Road*). The Chinese government has recently published a more detailed plan, dividing the project into three "blue economic passages": the *China-Indian Ocean-Africa-Mediterranean Sea Blue Economic Passage*; the *China-Oceania-South Pacific Blue Economic Passage*; and one that will lead to *Europe via the Arctic Ocean*.¹⁹

On the other hand, the BRI includes the so-called *Silk Road Economic Belt* involving six land-based economic corridors: the *New Eurasian Land Bridge*; the *China - Mongolia - Russia Corridor*; the *China - Central Asia - West Asia Corridor*; the *China-Indochina Peninsula Economic Corridor*; the *China-Pakistan Corridor* (CPEC); and the *Bangladesh-China-India-Myanmar Economic Corridor* (BCIM-EC).²⁰ (See Map 4.)

This initiative has already resulted in numerous concrete projects like the construction of a vast port in Gwadar (Pakistan) and the take-over and expansion of the Greek port in Piraeus to name only two.

This brief overview should be sufficient to demonstrate that the *Belt and Road Initiative* is designed to serve Beijing's plan to significantly expand its global economic and political sphere of influence. Primarily, it is *not* a project

designed to raise the people's standard of living but rather to expand the hegemonic role of Chinese imperialism.²²

This is why socialists should oppose this project, as in the past they opposed the so-called *Marshall Plan* in Europe after World War II and the so-called *Alliance for Progress* initiated by US President John F. Kennedy in 1961. Both projects were economic initiatives which primarily aimed to serve the expansion of the sphere of influence of US imperialism.

Here we repeat our conclusion from our statement on the *China-Pakistan Corridor* (CPEC): "*However we oppose the CPEC project since it primarily serves the interests of Chinese monopoly capital and the small Pakistani comprador bourgeoisie – and not the interests of the people of Pakistan and China. In particular, we oppose those projects which will directly increase the oppression of the Baloch and other national minorities.*"²³

It is, therefore, hardly surprising that the old imperialist powers – the US, EU and Japan – are extremely concerned about China's economic and political expansion, and that they are attempting to counter Beijing's rising influence.

India's OCOR as an Alternative to OBOR?

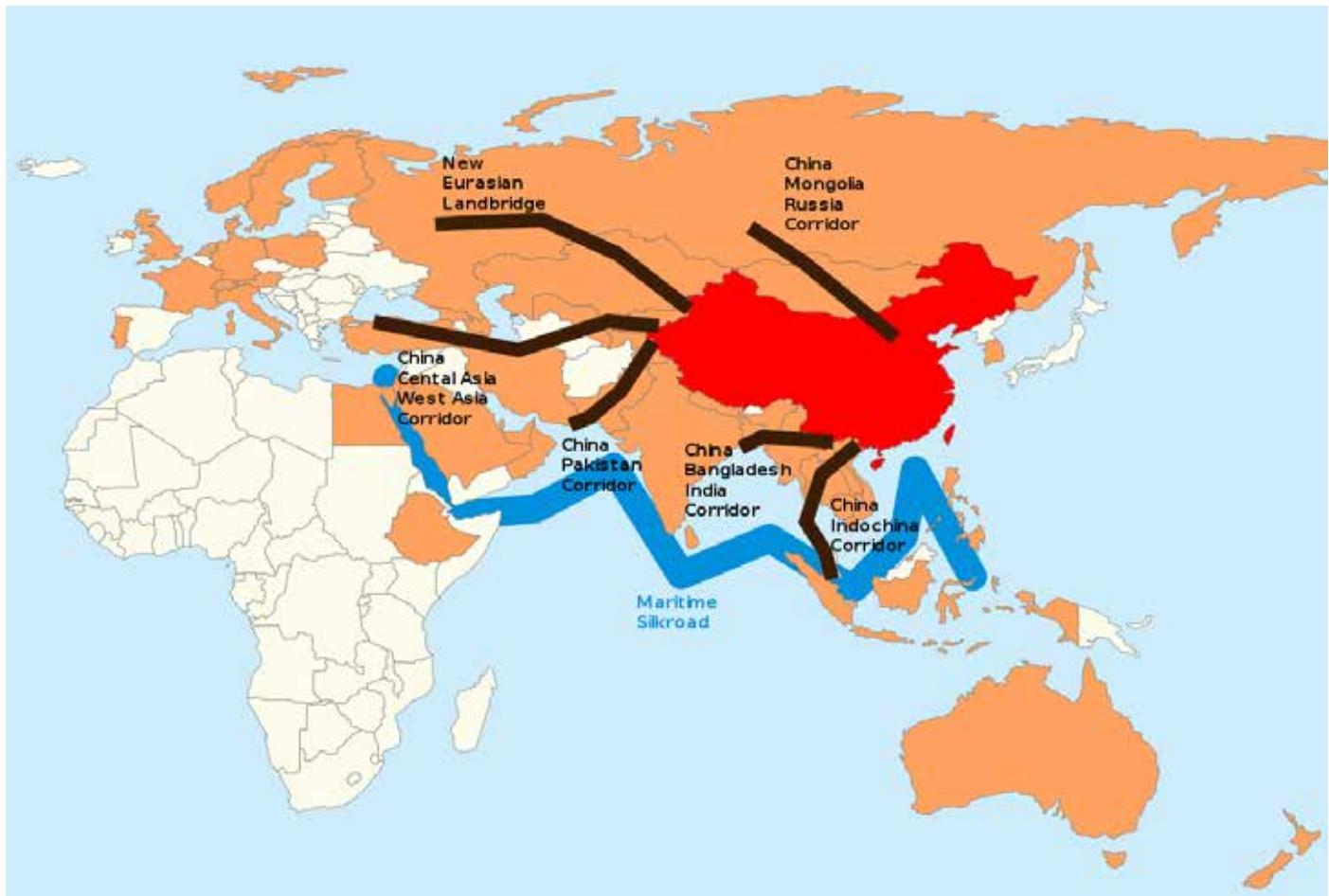
If the old imperialist powers are worried about the rise of China, India's ruling class is even more so. Despite its being the second-largest country in the world in terms of population and one with a rapidly growing economy, Delhi has been powerless to restrain China's rapid growing influence in all its neighboring countries.

The journalist Pepe Escobar accurately formulated Delhi's problem: "*When India looks around, to its east or to its west, what it sees is China connecting everything from Dhaka in Bangladesh to Bandar Abbas in Iran.*"²⁴

Since the right-wing government of Narendra Modi took power in May 2014, India has intensified its attempts to catch up to China and to become a Great Power in its own rights. Consequently, it has taken various steps to hamper China's *Belt and Road* offensive and to intensify its collaboration with US and Japanese imperialism.

In contrast to many other states, India under Modi has refused to join the *Belt and Road Initiative*, making India the sole country in the region that boycotted the project's summit in May 2017.²⁵ This policy of India is clearly intended as a challenge to the core project in which China is placing such strategic importance, given the major role played by India as a regional factor in South Asia. Dr. Sanu Kainikara, a Canberra-based military strategist with a clearly anti-Chinese and pro-Indian stance, noted in this context: "*At the time that India boycotted the OBOR Forum, China had warned that India would be isolated and also warned that India's pro-US stance was akin to being a US stooge.*"²⁶

However, Delhi is not only refusing to join the *Belt and Road Initiative* – which it brands as an expression of "Sino-centrism" – it is also trying to advance alternative economic trade projects. One of these is the so-called *Chahbahar*

Map 4: The Corridors of the Belt and Road Initiative²¹

China's transformation into an imperialist power

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By Michael Pröbsting (International Secretary of the RCIT)

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Project, a tripartite agreement between India, Iran and Afghanistan signed in Tehran on 23 May 2016 during a visit by Modi to Iran. This is basically a transport corridor, linking India with Central Asian energy resources by opening up a new route from Afghanistan to the Iranian port of Chabahar. Towards this end, Modi signed 12 agreements with Tehran, including a deal to develop Iran's Chabahar port. India has committed itself to spend some \$500 million on the project, and plans to invest an additional \$16 billion in the Chabahar free trade zone.²⁷

A potentially even more significant project is the so-called *Asia-Africa Growth Corridor* (AAGC). It was first announced in a joint declaration issued by Prime Minister Narendra Modi and his Japanese counterpart, Shinzo Abe, in November 2016. In May 2017, an official plan was published.²⁸

The *Asia-Africa Growth Corridor* is a joint project of India and Japan focused on the establishment of a sea corridor linking Africa with India and Japan as well as other countries in Southeast Asia and Oceania. According to its initiators, this project will give priority to developing production and trade in the areas of health and pharmaceuticals, agriculture and agro-processing, disaster management and skill enhancement.²⁹

The project aims to connect ports in Jamnagar (Gujarat) with Djibouti in the Gulf of Eden. Similarly, ports of Mombasa and Zanzibar will be connected to ports near Madurai; Kolkata will be linked to the port of Sittwe in Myanmar. India is developing ports under the Sagarmala program specifically for this purpose.

An Indian newspaper optimistically reported: "Apart from developing sea corridors, the AAGC also proposes to build robust institutional, industrial and transport infrastructure in growth poles among countries in Asia and Africa. The idea is to enable economies in Asia and Africa to further integrate and collectively emerge as a globally competitive economic bloc."³⁰

There can be no doubt about India's intentions. Recently, the *Rashtriya Swayamsevak Sangh* (RSS), a semi-fascistic, Hindu nationalist, paramilitary organization which enjoys great influence inside the ruling party of India, the *Bharatiya Janata Party*, published an article outlining the government's foreign policy. In this article, it promoted *One Culture One Region* (OCOR) as an alternative to China's OBOR. They accuse China of wanting "to dominate the region to overpower India" and that OBOR is an "imperialistic concept" that cannot "fulfill" the present "cultural vacuum" in Eurasia.³¹

Pepe Escobar has accurately pointed out the similarity of worldviews of both Indian and Chinese chauvinists when he writes: "Hindu nationalism qualifies South Asia and the Indian Ocean as an indisputable sphere of influence for Indian civilization – and one not that dissimilar to China's in relation to the South China Sea."³²

In judging India's efforts to counter China's foreign economic projects with its own initiatives, one has to come to a very sobering assessment. To put it mildly, the *Chabahar Project* seems to be a pipe dream – at least compared with the high-hopes of Delhi.

First, it is based on the assumption that Afghanistan could be a safe corridor for exports from energy-rich Central Asian countries. This however, presupposes that the civil war in Afghanistan, going on since the beginning of the US occupation in 2001, can be somehow stopped. However,

this is hardly feasible, at least in the foreseeable future. If the Trump Administration increases its troops – the Pentagon currently proposes to add around 4,000 more US troops to the 8,400 currently deployed in Afghanistan³³ – the national liberation war of the Afghan resistance will unavoidably escalate. If the US withdraws, the current regime in Kabul will collapse and anti-American forces will hugely increase their influence – a development which will probably be to the advantage of Beijing. As a sign pointing to future developments, China already has a \$3 billion contract to develop a copper mine about 25 miles southeast of the Afghan capital, Kabul.³⁴

Second, the *Chabahar Project* was very much influenced by the assumption that the relations between the US and Iran would improve after the nuclear treaty.³⁵ However, as we have seen, the relations between Washington and Teheran began deteriorating when the Trump Administration took office and will continue to do so in the foreseeable future. It is unlikely that close relations between India and Iran can develop when the former is at the same time looking for closer relations with US imperialism.

Regarding the *Asia Africa Growth Corridor*, it is still too early to evaluate. In contrast to China's *Belt and Road Initiative*, it is still very much in the early stages of planning. On its own, India certainly lacks the economic potential to push the AAGC forward to full fruition, as it is not an imperialist state but a peculiar semi-colonial one. However, given the involvement of Japan – an economically potent imperialist state – one should not shrug off the chances of this project. It is, however, not at all certain at this stage that Tokyo and Delhi will continue their concerted efforts to make the *Asia Africa Growth Corridor* a success.

India's Increasing Ties with US and Japanese Imperialism

Another crucial facet of Modi's new foreign policy strategy is India's desire to build closer ties with Japanese imperialism. Particularly since Trump became U.S. President, India's ties with Washington have massively improved. Sanu Kainikara recently observed: "It is also noteworthy that the current impasse was created almost immediately after the Modi-Trump meeting, which China has perceived to have strengthened the Indo-US strategic partnership. (...) The recently concluded military exercise between the navies of India, US and Japan seems to have made China uncomfortable. There is a visible sense of insecurity that seems to have made China resort to an unprecedented war of words against India."³⁶

Naturally, both U.S. and Japanese imperialism are eager to utilize India in order to create a counterweight against the seemingly unstoppable rise of China.

The *New York Times* reported recently: "Both Japan and the United States have expressed eagerness to team up with India on its maritime frontier. Last month, the United States agreed to sell India 22 advanced surveillance drones, which could be deployed to the Strait of Malacca and used to track Chinese naval movements. The drones can be used in concert with the American-made P-8I Poseidon surveillance aircraft, which are already staged on the Andaman and Nicobar Islands. The Indian government has signaled that it is willing, after many years of resistance, to expand security infrastructure on the archipelago. In May, a wildlife board approved the creation of missile testing and surveillance facilities on Rutland Island, a project first

proposed in 2013.”³⁷

Furthermore, in July this year India, US and Japan conducted the largest-ever Malabar naval exercise, focused on detecting submarines attempting movement via the Malacca Strait into the Bay of Bengal. Beijing countered by surging PLA Navy submarines into Bay of Bengal.

The Indian Navy also announced a plan to permanently station warships to monitor movement through the Strait of Malacca, where many Chinese vessels enter from the South China Sea. Unsurprisingly, this has provoked a “surge” of Chinese military vessels entering the Indian Ocean.

In short, we see that the recent escalation of the Sikkim border conflict has to be viewed in the broader context of India’s intensified efforts to counter China’s expanding influence in Asia by intensifying its own economic, political and military efforts as well as by looking for support by US and Japanese imperialism.

The Australian-British journalist and scholar Neville Maxwell accurately interpreted these recent developments as indications for Delhi’s leaning towards an alliance with the Western imperialist powers: “*This may be another indication that Prime Minister Narendra Modi has decided that India’s interest will be served better in an aggressive American alliance rather than in a neighbourly relationship with China.*”³⁸

How are the chances in a military confrontation between India and China?

Naturally, it would be highly speculative to make any concrete prognosis about the future developments in the stand-off between Chinese and Indian troops in the Sikkim border region. It is quite possible that the two powers will agree on a kind of face-saving comprise in the short-term. However, given the underlying acceleration of the antagonism between Beijing and Delhi in their struggle for dominance as well as the recent rapprochement between the India and the US and Japan, the chances for a military escalation are increasing.

The Modi government hopes to be able to take a strong stance in the border conflict. Manoj Joshi, an Indian journalist and former security advisor of the government in Delhi, expresses the self-confident point of view of the South Asian regional power that it can force Beijing to make concessions: “*That China has become more assertive since 2008-2009 is well known, but Modi’s India also sets a value by adopting an assertive stance in the South Asian and Indian Ocean region. And, unlike the smaller countries of the region, India does have the capacity to deal with China on its own terms. And almost everyone is agreed that in the coming decade, this capacity will only increase. As the more powerful party, China is the one that needs to figure out how it must deal with India because whether India becomes more powerful, or, for that matter flounders, it can still cause a lot of trouble for Beijing. Conflict between the two Asian giants will act as a drag on their rise. It was famously said that there is enough room for both of them to grow at the same time. As of now, unfortunately, their simultaneous growth is causing dangerous friction and their unsettled border can always provide the spark for conflict.*”³⁹

John Garver has a more sober assessment of India’s chances. He accurately puts the alternative for India like this: “*China’s creeping encirclement of India confronts New Delhi with the choice of either accommodating itself to Chinese prima-*

cy or of hedging in partnership with the US and Japan against China’s advances, fuelling the regional rivalry even further. (...) India is in a vulnerable position. Unlike Japan, it is not protected by an alliance with the US. (...) Beijing might conclude that New Delhi is the weakest link in the chain of “anti-China containment” (...). The US might object to Chinese chastisement of India, but could not fundamentally alter the outcome. Moreover, India’s military modernisation is proceeding slowly. The PLA enjoys considerable superiority over India’s military in most areas. As Indian military modernisation proceeds with US and Japanese assistance, the PLA’s relative advantage may diminish. It might make sense for China to teach India a lesson before China’s advantage is eroded.”⁴⁰

Garver even does not exclude the possibility Chinese forces might seize part or all of India’s Northeast, putting it in a strong position from which to dictate peace terms.

For Marxists it is clear that the economic, political and military antagonism between the powers will unavoidable accelerate given the general background of decay of the capitalist world system. Any hope for a peaceful and co-operative future for Asia is built on sand, on illusions that capitalism can find a way out of its accelerating contradictions in the near future.

To put it bluntly, the alternative for Dehli is either to accept the hegemonic role of imperialist China in Asia and to find a place as a second-rate power in a Beijing-dominated order. Or Delhi decides to intensify the confrontation with Beijing. However, as we will demonstrate below, India is clearly weaker than China – in economic as well as military terms. Therefore, India can only resist China if it tightens its alliance with Washington and Tokyo. Given the strength of the latter and the semi-colonial character of India, this can only mean that India subordinates itself to US and Japanese imperialism.

In other words, in the longer run India can not run an independent course. It has only the alternative of becoming a secondary power subordinated to Chinese imperialism or subordinated to US and Japanese imperialism.

We believe that in any military confrontation between China and India it is likely that the former will come out as the winner. The massive modernization of the PLA while India’s army is far behind, the huge modernization of China’s transport roads to its southern borders, all these are factors which in our opinion determine the military advantage for Beijing.

India could only successfully resist China in a longer military confrontation if the US would intervene on its behalf. Naturally such an intervention can not be excluded and, as the RCIT has repeatedly emphasized, in the longer run a war between the US and China, even a Third World War, is inevitable if the working class does not overthrow capitalism before.⁴¹

However, it is highly questionable, indeed unlikely, if the Trump Administration – with all its current domestic problems – is prepared to start a war with China because of the dispute between Beijing and Delhi about control of the Doklam/Donglang area.

IV. CHINA AS AN EMERGING GREAT IMPERIALIST POWER

Let us now analyze more fundamentally the class character of the two states involved. In the following chapter we will briefly summarize the RCIT's analysis of China as an emerging imperialist power which we did already elaborate in a number of studies and documents.⁴²

We begin with a brief summary of the Marxist definition of an imperialist state as we elaborated it on the basis of the writings of Lenin and Trotsky.⁴³ For a somewhat more extensive discussion of our theoretical understanding of imperialist states we refer readers to the appendix of this document.

In short, we define an imperialist state as follows: *An imperialist state is a capitalist state whose monopolies and state apparatus have a position in the world order where they first and foremost dominate other states and nations. As a result they gain extra-profits and other economic, political and/or military advantages from such a relationship based on super-exploitation and oppression. However, irrespective of their common principle, one has also to consider that each imperialist power has its own specifics based on their different historic development, national characteristic, size and level of influence, etc.*

China emerged as a new imperialist power in the late part of the first decade of the 2000s. The main reasons for China's successful development into an imperialist power were:

- i) The continuing existence of a strong, centralized Stalinist bureaucracy which could suppress the working class and ensure its super-exploitation;
- ii) The historic defeat of China's working class in 1989, when the bureaucracy bloodily crushed the mass uprising at Tiananmen Square and throughout the entire country;
- iii) The decline of US imperialism which made room for new powers.

This continuing existence of a strong, centralized Stalinist bureaucracy and the historic defeat of China's working class in 1989 enabled the new capitalist ruling class to subjugate the majority of the tremendously expanding proletariat to super-exploitation. Based on this, the capitalists – both Chinese and foreign – could extract massive surplus value for capital accumulation. On this basis, China has become a major economic power. This is reflected in a number of facts.

Measured in US-Dollar China had become the second-largest economy in 2016, behind the U.S., with a share of 15.1% of the global GDP (Nominal). In industrial production – the core sector of value production for capitalism – China has even become the world's leading economy. By 2015, 28% of world's manufacturing came from China while less than 20% originated in the US economy.⁴⁴ Parallel to this it has become the world's leading exporter.

China's Monopolies

In today's global economy, China's monopolies play a leading role. In the *Forbes Global 2000* – an index of the largest, most powerful companies in the world – China al-

ready ranks second among home countries. Chinese companies on the list number 249, superseded by only the US (540 companies) but before Japan, Germany and all other Great Powers.⁴⁵

The same dynamic appears in another list of the largest capitalist monopolies – the so-called *Fortune Global 500*. In 2001, 197 corporations among the *Fortune Global 500* had their headquarters in the US, while there were only 12 in China. However, by 2016 this had dramatically changed: While the US was still leading the list with 134 corporations, China was already closely behind, ranking second with 103 corporations. In other words, while the US share among the world's largest monopolies had declined from 39.4% (2001) to 26.8% (2016), China's share grew during the same period from 2.4% to 20.6%! (See Table 1)

The rulers of China have also created a strong capitalist class. It a significant manifestation of China's rise is that in 2016 it overtook the US as the home of the largest number of billionaires. According to the latest issue of the *Hurun Global Rich List*, out of 2,188 billionaires 568 reside in China (not including those in Hong Kong and Macao) while "only" 535 are from the US. The *Hurun Report* also announced sensationaly that "*Beijing Replaces New York To Become The Billionaire Capital Of The World For First Time.*"⁴⁷ The *Forbes Billionaire List* gives slightly different numbers but here, too, China ranks as a leading country, second only to the US. According to Forbes "*the US has 540 billionaires, more than any other country in the world. It's followed by mainland China with 251 (Hong Kong has another 69) and Germany with 120. Russia has 77.*"⁴⁸

Today, the majority of China's industrial output is produced by the private sector, as is attested to by figures published by the *World Bank* and the *Chinese Development Research Center of the State Council*. Both of these institutions attribute 70% of the country's GDP and employment to non-state sectors. The state sector's share in the total number of industrial enterprises (with annual sales over 5mn RMB) fell precipitously from 39.2% in 1998 to 4.5% in 2010. During the same period, the share of State Owned Enterprises in total industrial assets dropped from 68.8% to 42.4%, while their share in employment declined from 60.5% to 19.4%.⁴⁹ Having said this, the state-capitalist sector continues to play a central role in China's economy.

Super-Exploitation of the Working Class

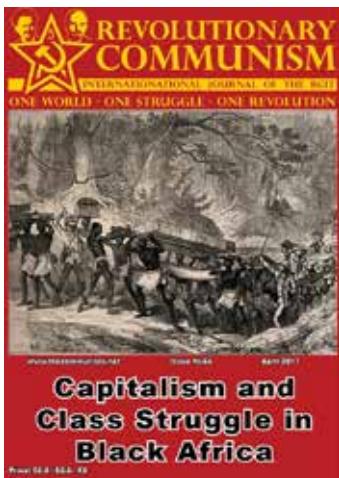
The Chinese capitalist regime has succeeded in introducing the capitalist law of value into its economy, thereby transforming the preponderance of its workers into wage laborers. A decisive step in implementing the capitalist law of value in China's state-owned enterprises was a ruthless wave of layoffs. According to official figures published in the Chinese Communist Party's mouthpiece *People's Daily*, more than 26 million workers were laid off between 1998 and 2002.⁵⁰ If we examine the longer period of time between 1993 and 2006, there are estimates that the Chinese capitalist class fired approximately 60 million state-owned

Table 1. US and China: Their Share among the World's 500 Largest Corporations, 2001 and 2016 (Fortune Global 500 List)⁴⁶

	USA		China	
	Number	Share	Number	Share
2001	197	39.4%	12	2.4%
2016	134	26.8%	103	20.6%

Table 2. Foreign Direct Investment Stock of Great Imperialist Powers, 1990, 2000, 2015 (Millions of \$US)⁵⁶

Country	FDI inward stock			FDI outward stock		
	1990	2000	2015	1990	2000	2015
USA	539,601	2,783,235	5,587,969	731,762	2,694,014	5,982,787
Japan	9,850	50,322	170,698	201,441	278,442	1,226,554
Britain	203,905	63,134	1,457,408	229,307	923,367	1,538,133
Germany	111,231	271,613	1,121,288	151,581	541,866	1,812,469
France	97,814	390,953	772,030	112,441	925,925	1,314,158
China	20,691	193,348	1,220,903	4,455	27,768	1,010,202
Russia	-	32,204	258,402	-	20,141	251,979



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enterprise employees.⁵¹

This wave of mass layoffs was an integral part of the full implementation of the capitalist law of value in China's state economy. According to a report by the Chinese researcher Dongtao, by 2005 over 85% of small and medium-sized SOEs had been restructured and privatized.⁵²

Another decisive instrument was the utilization of the old household registration system set up by the Stalinist bureaucracy in 1958. According to this system (called *hukou* in China) "residents were not allowed to work or live outside the administrative boundaries of their household registration without approval of the authorities. Once they left their place of registration, they would also leave behind all of their rights and benefits. For the purpose of surveillance, everyone, including temporary residents in transit, was required to register with the police of their place of residence and their temporary residence. By the 1970s, the system became so rigid that 'peasants could be arrested just for entering cities.'"⁵³

Following the implementation of capitalism in China, the so-called migrant workers (i.e., those who work outside their home province) soon became a major motive force in the process of super-exploitation. The number of migrant workers in China grew exponentially from about 30 million (1989), to 62 million (1993), 131.8 million (2006) and, by the end of 2010, their number grew to an estimated 242 million! In the capital city, Beijing, about 40% of the population are migrant workers, while in Shenzhen nearly 12 million of the total 14 million inhabitants are migrants. These migrant workers are usually pushed into physically-hard, low-wage jobs. According to the *China Labour Bulletin*, migrants make up 58% of all workers in industry and 52% of those employed in the service sector.⁵⁴

China's Capital Export

China's rise as an imperialist power is also reflected in the enormous increase of its capital export. This is reflected by both the level of productive investment abroad as well as on the sums of monetary capital (bonds, loans, etc.) transferred as financial investments to outside the country. As a result of its immense and rapid accumulation of capital, Chinese imperialism has also accumulated huge volumes of monetary capital, expressed in an extraordinarily fast expansion of its foreign exchange reserves. These reserves positively skyrocketed from US\$165 billion in 2000 to US\$3.3 trillion in March 2012 and to US\$3.08 trillion in July 2017.⁵⁵ As such, China's foreign exchange reserves equal the combined sum of the next six largest foreign exchange reserve holders!

However China's capital is not only active on the international loan and bond market, but also as a foreign investor in the industrial and raw material sectors. Its capital export (without the figures for Hong Kong) grew dramatically by 3,800% during the past 15 years, and has come close to reaching the volume of capital export of Japan! (See Table 2)

As a result, Chinese monopolies play a very strong role in a number of countries. To give just a few examples: In 2010 China became the third-largest investor in Latin America behind the US and the Netherlands.⁵⁷ China is also Africa's biggest trading partner and buys more than one-third of its oil from that continent.⁵⁸ According to a recently published study from McKinsey Chinese corpora-

tions already play a dominant role in Africa. About 10,000 Chinese corporations (90% of which are private capitalist firms) operate in Africa. They control about 12% of the continent's total industrial production and about half of Africa's internationally contracted construction market. In Africa, China is also a leader in "green field investment" (i.e., when a parent company begins a new venture by constructing new facilities outside of its home country); in 2015-16, China invested USD 38.4 billion (24% of total green field investment in Africa).⁵⁹

China as a Military Power

The economic changes of the past decade or two have naturally also had consequences in the political and military spheres. Among other things, this is reflected in China's position as a leading exporter of weapons as well as its status as a nuclear power. While the US remains the world's No. 1 arms merchant, China is ranked as third-largest exporters of weapons and as the fourth-largest nuclear power.⁶⁰

Naturally, as we have noted many times, none of this changes the fact that China is still a new, emerging and hence backward imperialist power. And Russia – another state which emerged as an imperialist power in the early 2000s – while being a strong military power, is economically much weaker than China. Among others things, this is reflected by the substantially lower labor productivity of these two countries compared with that of the old imperialist powers like the US, Western Europe or Japan. However, the sheer size of the Chinese economy and Russia's political and military power enable both these states to join the club of the world's leading imperialist Great Powers. Those who refuse to characterize China and Russia as imperialistic due to their economic backwardness, ignore the concrete history of imperialism and the conclusions which Marxists have drawn from it. As we have elaborated in detail in other studies, a constant feature of the epoch of imperialism, which started at the turn of the 20th century, has been the simultaneous existence of imperialist Great Powers of different types – from the strongest, most modern and dynamic ones (like Britain, the US or Germany) to weaker and more backward ones (like Russia, Japan, Italy or Austria-Hungary).⁶¹ The dialectical thinking of Marxists enabled them to understand that such unevenness is a natural characteristic of the imperialist epoch and, hence, it is only logical that different types of Great Powers are fighting for their share of the loot.⁶² Thus, Lenin and Trotsky not only characterized states like Britain, the US or Germany as imperialistic, but also Russia, Japan, Italy and Austria-Hungary.

In conclusion, we can say that China has become a key factor in today's world politics. Marx characterized England and Russia as the key powers in second half of the 19th century when he wrote:

*"Russia and England are the two great pillars of the present European system. All the rest is of secondary importance, even la belle France et la savante Allemagne [Splendid France and learned Germany, Ed.]."*⁶³

Similarly we can say today that the US and China have become the two great pillars of the present global system, while the other imperialist powers play a secondary role.

V. INDIA: A PECULIAR SEMI-COLONY IN THE ROLE OF A REGIONAL POWER

When we compare India with China, we can see clear differences between the two. While both countries are similar in terms of population, they are significantly different in their economic development. Based on figures published by the late Angus Maddison, the renowned economic historian, Table 3 demonstrates that while both countries experienced stagnation and decline in the period of colonialist aggression, China managed to more than quadruple its output per head in the period of post-capitalist planning (1950-1990) and doubled it between 1990 and 2001. In comparison, India "only" doubled its output per head between 1950 and 1990 and increased it by less than 50% between 1990 and 2001.

As we will demonstrate in this chapter, while China became an imperialist power in the latter half of the first decade of the new millennium, India has not achieved this status. Rather, it is a peculiar semi-colony in the role of a regional power.

A Brief Historical Review

Like China, India has a rich history of early civilization and enormous cultural achievements. Angus Maddison calculated in his study on the sub-continent that India had a similar level of wealth to that of England before the beginning of the colonial era: *"At its peak, it is conceivable that the per capita product was comparable with that of Elizabethan England."*⁶⁵ In a later comprehensive study about the history of world economy, Maddison lowered his estimation of India's wealth but calculated its per capita income in 1700 still at about 55% of Western Europe's. According to his statistics, about 24.4% of the global output was located in India at that time – compared with 21.9% in Western Europe.⁶⁶

However, the South Asian subcontinent, already facing the decay of the Mogul empire (related to what Marx termed the crisis of the *Asiatic Mode of Production*⁶⁷), became victim of the expansionism of the European – mainly British – colonial powers. During the 18th century and the early 19th century the *British East India Company* succeeded in conquering India.

The colonial occupation opened a period of sustained stagnation and super-exploitation. According to Maddison, "*India's per capita income in 1750 was probably similar to that in 1950*".⁶⁸ India's share in global output dramatically declined to 4.2% in 1950, i.e. at the end of Britain's colonial occupation. A study by the economic historians Clingingsmith and Williamson calculates that India's share in world manufacturing output collapsed from 24.5% (1750) in the pre-colonial era to only 2.4% in 1938.⁶⁹

However, the Indian people heroically resisted English rule – starting with the large-scale rebellion of 1857 to the mass protests in the 1920s and 1930, and the *Quit India* movement and the popular uprising in August 1942.

Finally, British imperialism had to accept India's independence in 1947. But in doing so, London managed to

cause great harm to the people by instigating communal hatred between Hindus, Sikhs and Muslims. This resulted in gigantic massacres in a short period of time – more than fifteen million people were uprooted, and between one and two million were killed. On the basis of this tragedy the country became partitioned between Hindu-dominated India and Muslim-dominated Pakistan.⁷⁰

Since then India has been a formally independent state. However, the colonial legacy left a powerful and devastating imprint on the country's economy – as it did on nearly all other former colonies in Africa, Asia and Latin America. Furthermore, formally independent India entered a world which was already dominated by much more advanced and powerful monopolies and imperialist states. As a result, while India of course experienced economic development – the capitalist world does not stand still – it basically remained a backward country subordinated and exploited by imperialism, i.e., a semi-colonial country.

It is crucial for Marxists to always point out the horrible legacy of the colonialization of the so-called Third World by the imperialist powers. Various bourgeois apologists claim that, despite all the unfortunate circumstances, the Western Powers brought "civilization and progress" to the countries of the South. As we have already stated in our pamphlet on Black Africa, it is not only absurd to deny the devastating misery which colonialism brought to these regions. It is also complete nonsense to suggest that the people in India or in Africa would have been incapable of developing the productive forces in their countries by themselves.⁷¹

Hence, we repeat Trotsky's statement on India written nearly a century ago: *"Apologists for imperialism triumphantly compare present day India with what it was prior to colonial occupation. But who can doubt for a moment that a gifted nation of 320,000,000 people would develop immeasurably quicker and more successfully were it freed from the burden of systematic and organized plunder?"*⁷²

The Characteristics of India's Semi-Colonial Economy

Let us first briefly summarize the Marxist definition of a semi-colonial country as we elaborated it based on the writings of Lenin and Trotsky.⁷³ For a somewhat more extensive discussion of our theoretical understanding of semi-colonies, we again refer readers to the appendix of this document. Here we confine ourselves to presenting our formula for the definition of semi-colonies: *A semi-colonial country is a capitalist state whose economy and state apparatus have a position in the world order where they first and foremost are dominated by other states and nations. As a result they create extra-profits and give other economic, political and/or military advantages to the imperialist monopolies and states through their relationship based on super-exploitation and oppression. However, differences based on historic developments, national specifics, size and regional role as well as the form of industrialization have their influence. The role which each semi-*

colonial country plays concretely for various imperialist countries as well as the relationship with other semi-colonial countries may differ as well.

The following summary will show that India's development in recent decades has been very contradictory. In fact, it experienced a extremely uneven process of modernization and economic reinforcement in some areas while remaining backward and poverty-stricken in many others. Furthermore, India is a unique country, if for no reason other than that it is due to become the most populous country in the world in only a few years. This is why, when dealing with the case of India, we are confronted with a very peculiar semi-colony which is, at one and the same time, a regional power.

As we have repeatedly emphasized, in order to characterize a country's position in the hierarchy of the imperialist world order, one has to take into account not only one or two indicators but *all* significant relations. Hence we have to view things in their totality, or to put it in Marx' words, as "*a rich totality of many determinations and relations.*" (Marx)⁷⁴

There is no doubt that India experienced a process of great economic growth and modernization in the past decades. Since the early 1990s, it witnessed constant growth of, at least nominally, its average national income. According to official governmental statistics, India's *Gross National Income* (at constant prices) grew by an average of 6.5% (1992-97), 5.6% (1997-2002), 7.6% (2002-07), 7.8% (2007-2012) and 6.8% (2012-17). Its *Per Capita Net National Income* (at constant prices) grew, in the same period, by 4.4%, 3.4%, 5.9%, 6.0% and 5.3%.⁷⁵ (See Table 4.)

This economic growth went hand in hand with an expansion of the process of capitalist accumulation which began accelerating at the start of the 1990s. While Gross Fixed Capital Formation (as a share of GDP) constantly remained below 20% between the 1950s and the 1980s, it has never fallen below 20% since the early 1990s. Professor Kunal Sen, an Indian-born economist, showed that this investment boom was based on private capitalist accumulation: "*Instead, the rise in aggregate fixed investment could be attributed to the sharp increase in private fixed investment since the mid-1980s.*"⁷⁶

Capital accumulation even accelerated and, in the second half of the first decade of this century, it rose to 40% of GDP before declining during the last decade to 30% (which nevertheless is still a very respectable figure). This is lower than the rate of capital accumulation for China, but is similar to that of other neighboring semi-colonial countries like Indonesia or Vietnam.⁷⁷

However, despite these decades of formal growth, India's economy and society as a whole remain backwards. If we take the generally used indicator for economic output – the annual so-called Gross Domestic Output (which is, of course, a concept with significant weaknesses⁷⁸) – we see a huge discrepancy between the size of India's population and its economic strength. India is the second most populated country in the world with 1,326 million people. This is 17.8% of the total world population. While China still has a slightly larger population (1,382 million), India is projected to pass it and to become the world's most populous country by 2022.⁷⁹ However, at the same time India's share of world GDP (calculated at current prices): is only 2.6%. In comparison, China share is 13.4%.

Likewise, India GDP per capita was \$US 1,586 in 2014 which is less than that of Lao (\$US 1,756 US-Dollars) or Zambia (\$US 1,715). In comparison, Indonesia's GDP per capita is more than double (\$US 3,492) than that of India, and China's is five times as high (\$US 7,617 US-Dollars).⁸⁰

When we look to the degree of integration of the labor force into the modern economic process, i.e., how many persons are still working in the agricultural sector, we see a similar picture. India's share of labor force employed in agriculture (% of total employment) is 51.1%, while for China this figure is only 28.3%.⁸¹

It is true that some modern sectors have emerged in India's economy – e.g., IT software development or Indian firms like Cipla and Ranbaxy in the pharmaceutical industry. However, the economy as a whole is by and large still relatively backward, not only compared with imperialist countries but also with advanced industrialized semi-colonies like Turkey or Mexico. Only 340 out of 1,155 million people, i.e., 29.4% of India's population, lived in urban areas in 2008.⁸² In China the share of the urban population was 50.1% in 2010.⁸³

It is also important to point out that India's decades of growth were accompanied by a massive expansion of the informal sector, i.e. laborers "*not covered or insufficiently covered by formal arrangements*".⁸⁴ According to the *International Labour Office* India is one of the countries with the largest informal sector. In Indian manufacturing contract labor rose massively in the past decades. While there hardly existed such in the early 1970s, it rose around 15% in the 1990s, and reached 34.7% in 2011-12.⁸⁵ All in all, about 2/3 of all wage employees are casual workers.⁸⁶ According to an OECD report published in 2015, the share of informal laborers in total employment reaches 80% in India.⁸⁷

It is therefore hardly surprising that nearly half of India's population lives in utter poverty. About 42% of its population has to survive on less than \$US 1.25 per day.

⁸⁸ According to *Millennium Development Goals 2014* report issued by the UN, 32.9%, i.e., one third, of the world's 1.2 billion poorest people, live in India.⁸⁹

Furthermore, the old and formally abandoned system of castes had created an extensive ideological environment which had structured the daily life in a way that facilitated exploitation massively.

In other words, India's rapid growth figures have been achieved by the increasing exploitation of the working class and the poor.

In addition, India's growth was spurred on by a massive influx of foreign capital from imperialist powers. Hence, one has to understand that the process of expanded accumulation of capital which has taken place in India during the last 25 years is not so much the result of a strengthening of Indian national capital but rather of foreign imperialist capitalists operating inside India.

In Table 5 we show how, for a quarter of a century, far more foreign capital entered the Indian market every year than the amount of Indian capital that was exported. In other words, foreign imperialist capital was able to substantially strengthen its position vis-à-vis India.

The respected left-wing Indian Research Unit for Political Economy accurately commented on this development: "*These foreign inflows were largely of the relatively footloose finance that is reigning globally. Foreign financial investors now came to own sizeable shares in most of India's top firms, rivaling*

Table 3: GDP per capita (international dollars, 1990), China and India, 1820-2001⁶⁴

	<i>Gross Domestic Product Per Capita (International Dollars, 1990)</i>					
	1820	1870	1900	1950	1990	2001
China	600	530	545	439	1,858	3,583
India	533	533	599	619	1,309	1,957
World	667	875	1,262	2,111	5,157	6,049

Table 4: India's Gross National Income and Per Capita Net National Income (at constant prices), 1992-2017

	Annual Average in Five-Year Periods				
	1992-	1997-	2002-	2007-	2012-
	1997	2002	2007	2012	2017
Gross National Income	6.5%	5.6%	7.6%	7.8%	6.8%
Per Capita Net National Income	4.4%	3.4%	5.9%	6.0%	5.3%

Table 5: India: Inflows and Outflows of Foreign Direct Investment as % of Gross Fixed Capital Formation, 1991-2016)⁹⁰

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
<i>Inflows</i>	0,1	0,4	0,8	1,3	2,5	2,5	3,5	2,5	2,0	3,3	4,7	4,6	2,8
<i>Outflows</i>	0,0	0,0	0,0	0,1	0,1	0,2	0,1	0,0	0,1	0,5	1,2	1,4	1,2
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<i>Inflows</i>	2,8	3,0	6,9	6,2	12,3	8,2	5,2	5,8	4,0	4,9	5,6	7,2	7,0
<i>Outflows</i>	1,0	1,2	4,8	4,2	5,5	3,7	3,0	2,0	1,4	0,3	1,9	1,2	0,8

Table 6: Population and Millionaires, Regional Distribution, 2016 (Numbers and Share of World)¹¹¹

<i>Countries/Regions</i>	<i>Population</i>	<i>Adults</i>		<i>Millionaires</i>	
	<i>(in millions)</i>	<i>(in millions)</i>	<i>(share)</i>	<i>(in thousands)</i>	<i>(share)</i>
<i>India</i>	1,301	808	16.7%	178	0.5%
<i>China</i>	1,376	1,023	21.1%	1,590	4.8%
<i>Africa</i>	1,164	587	12.1%	136	0.4%
<i>Latin America</i>	621	410	8.5%	502	1.5%

promoter stakes. There is no official figure of the current market value of the holdings of foreign direct investors, but it is clear that these too have grown massively; and the opening of more and more sectors to FDI continues. All this has amounted to a massive shift of Indian assets and sectors of the Indian economy to foreign hands, with far-reaching consequences.”⁹¹

Another indication of India’s semi-colonial character is its great level of debt compared with other emerging economies. Its *General Government Debt to GDP Ratio* is at 68.5% (2016) which is much higher than that of China (46.3%), Turkey (31.7%), South Korea (38.9%), South Africa (51.7%), Mexico (56.0%), or Indonesia (27.5%).⁹²

As a result, India’s external debt (calculated as the ratio of External Debt to GDP) grew from 18.0% (2007) to 23.4% (2016) and its Debt Service Ratio nearly doubled in this period from 4.8% to 8.8%. It is therefore not surprising that India’s Foreign Exchange Reserves to Total Debt nearly halved from 138.0% (2007) to 74.3% (2016).⁹³

Consequently, India suffers from a chronic negative balance in its *Net International Investment Position* (NIIP). NIIP data shows the assets owned by foreigners in India and the assets owned by Indians abroad: netting off these two numbers shows the net international investment position of India. According to data released in 2016 by the Reserve Bank of India, foreigners own \$912 billion of Indian assets as of March 2016 and Indians (including the foreign exchange reserves that the central bank has) own \$550 billion of foreign assets. This implies that the NIIP of India is minus \$362 billion (17.4% of its GDP in 2016).⁹⁴

These figures are very significant as they reflect the ongoing transfer of capitalist value away from India. While Indian monopolies are able to squeeze a certain amount of surplus value from their operations abroad, foreign imperialist monopolies get much more surplus value out of India. This demonstrates, once again, that India is not an imperialist economy but rather a semi-colony.

Not surprisingly, a well-known characteristic of India is its high rate of corruption. Among the 16 Asia Pacific countries surveyed by the NPO *Transparency International* (TI) India is leading the corruption Index by far. While the corruption index of the old imperialist power Japan is the lowest of the region with 0.2%, the younger imperialist power China has a much higher Index of 26% which is still far behind the 69% of the semi-colonial country India. Police bribery rate stands by 54% in India compared to 12% in China. Also, bribery for easier access to health care is far more often in India with 59% compared to 18% in China.⁹⁵

Another symptom of India’s semi-colonial character is the huge number of Indian migrants who leave their home country in order to work mostly as super-exploited cheap labor in rich countries (e.g., in the Gulf States or the US). According to the latest figures released by the United Nations, India is the home country of the greatest number of migrants worldwide, with 16 million.⁹⁶

These figures should be sufficient to demonstrate the general lack of modernization and industrialization of India. However, we are aware that the economic development can be – and indeed is in the case of India – very uneven.

One argument which has been put forward as an argument to ostensibly demonstrate that India has become an imperialist or “sub-imperialist” country is the rising number of Indian corporations operating in the world market. While it is true that such corporations exist, there num-

ber is limited. Among the *Fortune Global 500* list – a list of the 500 most profitable multinational corporations in the world – India has only 6 companies,⁹⁷ the same number as the much smaller Taiwan⁹⁸ and fewer than half the number of South Korea (15)⁹⁹, whose economy is also smaller than that of India. Yet another index, compiled by the US journal *Forbes*, lists not a single Indian corporation among the 100 biggest global corporations.¹⁰⁰

We see a similar picture if we examine the international financial sector. As is known, one of the key characteristics of the imperialist epoch is the fusion of industrial and banking (or financial) capital to become finance capital – a process in which the latter usually plays the dominant role. Hence, in the era of imperialism, the size of banks and other financial institutions is an important indicator of the class character of a given country.

However, once again we see that despite India’s soon to be the most populous country in the world, it plays no significant role in the global financial sector. Among the world’s largest 57 banks, ranked by market capitalization, there is only one from India. This is the same number as that for Singapore, Qatar and Brazil – all of which have much smaller populations and economies. In comparison, among these 57 banks there are 10 from China (plus 2 from Hong Kong).¹⁰¹ Likewise, if one ranks the 50 largest banks based on total assets, there is not a single one from India.¹⁰²

Furthermore, India’s banks have overreached themselves with risky financial operations and, as a result, they have accumulated huge amounts of so-called non-performing assets or “bad loans.” According to a report released in May 2017 by the consulting firm McKinsey & Co.: “the total stressed assets of Indian banks, including restructured loans, have now outstripped the combined net worth of the sector. The consulting firm pegged stressed assets at Rs 9.6 lakh crore compared to sector’s net worth of Rs 9.24 lakh crore.”¹⁰³

The limited relevance of India’s multinationals also becomes clearer if we examine the country’s capital export – an important parameter for any imperialist economy, as we have outlined above. In addition to loans, the most important indicator of capital export is *Foreign Direct Investment* (FDI). A good measure for the relevance of capital export in the capitalist production process of a given country is its share of capital exported abroad among the total capital invested worldwide. The UNCTAD measures this annually in the form of FDI outflows as a percentage of gross fixed capital formation. If we take this figure for India (as detailed in Table 4, above), we can see that during the past 26 years, with the exception of five years (2006-10), India’s share never exceeded 2%. By contrast, Indonesia, an economy only 1/3 the size of India’s¹⁰⁴, had more than this 2% share during 10 of these same 26 years (even though there are no figures for Indonesia for several years).¹⁰⁵

We see a similar picture if we compare India’s stock of outward FDI with that of other countries. China’s FDI stock, for example, is nine times as large as India’s. Malaysia’s stock is only slightly smaller than India’s, despite the fact that its economy is only 1/7 the size of the latter.¹⁰⁶ In detailing these statistics, we don’t mean to suggest that one should ignore the expansion of India’s monopolies. They have certainly accelerated their foreign operations during the past decade. In a number of countries they

act as foreign capitalists who super-exploit the domestic workers. This is particularly the case in Africa.

However, compared with China, it is clearly a much weaker power. As we have shown above, Chinese corporations have been responsible for nearly ¼ of all green field investments in Africa in 2015-16. Indian corporations, on the other hand, accounted for only a meager 1.3% of total green field investments in this continent during the same period.¹⁰⁷

In summary, we can conclude that while India's monopolies have increased their size and their global operation, they have not been able to gain any significant influence in the global economy, nor is their capital export particularly relevant given the size of their own economy or compared with various other semi-colonial countries in the region.

India's Economic Elites: Many ... and at the same time Few

Another argument that India should be considered an imperialist or "sub-imperialist" country is the rising number of its billionaires. And indeed, according to the Forbes 2017 list of billionaires, out of 2,043 billionaires worldwide, 101 are from India, placing it fourth behind the US, China and Germany.¹⁰⁸

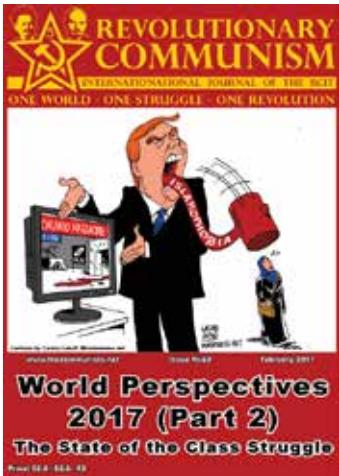
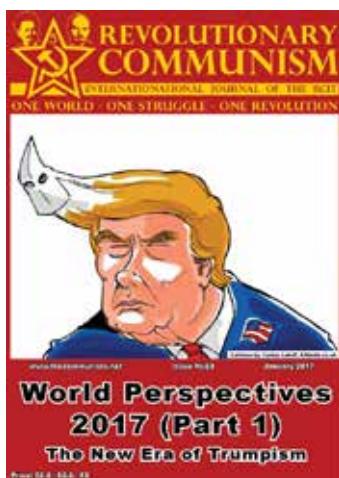
However, if we more closely analyze India's upper bourgeoisie layer, we find a more complex reality. While India has witnessed a certain degree of economic growth and

modernization, the backward capitalist conditions of the economy have resulted in only a limited degree of development for Indian monopolies and the country's solid domestic capital base. At the same time, a large part of the increased wealth went directly into the pockets of either foreign imperialist multinationals or the domestic elite.

As a result India has seen a dramatic rise of inequality and today it is one of the world's most unequal societies. According to the latest data from the Credit Suisse Group's 2016 report on global wealth, the richest 1% of Indians now own 58.4% of the country's wealth. This reflects a dramatic growth in only a few years – in 2010 this figure was "only" 40.3%. Similarly, the richest 10% of Indians were able to increase their share of the country's wealth from 68.8% in 2010 to 80.7% by 2016.

These figures are not only obscene, they are even more so when we compare them with those for other countries. For example, the top 1% in China owns 43.8% of the country's wealth; in Indonesia, they own 49.3%; in Brazil 47.9%; and in South Africa 41.9%.¹⁰⁹

However, while the Indian superrich were extremely successful robbing their own people, they remain a relatively small group on a global scale – another indication of the general backward nature of India's economy. The same Credit Suisse Group's report conducts a revealing global comparison of the wealth of the world's capitalists. In the context of our present analysis, the results are revealing as they underline the backward semi-colonial character of



NEW RCIT PUBLICATION!

World Perspectives 2017: The Struggle against the Reactionary Offensive in the Era of Trumpism

Introduction * I . A New Political Phase Has Opened: The Reactionary Offensive of the Ruling Class in the Era of Trumpism * II. Some Theoretical Question about the New Political Phase * III. The Great Power Rivalry and Its Consequences for World Politics * IV. The Middle East and the State of the Arab Revolution * V. Class Struggle in the US after Trump's Victory * VI . The Reactionary Offensive of the Ruling Class and the Resistance in Latin America * VII. Imperialist Interference and the Struggle for Democracy in Sub-Saharan Africa * VIII. Europe in the Era of Chauvinism, Militarization and Brexit * IX. Russia: Victorious Outcome of NATO's Cold War * X. China: Strengthened as a Great Power but Before a Serious Recession * XI. The Class Struggle in Asia * XII. Perspectives for Building of the Revolutionary World Party Today * Footnotes

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India.

According to these figures, India has a population of 1,301 million persons of whom 808 millions are adults. By comparison, we give the figures of China (1,376 million with 1,023 million adults), Africa (1,164 million with 587 million adults) and Latin America (621 million with 410 million adults). Now compare this with the number of millionaires: India: 178,000; China: 1,590,000; Africa: 136,000; and Latin America: 502,000. The Credit Suisse Group's report concludes that India's share of the adult world population is 16.7% and its share of the global millionaires is 0.5%; the figures for Africa are 12.1% and 0.4% respectively; for China 21.1% and 4.8% respectively; and for Latin America 8.5% and 1.5% respectively.¹¹⁰ (See also Table 6.)

The Parasitic Nature of the Indian Bourgeoisie

The relatively weak, backward nature of the India's big bourgeoisie is also reflected by the fact that it is particularly parasitic, focused much more on speculation than productive investment. Recently Bloomberg reported a study on Indian stock markets and comparing them with others. The study reveals that Indian corporations raise far less capital from their stock markets even though they have been booming for a long time. For example, Chinese corporations raised nearly \$250 billion from the stock exchanges in Shanghai and Shenzhen in 2015, at the same time that their Indian counterparts raised less than one-tenth of this some- \$21 billion – from their national stock markets. Instead, Indian financial capitalists focus much more on short-term speculation like derivatives.

The study point out the curious situation that India traded 6 times more currency derivatives than the United States in 2015! *"India's share of world trade is 2.3 percent but its share of exchange-traded currency derivatives is nearly 50 percent. India traded 6 times more currency derivatives than the United States in 2015, whose share of world trade is 12 percent!"*

The Bloomberg author concludes: *"The seeming success of Indian capital markets is the success of speculative trading in derivatives."*¹¹²

Another indication of the semi-colonial character of the Indian bourgeoisie is its long history of massive capital flight. As we explained in our book *The Great Robbery of the South*, capital flight benefits both the capitalists in the poor country as well as the banks and other financial institutions in the rich imperialist ones. This is why they welcome and encourage such capital flight.¹¹³

As various studies have demonstrated, India has experienced a huge amount of capital flight in recent decades. According to a study by *Global Financial Integrity*, which calculated the size of illicit financial outflows from India since 1948, *"it is entirely reasonable to estimate that more than a half-trillion dollars have drained from India since independence."*¹¹⁴

In conclusion, we can say that India's big bourgeoisie has been able to strengthen itself through the systematic and vicious robbery of the working class and poor in India and – to a certain degree – also in poor semi-colonial countries (e.g., in Africa). However, its economy remains very backward, having failed to create a strong capitalist class and, as a result, it has been unable to compete with imperialist powers on the global market, even though it is soon to be the home of the largest population in the world.

India as a Regional Power and an Oppressor State

So far we have described in detail how India's economy is essentially backward and semi-colonial in nature, even if it has developed some modern sectors and there are a number of Indian monopolies which operate on the world market. But how shall we characterize India as a political and economic power? This is an important issue precisely because we have witnessed examples of Great Powers – e.g., Russia with its emergence as an imperialist power in the early 2000s – which are relatively weak economically compared to other Great Powers, but which have been able to make up for this due to their political and military strength (e.g., in the case of Russia – because of their status as a nuclear super-power).

Once again, to a certain degree we see a contradictory picture. On the one hand, India plays a nearly automatic role as a regional power in light of its sheer size compared to several of its neighboring countries. As a country with a population of 1.3 billion, it enjoys a hegemonic role vis. a vis. small countries with which it shares a border like Bhutan (0.75 million citizens), Sri Lanka (20.81 million citizens) or Nepal (28.85 million citizens). Therefore, not without reason do Nepali Maoists and other progressive and nationalist forces in these neighboring countries accuse India of being an "expansionist" and "hegemonic" force.

Furthermore, the capitalists Indian state acts as an oppressive force in those places where it super-exploits poor workers and peasants – whether in Asian or African countries. For example, there is a small community of Indian capitalists in African countries like Zambia who super-exploit domestic workers.¹¹⁵

In addition, we have to note that the Indian state is also an oppressor within its own territory towards a number of smaller nationalities.¹¹⁶ This is the case in Kashmir, Assam, Nagaland, Tripura, Manipur as well other provinces. To this we have to add the indigenous population in India, the Adivasi, who suffer terrible persecution. The intensified oppression and discrimination of minorities is also exacerbated by the increasing inequality between the different states inside India.¹¹⁷

Hindu chauvinists try to enforce an artificial "national unity" despite the fact that, according to official government statistics, only 41.03% of India's citizens speak one of the numerous Hindi dialects. In fact, India is a multi-national state or, more appropriately put, a "*Prison of Nations*".¹¹⁸

India is also a regional power because it possesses – like its neighbor and arch-enemy Pakistan, against which it has already fought three bloody wars – between 100 and 120 nuclear warheads. (Pakistan is reported to have about 110–130 nuclear warheads.)¹¹⁹

However, despite its status as the world's second most populous country, India is very far from being a global power. Its influence is almost entirely limited to South Asia. And within South Asia itself, its influence is regularly being challenged given its ongoing conflicts with neighboring Pakistan and China. India's strictly regional role is stark contrast to that played by China and Russia, both of which are global powers.

Drawing a Balance Sheet of India's Class Character

Let us now summarize our discussion of India's class character. We consider India to be a peculiar semi-colony which is at the same time also a regional power. We recognize that India's economy experienced a period of rapid growth and modernization during the past 25 years, which has enabled it to develop a certain number of monopolies operating in the world market, and which exploit workers and the poor in semi-colonial countries in Africa and Asia. However, as Lenin emphasized, Marxists have to view "the entire totality of the manifold relations of this thing to others." (Lenin)¹²⁰ Looking at India's economy as a whole, it is clear that its modern sectors are not sufficiently advanced to alter the overall backward capitalist nature of the country. These monopolies rather appear as islands in a sea of backwardness. India has ensured its economic growth by massively exploiting its working class and by increasing its economic subordination to foreign imperialist capital. True, Indian monopolies operate and exploit abroad, but given the size of the country and its economy, they play a rather secondary role when compared to those of other countries. Foreign imperialist domination of India is increasing at a much faster rate than that at which Indian capitalists succeed in dominating other peoples abroad.

Similarly, India is unable to play a significant role in global politics. In the 1950s and 1960s, India attempted to play such a role when Prime Minister Jawaharlal Nehru initiated the so-called *Non-Aligned Movement*. Needless to say, this initiative didn't help India overcome its semi-colonial

status, and India's standing in the *Non-Aligned Movement* was severely damaged when China gave it a bloody nose in October-November 1962, after Nehru provoked a reactionary border war against Mao's China, and then futilely called the US administration for help. As a matter of fact, today its sphere of influence is limited to some small neighboring countries. It is stuck in its permanent state of conflict with Pakistan. It is unable to play any significant independent role in world politics, but instead is forced to subordinate itself to Great Powers like the US, China or Russia.

It may appear as strange to some readers that there are countries which oppress and exploit some peoples while at the same time being victims of foreign exploitation. In fact, such a phenomenon is not so unique. We have already discussed such a case in our book on Greece.¹²¹ As we demonstrated there, Greek capital plays a certain "imperialist" role in small and impoverished neighboring countries like Albania or Bulgaria. However, at the same time, it has for a long time fallen prey to international imperialist banks and monopolies. A similar picture becomes clear when we examine Brazil or Turkey.

India is also not a unique phenomenon in its simultaneously being a semi-colonial country exploited by imperialist monopolies and an oppressor state against national minorities within its own "empire." We discern similar features in other semi-colonial states like Turkey (against the Kurds) or Iran (against its various national minorities). Hence, we repeat, one must view these phenomena *in their totality*. As we have stated in past studies, a given

Map 5: The Ottoman Empire in 1912¹²²



state must be viewed not only as a separate unit, but first and foremost *in its relation to other states and nations*. Similarly, by the way, classes can only be understood in relation to one other. An imperialist state usually enters a relationship with other states and nations whom it oppresses, in one way or another, and super-exploits – i.e., appropriates a share of the capitalist value produced by its victims. Again this has to be viewed in its totality, i.e., if a state gains certain profits from foreign investment but has to pay much more (debt service, profit repatriation, etc.) to other countries' foreign investment, loans, etc., this state can usually not be considered as imperialist but rather as semi-colonial.

Likewise, we repeat that one needs to consider the totality of a state's economic, political, and military position in the global hierarchy of states. Thus, we can consider a given state as imperialist even if it is economically weaker, but still possesses a relatively strong political and military position (like Russia before 1917 and, again, in the early 2000s). Such a strong political and military position can be used to oppress other countries and nations and to appropriate capitalist value from them.

In the case of India, we clearly see that ultimately its exploitation by imperialist powers is much greater than its own "imperialist" operations in Africa and other semi-colonial countries. At the same time, India has been unable to balance its relative weakness on an economic level with a strong role in world politics. All in all, one can characterize India as a giant with feet of clay.

In past writings we have emphasized that it is not sufficient to divide countries into categories of imperialist or semi-colonial states. There are, of course, many different shades both among imperialist countries (Great Powers and smaller states, etc.) as well as between different semi-colonies. We have differentiated between *advanced or industrialized semi-colonies* like, for example, Argentina, Brazil, Egypt, Turkey, Greece, Iran, Poland or Thailand on the one hand and *poorer or semi-industrialized semi-colonies* like Bolivia, Peru, the Sub-Saharan African countries, Pakistan, Afghanistan, Indonesia, etc.

India is indeed a special case simply because of its enormous size and because of its uneven character of a backward economy combined with some modern monopolies. It is a *peculiar semi-colony and a regional power*.

Brief Remarks on an Historic Analogy: The Ottoman Empire

Some might object that it would be a contradiction in itself to characterize India both as a peculiar semi-colony and as a regional power. However, we consider such an objection to be mistaken and, indeed, the Marxist classics in the past used such a category for a similar case: the Ottoman Empire. This state was formally one of the big powers in Europe and the Middle East, controlling a number of foreign peoples in the Middle East as well as in the Balkans. (See Map 5)

Not dissimilar to India today, the Ottoman Empire had a peculiar, contradictory nature. On the one hand, it was a major empire at that time and oppressed numerous Arab and European peoples. On the other, its economy was in decline and was, in fact, dominated by European banks and the Great Powers. The major European imperialist

powers – Britain, France and Germany – competed against one other for influence and domination over the Ottoman Empire.

Despite the Ottoman Empire's being a major power – a regional power in modern language – which oppressed many peoples, the Marxists at that time characterized it as a *semi-colonial country*. This was because they considered the domination of the Ottoman Empire by the European imperialist powers to be the primary, decisive element.

V.I. Lenin, the leader of the Bolshevik Party, stated repeatedly in his writings on imperialism, that the Ottoman Empire (or Turkey as it was also called at that time) was a semi-colonial state.

"National wars waged by colonies and semicolonies in the imperialist era are not only probable but inevitable. About 1,000 million people, or over half of the world's population, live in the colonies and semi-colonies (China, Turkey, Persia)." 123

"The fewer the countries to which capital can still be exported as advantageously as to colonies or to such dependent states as Turkey—since in such cases the financier reaps a triple profit as against capital exports to a free, independent and civilised country like the United States of America—the fiercer is the struggle for the subjugation and partition of Turkey, China, etc. That is what economic theory reveals about the period of finance capital and imperialism. That is what the facts reveal." 124

The same position was defended by other Bolshevik theoreticians like Grigory Zinoviev and Nikolai Bukharin.¹²⁵

Of course, we are aware that every historical analogy has its limitations. For example, the Ottoman Empire oppressed more foreign peoples – in proportion to the dominating Turkish population – than India does. On the other hand, the economic domination of the Ottoman Empire by the imperialist powers might have been stronger than it is today in the case of India.

Nevertheless, the legitimacy of the analogy is obvious: the Ottoman Empire was an historic example of a big state, indeed a regional power, which oppressed other peoples but which was dominated by imperialist powers. As the latter constituted the dominant element, the Marxist classics characterized it as a "semi-colony." We believe that India today is a similar case and hence such a categorization is applicable.

VI. REVOLUTIONARY TACTICS IN THE CHINA-INDIA CONFLICT

Which position should the workers and liberation movements take in the conflict between China and India? Which side should they support in the case of war?

One could say that given the fact that we characterize China as an imperialist power and India as a peculiar semi-colony, revolutionaries should side with the latter against the former. However, this would be a superficial, i.e., mechanistic, perspective for several reasons.

First, as we explained in this study, India is no ordinary semi-colony but a peculiar one, a semi-colony which is also a regional power. Hence, India is determined to defend its regional influence (in Bhutan, Nepal, Sri Lanka, etc.) against the expansion of China's sphere of influence. In contrast to other states in the region, Delhi is in a better position to oppose China's rise.

However, at the same time, India is not strong enough to effectively counter the expansion of imperialist China. Delhi is absolutely aware of this fact and this is the reason why it turns to the US and Japanese imperialism for assistance.

As we pointed out above, Delhi – particularly under the right-wing government of Modi – is orienting itself towards a strategic turn away from the BRICS alliance (which is under Chinese and Russian dominance) and towards an alliance under the leaderships of Washington and Tokyo.¹²⁶ Ashok K. Mehta, an Indian military expert, is quite explicit about India's looming turn towards an anti-Chinese alliance with US and Japanese imperialism: "*India's rejection of Belt and Road initiative, especially the strong objection to China Pakistan Economic Corridor on grounds of sovereignty which was endorsed by the US has angered China.*"¹²⁷

Naturally, we cannot foresee the concrete course of this conflict in the coming months. It is quite possible that both regimes will seek to find a short-term solution. However, given the fundamental antagonisms in the region and the whole world situation which is rife with accelerating rivalry between the imperialist Great Powers, Delhi will sooner or later face the following alternative:

One possibility is that Delhi ceases its obstructionism against the *Belt and Road Initiative* and turns back towards closer collaboration with imperialist China, meaning effectively that it subordinate itself to the leadership of Beijing. Some pro-Indian analysts consider this option as likely.¹²⁸

The only other possibility is that Delhi continues its resistance against Beijing, which would inevitably push it into the arms of US and Japanese imperialism. In this case too, it would subordinate itself to the leadership of imperialist powers.

Hence, whichever road it takes, India is doomed to play a secondary role subordinate to some Great Powers.

From this it follows that the conflict between China and India is reactionary on both sides. Neither Delhi nor Beijing represent a progressive cause in this conflict. They both advance either direct imperialist interests (in the case of China) or the interests of defending hegemonic posi-

tions in the region and a the desire to obstruct China's foreign policy in the service of US and Japanese imperialism (in the case of India).

So what does this mean for the tactics revolutionaries should advocate in this conflict? In our opinion, the consequence of the Marxist analysis as we have outlined it in this study is clear: revolutionaries should take a position of *revolutionary defeatism* in any conflict between China and India. They can neither support the expansion of Chinese imperialism nor can they lend support to India's reactionary policy. Such support for Beijing's or Delhi's foreign policy would be paramount to a social-patriotic, reactionary position.

The essence of revolutionary defeatism has been defined by the Marxist classics in the following way. Lenin wrote: „*During a reactionary war a revolutionary class cannot but desire the defeat of its government. This is axiomatic, and disputed only by conscious partisans or helpless satellites of the social-chauvinists.*“¹²⁹

And Trotsky, who continued the Bolshevik tradition after Lenin's death in 1924, stated shortly before the beginning of World War II:

„*Defeatism is the class policy of the proletariat, which even during a war sees the main enemy at home, within its particular imperialist country. Patriotism, on the other hand, is a policy that locates the main enemy outside one's own country. The idea of defeatism signifies in reality the following: conducting an irreconcilable revolutionary struggle against one's own bourgeoisie as the main enemy, without being deterred by the fact that this struggle may result in the defeat of one's own government; given a revolutionary movement the defeat of one's own government is a lesser evil.*“¹³⁰

This means that the RCIT believes that the fundamental task of the socialists and class-conscious workers in China and India consists in *opposing the chauvinist wave in their countries*. The Chinese workers and oppressed main task is to *fight against their own ruling class and their reactionary goals*. We say to them: *Your main enemy is at home!* The same is true for the Indian workers and oppressed although they need to combine the fight against the reactionary Modi regime with the struggle against the dominance of US and Japanese imperialism. In addition, India must free itself absolutely from every imperialist exploitation and dominance by various imperialist powers including the European ones.

The task is to denounce the chauvinist and militaristic agitation of both governments as being fundamentally in contradiction to the interests of the working class and the oppressed. The Chinese workers and poor peasants have no interests in a war at its border for the control of a Himalayan plateau. The same is true for their Indian brothers and sisters. However, the agenda of the Indian workers and oppressed includes the *liberation of its country from various imperialist oppressors*. The liberation struggle of the workers and oppressed must be combined with a *clear and consistent rejection of the disgusting Hindu-chauvinism*. The

latter is both brutal against national, religious and ethnic minorities as well as an obstacle for creating a fraternal alliance with other semi-colonial countries in the region to jointly fight against imperialist exploitation.

Such a border conflict is exclusively in the interest of the Chinese billionaires and generals abd respectively their Indian counterparts (as well as the backers of the latter in Washington and Tokyo). Socialists should explain that the workers and poor of China and India are respectively exploited and oppressed by their domestic ruling class and not by the rivaling state. Revolutionaries should also denounce the current chauvinist agitation of both regimes as attempts to divert the masses attention from the explosive class contradictions in their own countries.

Clearly, the concrete possibilities for revolutionary propaganda in China are very different from those in India since, in the former case, one has to work in a strictly illegal fashion. But ways can always be found if they are desired. The precondition for revolutionary propaganda is a revolutionary analysis and programmatic conclusions.

Such an anti-militaristic position should also include the socialists' *active opposition against any chauvinist campaigns of boycotting commodities from the opposing camp*. Likewise, they should *reject any economic sanctions against the "rival" country*. Finally, they should *oppose any chauvinist riots against other nationals or foreign companies* as has happened in the past, e.g., during the conflict between China and Japan over the Senkaku/Diaoyu-islands in the East China Sea.

Such a program of *revolutionary defeatism* is naturally different from the position which Marxists took during the war between China and India in 1962. At that time, China was a Stalinist bureaucratically deformed workers state and India was a capitalist semi-colony.¹³¹ In that conflict Marxists sided with China against India.

While this is not the place to deal in more detail with the Sino-Indian war of October-November 1962, we briefly remark that this was an Indian war of aggression – based on the so-called "*Forward Policy*" of India's then-Prime Minister Nehru. As India was badly prepared, it suffered a resounding defeat by the Chinese troops. Nehru asked the Kennedy Administration for military support against China, but as US imperialism was at that time involved in the Cuban Missile Crisis against the USSR, it demurred.¹³²

However, while China is officially still ruled by the "Communist" Party, this party commands today very different relations of productions. While the economy in the 1960s had an anti-capitalist, bureaucratically-planned character, today it operates according to the capitalist law of value – even more so, it bears an imperialist character. Therefore, today, the tactics of revolutionaries cannot be the same. Instead, in today's world Marxists should support neither China or India and stand on both sides for the defeat of their respective ruling class.

Concerning the advances of Chinese and Indian monopolies in semi-colonial countries (like in Africa), the program of revolutionaries is equally clear: The RCIT calls for the support of all necessary measures against imperialist states and their agents (e.g., nationalization of foreign enterprises, higher customs for imperialist import commodities, etc.).

In the same spirit, we oppose all attempts by China and India to subjugate their smaller neighboring countries.

Those, who refuse to defend the oppressed people against foreign domination and exploitation, betray the internationalist principles which are fundamental to any revolutionary Marxist current. Such betrayers of the oppressed are *not* socialists but rather *social-imperialists* as the Communist International stressed. We fully share Trotsky's characterization of the policy of such "socialist" groups: *"At the same time, it is necessary to follow attentively the inner struggle in the reformist camp and attract in time the left socialist groupings developing towards revolution to a struggle against war. The best criterion of the tendencies of a given organization is its attitude in practice, in action, toward national defence and toward colonies, especially in those cases in which the bourgeoisie of a given country owns colonial slaves. Only a complete and real break with official public opinion on the most burning question of the 'defence of the fatherland' signifies a turn, or at least the beginning of a turn from bourgeois positions to proletarian positions. The approach to left organizations of this type should be accompanied by friendly criticism of all indecision in their policy and by a joint elaboration of all theoretical and practical questions of war."*¹³³

Finally, we emphasize the necessity to fight for an internationalist solution of the contradictions and antagonisms in the region. Socialists should organize to spread the struggle against exploitation, oppression and chauvinism and for freedom, democracy and social justice. This can only be achieved if the workers and the oppressed overthrow the ruling class and defeat all imperialist and reactionary forces. In other words, the task of socialists is to prepare for the revolution of the working class and the rural and urban poor so that the continent can finally be liberated by entering the road to a socialist future.

The Communist International and later the Fourth International emphasized the necessity for the working class and the oppressed of different countries to unite in a federation of workers and peasant's republics. Leon Trotsky in the Manifesto adopted at the second congress of the Communist International in 1920 argued:

*"The example of Soviet Russia is enabling the peoples of Central Europe, of the southeastern Balkans, of the British dominions, all the oppressed nations and tribes, the Egyptians and the Turks, the Indians and the Persians, the Irish and the Bulgarians to convince themselves of this, that the fraternal collaboration of all the national units of mankind is realizable in life only through a Federation of Soviet Republics."*¹³⁴

In this spirit, the RCIT states: The only solution to overcome all chauvinist tensions and national oppression lies in the formation of a *Socialist Federation of Asia*.

APPENDIX: IMPERIALIST VS. SEMI-COLONIAL STATE: SOME THEORETICAL CONSIDERATIONS

In this appendix we reproduce a summary of our theoretical understanding of the consequences of the Marxist theory of imperialism, as it was developed by Lenin, for the respective definition of imperialist and semi-colonial states.¹³⁵ It is an excerpt from our book on Greek capitalism which the RCIT published in 2015.¹³⁶

1. What are the Respective Characteristics of an Imperialist vs. a Semi-Colonial State?

Lenin described the essential characteristic of imperialism as the formation of monopolies which dominate the economy. Related to this, he pointed out the fusion of banking and industrial capital into financial capital, the increase in capital export alongside the export of commodities, and the struggle for spheres of influence, specifically colonies.¹³⁷

The formation of monopolies and great powers increasingly led to the division of the entire world into different spheres of influence among the rival imperialist states and the subjugation of most countries under these few great powers. From this follows an essential feature of Lenin's (and Trotsky's) analysis of imperialism: the characterization of the connection between the imperialist nations and the huge majority of people living in the capitalistically less developed countries as a *relationship of oppression*. In fact Lenin, and following him, Trotsky too, came to the conclusion that this division of the world's nations into oppressor and oppressed nations is one of the most important characteristics of the imperialist epoch:

„Imperialism means the progressively mounting oppression of the nations of the world by a handful of Great Powers (...) That is why the focal point in the Social-Democratic programme must be that division of nations into oppressor and oppressed which forms the essence of imperialism, and is deceitfully evaded by the social-chauvinists and Kautsky. This division is not significant from the angle of bourgeois pacifism or the philistine Utopia of peaceful competition among independent nations under capitalism, but it is most significant from the angle of the revolutionary

struggle against imperialism.“¹³⁸

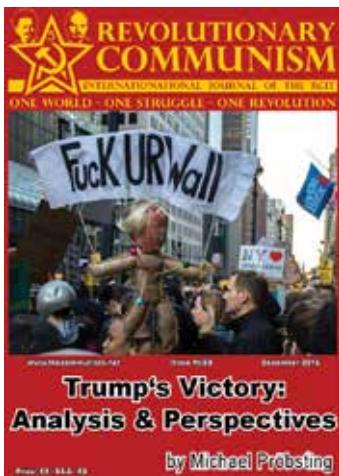
From this, Lenin concluded that the division between oppressed and oppressor nations must constitute a central feature of the Marxist program:

“The programme of Social-Democracy (this is how the Marxists called themselves at that time, Ed.), as a counter-balance to this petty-bourgeois, opportunist utopia, must postulate the division of nations into oppressor and oppressed as basic, significant and inevitable under imperialism.”¹³⁹

The relationship between states has to be seen in the totality of its economic, political, and military features – “*the entire totality of the manifold relations of this thing to others*” (Lenin).¹⁴⁰ Thus, a given state must be viewed not only as a separate unit, but first and foremost *in its relation to other states and nations*. Similarly, by the way, classes can only be understood in relation to one other. An imperialist state usually enters a relationship with other states and nations whom it oppresses, in one way or another, and super-exploits – i.e., appropriates a share of its produced capitalist value. Again this has to be viewed in its totality, i.e., if a state gains certain profits from foreign investment but has to pay much more (debt service, profit repatriation, etc.) to other countries' foreign investment, loans etc., this state can usually not be considered as imperialist.

The economic basis of the relationship between imperialist and semi-colonial states is what Lenin called the *super-exploitation* of these oppressed nations by the imperialist monopolies. Because of this super-exploitation, monopoly capital can acquire – in addition to the average profit rate – an extra profit. These extra-profits are important additions to the profits which monopoly capital already extracts from the workers in the rich countries. They are, by the way, an essential source to bribe the upper, aristocratic sectors of the working class and in particular the labour bureaucracy in the imperialist countries and this helps to strengthen the rule of monopoly capital.

In our book, *The Great Robbery of the South*, we have elaborated basically four different forms of super-exploitation by which monopoly capital obtains extra profits from co-



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lonial and semi-colonial countries:¹⁴¹

- i) Capital export as productive investment
- ii) Capital export as money capital (loans, currency reserves, speculation, etc.)
- iii) Value transfer via unequal exchange
- iv) Value transfer via migration (based on the super-exploitation of migrants, a nationally oppressed layer of the working class)

Finally we want to stress the need to consider the totality of a state's economic, political, and military position in the global hierarchy of states. Thus, we can consider a given state as imperialist even it is economically weaker, but still possesses a relatively strong political and military position (like Russia before 1917 and, again, in the early 2000s). Such a strong political and military position can be used to oppress other countries and nations and to appropriate capitalist value from them.

Naturally, it is not sufficient to divide countries into categories of imperialist or semi-colonial states. There are of course many different shades. This already begins with differences among Great Powers. There are Great Powers like the strongest one, the US, but also others which were economically strong but militarily much weaker in recent decades (like Japan or Germany). Then we have to differentiate between Great Powers and smaller imperialist states (like Australia, Belgium, Switzerland, the Netherlands, Austria, the Scandinavian countries, etc.). Obviously they are not the equals of the Great Powers, but rather are subordinated to them. These smaller imperialist states are politically and militarily dependent on one or several Great Powers in order to participate in the global imperialist order. Hence, they ensure their privileged position by entering economic, political, and military alliances with the Great Powers like the EU, OECD, IMF, World Bank, WTO, NATO, and various "partnerships." However, these smaller imperialist states are not super-exploited by the Great Powers but rather participate in the super-exploitation of the semi-colonial world by appropriating a significant amount of value from semi-colonies.

In short, we define an imperialist state as follows: *An imperialist state is a capitalist state whose monopolies and state apparatus have a position in the world order where they first and foremost dominate other states and nations. As a result they gain extra-profits and other economic, political and/or military advantages from such a relationship based on super-exploitation and oppression.*¹⁴²

Likewise, one also has to differentiate between different types of semi-colonies. Obviously there are huge differences today between Peru and Argentina or Brazil, Congo and Egypt, Pakistan and Turkey, Nepal and Thailand, Kazakhstan and Poland. Some countries are more industrialized than others, some have achieved a certain political latitude and others not. Hence, we can differentiate between *advanced or industrialized semi-colonies* like for example Argentina, Brazil, Egypt, Turkey, Greece, Iran, Poland or Thailand on the one hand and *poorer or semi-industrialized semi-colonies* like Bolivia, Peru, the Sub-Saharan African countries (except South Africa), Pakistan, Afghanistan, Indonesia etc.

Nevertheless, it is important to bear in mind that these different types of semi-colonies have much more in common than what differentiates between them, as Trotsky has already pointed out:

"Colonial and semi-colonial – and therefore backward – countries, which embrace by far the greater part of mankind, differ extraordinarily from one another in their degree of backwardness, representing an historical ladder reaching from nomadry, and even cannibalism, up to the most modern industrial culture. The combination of extremes in one degree or another characterizes all of the backward countries. However, the hierarchy of backwardness, if one may employ such an expression, is determined by the specific weight of the elements of barbarism and culture in the life of each colonial country. Equatorial Africa lags far behind Algeria, Paraguay behind Mexico, Abyssinia behind India or China. With their common economic dependence upon the imperialist metropolis, their political dependence bears in some instances the character of open colonial slavery (India, Equatorial Africa), while in others it is concealed by the fiction of State independence (China, Latin America)." 143

To summarize our definition of semi-colonies we propose the following formula: *A semi-colonial country is a capitalist state whose economy and state apparatus have a position in the world order where they first and foremost are dominated by other states and nations. As a result they create extra-profits and give other economic, political and/or military advantages to the imperialist monopolies and states through their relationship based on super-exploitation and oppression.*

2. Is a Transition from Being One Type of State to Another Possible?

The analysis and division of countries into different types must not be understood in a dogmatic, mechanistic way, but rather in a Marxist, i.e. dialectical, way. Lenin already pointed out that definitions are not abstract dogmas but have to be understood as elastic categories: *....without forgetting the conditional and relative value of all definitions in general, which can never embrace all the concatenations of a phenomenon in its full development...*¹⁴⁴

Hence, it would be wrong to imagine the Great Wall of China Wall separating the two categories, imperialist and semi-colonial states. As we have argued on other occasions there have been several examples where, under exceptional circumstances, a dependent state was able to become an imperialist country as well as the other way round. The central reason for this is the law of uneven and combined development which explains the different tempos of development of productive forces in different nations and their interaction which again results in instability, clashes, wars and transformations of existing political and social relations. It is therefore only logical that such developments can bring about the emergence and growth of new capitalist powers as well as the decline of old powers.¹⁴⁵

Lenin himself has explicitly pointed out the possibility that backward, semi-colonial countries could transform their class character:

"Capitalism is growing with the greatest rapidity in the colonies and in overseas countries. Among the latter, new imperialist powers are emerging (e.g., Japan)." 146

Indeed, as we have pointed out elsewhere, there have been various historical examples of such transformations. There is the example of Czechoslovakia which was a colony in the Habsburg Empire but became – after the implosion of the latter in 1918 – a minor imperialist power. Likewise, South Korea and Israel became imperialist states in the 1990s as did Russia and China in the early and late

part of the first decade of the 2000s respectively.¹⁴⁷ On the other hand, Portugal most likely lost its imperialist status during the last four decades following the loss of its colonies in 1974.

3. Is the Category of "Sub-Imperialism" Useful?

A number of progressive theoreticians support the conception of a "transitional" or "sub-imperialist" state as a third, additional category of countries in addition to colonial and semi-colonial countries. We have elaborated our criticism of the theory of sub-imperialism in *The Great Robbery of the South* and we will only summarize here briefly some conclusions.¹⁴⁸

Naturally if states undergo a process of transformation from an imperialist to a semi-colonial country or the other way around, they are "in transition" and in this sense it can be useful to describe a temporary process of transformation. However, the supporters of the theory of sub-imperialism don't understand this as a category to describe the transition process but rather see it as a separate, independent category. And here lies the fundamental problem.

Capitalism unites all nations in the world via economic and political expansion and the formation of a world market. This process has taken place from the beginning of the capitalist mode of production and has tremendously accelerated in the epoch of imperialism. Under these conditions, no nation escapes the formation of ever closer economic and political ties with the dominant imperialist powers. Such close relations automatically create, modify, and reproduce mechanisms of exploitation and super-exploitation. In other words, under capitalism – and even

more under imperialism – all nations are sucked into the process of super-exploitation. Either they are strong enough and become part of the oppressing nations, or they are pushed into the camp of the majority of humanity – the oppressed nations. There is no "third camp" in between.

Of course, there are significant differences in the development of the productive forces among the imperialist states as well as among the semi-colonial countries. This is only logical given the unequal dynamic of development between nations. Hence, it is indeed true that there are bigger and smaller imperialist countries which are unequal. However, the point is that the smaller are not exploited by bigger imperialist powers. For example the USA and Canada are certainly not equal but also don't systematically exploit each other. The same is true for Germany and Austria or France and Belgium, Luxembourg or Switzerland. However they are all imperialist nations. Why? Because they have developed significant monopoly capital and financial capital which is used to systematically exploit and transfer value from the South, and they are part of an international imperialist order from which they profit and defend by various means. Likewise there are advanced semi-colonies which have a certain regional influence (e.g., Brazil, India, Greece) and others which have none; some are stronger and others are weaker. But as Marxist we must focus on the law of value and the transfer of value between countries and the political order associated with this. And here it is obvious that the industrialised semi-colonies are also dominated and super-exploited by the imperialist monopolies. For these reasons we reject the usefulness of the category of "*Sub-Imperialism*" as part of the Marxist analytical apparatus.

Books of the RCIT

Michael Pröbsting: Building the Revolutionary Party in Theory and Practice

Looking Back and Ahead after 25 Years of Organized Struggle for Bolshevism

The RCIT is proud to announce the publication of a book called *BUILDING THE REVOLUTIONARY PARTY IN THEORY AND PRACTICE*. The book's subtitle is: *Looking Back and Ahead after 25 Years of organized Struggle for Bolshevism*. The book is in English-language. It contains four chapters on 148 pages and includes 42 pictures. The author of the book is Michael Pröbsting who serves as the International Secretary of the RCIT.

The following paragraphs are the back cover text of the book which give an overview of its content.

A few months ago, our movement commemorated its 25th anniversary. In the summer of 1989 our predecessor organization, the League for a Revolutionary Communist International (LRCI) was founded as a democratic-centralist international tendency based on an elaborated program. The *Revolutionary Communist International Tendency* (RCIT) continues the revolutionary tradition of the LRCI. Below we give an overview of our history, an evaluation of its achievements as well as mistakes, and a summary of the lessons for the struggles ahead. This book summarizes our theoretical and practical experience of the past

25 years.

In Chapter I we outline a summary of the Bolshevik-Communists' theoretical conception of the role of the revolutionary party and its relation to the working class. In Chapter II we elaborate on the essential characteristics of revolutionary party respective of the pre-party organization. In Chapter III we deal with the history of our movement – the RCIT and its predecessor organization. Finally, in Chapter IV we outline the main lessons of our 25 years of organized struggle for building a Bolshevik party and their meaning for our future work.

You can find the contents and download the book for free at <http://www.thecomunists.net/theory/rcit-party-building/> ■

**Building the
Revolutionary Party
in Theory
and Practice**

*Looking Back and Ahead after
25 Years of organized Struggle for Bolshevism*



By Michael Pröbsting

Published by the Revolutionary Communist International Tendency

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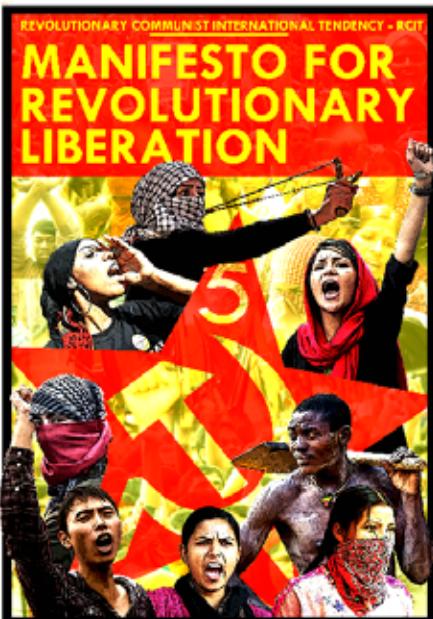
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136 Michael Pröbsting: Greece – A Modern Semi-Colony. The Contradictory Development of Greek Capitalism, Its Failed Attempts to Become a Minor Imperialist Power, and Its Present Situation as an Advanced Semi-Colonial Country with Some Specific Features, RCIT, Vienna 2015, <http://www.thecomunists.net/theory/greece-semi-colony/>.

137 In *Imperialism and the Split in Socialism* – his most comprehensive theoretical essay on imperialism – Lenin gave the following definition of imperialism:

"We have to begin with as precise and full a definition of imperialism as possible. Imperialism is a specific historical stage of capitalism. Its specific character is threefold: imperialism is monopoly capitalism; parasitic, or decaying capitalism; moribund capitalism. The supplanting of free competition by monopoly is the fundamental economic feature, the quintessence of imperialism. Monopoly manifests itself in five principal forms: (1) cartels, syndicates and trusts—the concentration of production has reached a degree which gives rise to these monopolistic associations of capitalists; (2) the monopolistic position of the big banks—three, four or five giant banks manipulate the whole economic life of America, France, Germany; (3) seizure of the sources of raw material by the trusts and the financial oligarchy (finance capital is monopoly industrial capital merged with bank capital); (4) the (economic) partition of the world by the international cartels has begun. There are already over one hundred such international cartels, which command the entire world market and divide it "amicably" among themselves—until war redivides it. The export of capital, as distinct from the export of commodities under non-monopoly capitalism, is a highly characteristic phenomenon and is closely linked with the economic and territorial-political partition of the world; (5) the territorial partition of the world (colonies) is completed." (V. I. Lenin: Imperialism and the Split in Socialism (1916); in: CW Vol. 23, pp. 105-106 [Emphases in the original])

138 V. I. Lenin: The revolutionary Proletariat and the Right of Nations to Self-Determination (1915); in: LCW 21, p. 409



NEW RCIT PROGRAM!

Manifesto for Revolutionary Liberation

Adopted at the 1st 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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139 V. I. Lenin: The Socialist Revolution and the Right of Nations to Self-Determination (1916); in: LCW 22, p. 147

140 V.I.Lenin: Conspectus of Hegel's Science of Logic (1914); in: Collected Works Vol. 38, p. 220

141 Beside the extensive analysis in our book *The Great Robbery of the South* (see above) we refer readers also to our booklet on the super-exploitation of migrants (in German language): Michael Pröbsting: Marxismus, Migration und revolutionäre Integration (2010); in: Revolutionärer Kommunismus, Nr. 7, <http://www.thecommunists.net/publications/werk-7>. A summary of this study in English-language: Michael Pröbsting: Marxism, Migration and revolutionary Integration, in: Revolutionary Communism, No. 1 (English-language Journal of the RCIT), <http://www.thecommunists.net/oppressed/revolutionary-integration/>

142 We think such a definition of an imperialist state is in accordance with the brief definition which Lenin gave in one of his writings on imperialism in 1916: „... imperialist Great Powers (i.e., powers that oppress a whole number of nations and enmesh them in dependence on finance capital, etc.)...“ (V. I. Lenin: A Caricature of Marxism and Imperialist Economism (1916); in: LCW Vol. 23, p. 34)

143 Leon Trotsky: The Chinese Revolution (Introduction to Harold R. Isaacs, The Tragedy of the Chinese Revolution, London 1938); <http://www.marxists.org/archive/trotsky/1938/xx/china.htm>

144 V. I. Lenin: Imperialism, the Highest Stage of Capitalism; in: LCW 22, p. 266

145 We have dealt with the issue of the emergence of new imperialist powers extensively. On China as an emerging imperialist power see the RCIT's literature mentioned

above. On Russia as an emerging imperialist power see: Michael Pröbsting: Lenin's Theory of Imperialism and the Rise of Russia as a Great Power. On the Understanding and Misunderstanding of Today's Inter-Imperialist Rivalry in the Light of Lenin's Theory of Imperialism. Another Reply to Our Critics Who Deny Russia's Imperialist Character, in: *Revolutionary Communism* No. 25, August 2014, <http://www.thecommunists.net/theory/imperialism-theory-and-russia/>; Michael Pröbsting: Russia as a Great Imperialist Power. The formation of Russian Monopoly Capital and its Empire – A Reply to our Critics, 18 March 2014, in: *Revolutionary Communism* No. 21, <http://www.thecommunists.net/theory/imperialist-russia/>

146 V. I. Lenin: Imperialism, the Highest Stage of Capitalism (1916) ; in: LCW Vol. 22, p. 274

147 We have analyzed South Korea's transformation into a minor imperialist power in Michael Pröbsting: Der kapitalistische Aufholprozeß in Südkorea und Taiwan; in: Revolutionärer Marxismus Nr. 20 (1996). A shortened version of this article appeared as "Capitalist Development on South Korea and Taiwan" in: Trotskyist International No. 21 (1997), <http://www.thecommunists.net/theory/capitalism-in-south-korea-taiwan/>. On Israel as a minor imperialist power see Michael Pröbsting: *On some Questions of the Zionist Oppression and the Permanent Revolution in Palestine*, in: *Revolutionary Communism* Nr. 10 (June 2013), p. 29, <http://www.thecommunists.net/worldwide/africa-and-middle-east/permanent-revolution-in-palestine>

148 See Michael Pröbsting: *The Great Robbery of the South*, pp. 220-228. See <http://www.great-robbery-of-the-south.net/great-robbery-of-south-online/download-chapters-1/chapter9/>

Books of the RCIT

Michael Pröbsting: Marxism and the United Front Tactic Today

The Struggle for Proletarian Hegemony in the Liberation Movement and the United Front Tactic Today.

The RCIT is proud to announce the publication of a new English-language book – MARXISM AND THE UNITED FRONT TACTIC TODAY. The book's subtitle is: The Struggle for Proletarian Hegemony in the Liberation Movement and the United Front Tactic Today. On the Application of the Marxist United Front Tactic in Semi-Colonial and Imperialist Countries in the Present Period. It contains eight chapters plus an appendix (172 pages) and includes 9 tables and 5 figures. The author of the book is Michael Pröbsting who serves as the International Secretary of the RCIT.

The following paragraphs are the back cover text of the book which give an overview of its content.

The united front tactic is a crucial instrument for revolutionaries under today's circumstances in which the mass organizations of the working class and the oppressed are dominated by social democratic, Stalinist and petty-bourgeois-populist forces.

The purpose of this document is both to summarize the main ideas of the Marxist united front tactic while at the same time explaining its development and modification which have become necessary due to political changes which have transpired in the

working class liberation movement since the tactic's original formulation.

In this book we initially summarize the main characteristics of the united front tactic and elaborate the approach of the Marxist classics to this issue. We then outline important social developments in the working class and the popular masses as well as in their political formations in recent decades. From there we will discuss how the united front tactic should be applied in light of a number of new developments (the rise of petty-bourgeois populist parties, the decline of the classic reformist parties, the role of national minorities and migrants in imperialist countries, etc.). The eight chapters of the book are accompanied by nine tables and five figures.

Marxism and the United Front Tactic Today

*The Struggle for Proletarian Hegemony
in the Liberation Movement
in Semi-Colonial and Imperialist Countries
in the present Period*

 By Michael Pröbsting
Published by the Revolutionary Communist International Tendency

What the RCIT Stands for

The Revolutionary Communist International Tendency (RCIT) is a fighting organisation for the liberation of the working class and all oppressed. It has national sections in various countries. The working class is the class of all those (and their families) who are forced to sell their labour power as wage earners to the capitalists. The RCIT stands on the theory and practice of the revolutionary workers' movement associated with the names of Marx, Engels, Lenin and Trotsky.

Capitalism endangers our lives and the future of humanity. Unemployment, war, environmental disasters, hunger, exploitation, are part of everyday life under capitalism as are the national oppression of migrants and nations and the oppression of women, young people and homosexuals. Therefore, we want to eliminate capitalism.

The liberation of the working class and all oppressed is possible only in a classless society without exploitation and oppression. Such a society can only be established internationally.

Therefore, the RCIT is fighting for a socialist revolution at home and around the world.

This revolution must be carried out and lead by the working class, for she is the only class that has nothing to lose but their chains.

The revolution can not proceed peacefully because never before has a ruling class voluntarily surrendered their power. The road to liberation includes necessarily the armed rebellion and civil war against the capitalists.

The RCIT is fighting for the establishment of workers' and peasant republics, where the oppressed organize themselves in rank and file meetings in factories, neighbourhoods and schools – in councils. These councils elect and control the government and all other authorities and can always replace them.

Real socialism and communism has nothing to do with the so-called "real existing socialism" in the Soviet Union, China, Cuba or Eastern Europe. In these countries, a bureaucracy dominated and oppressed the proletariat.

The RCIT supports all efforts to improve the living conditions of workers and the oppressed. We combine this with a perspective of the overthrow of capitalism.

We work inside the trade unions and advocate class struggle, socialism and workers' democracy. But trade unions and social democracy are controlled by a bureaucracy. This bureaucracy is a layer which is connected with the state and capital via jobs and privileges. It is far from the interests and

living circumstances of the members. This bureaucracy's basis rests mainly on the top, privileged layers of the working class - the workers' aristocracy. The struggle for the liberation of the working class must be based on the broad mass of the proletariat rather than their upper strata.

The RCIT strives for unity in action with other organizations. However, we are aware that the policy of social democracy and the pseudo-revolutionary groups is dangerous and they ultimately represent an obstacle to the emancipation of the working class.

We fight for the expropriation of the big land owners as well as for the nationalisation of the land and its distribution to the poor and landless peasants. We fight for the independent organisation of the rural workers.

We support national liberation movements against oppression. We also support the anti-imperialist struggles of oppressed peoples against the great powers. Within these movements we advocate a revolutionary leadership as an alternative to nationalist or reformist forces.

In a war between imperialist states (e.g. U.S., China, EU, Russia, Japan) we take a revolutionary defeatist position, i.e. we don't support either side and advocate the transformation of the war into a civil war against the ruling class. In a war between an imperialist power (or its stooge) and a semi-colonial country we stand for the defeat of the former and the victory of the oppressed country.

The struggle against national and social oppression (women, youth, sexual minorities etc.) must be lead by the working class. We fight for revolutionary movements of the oppressed (women, youth, migrants etc.) based on the working class. We oppose the leadership of petty-bourgeois forces (feminism, nationalism, Islamism etc.) and strive to replace them by a revolutionary communist leadership.

Only with a revolutionary party fighting as its leadership can the working class win. The construction of such a party and the conduct of a successful revolution as it was demonstrated by the Bolsheviks under Lenin and Trotsky in Russia are a model for the revolutionary parties and revolutions also in the 21 Century.

For new, revolutionary workers' parties in all countries! For a 5th Workers International on a revolutionary program! Join the RCIT!

No future without socialism!

No socialism without a revolution!

No revolution without a revolutionary party!

