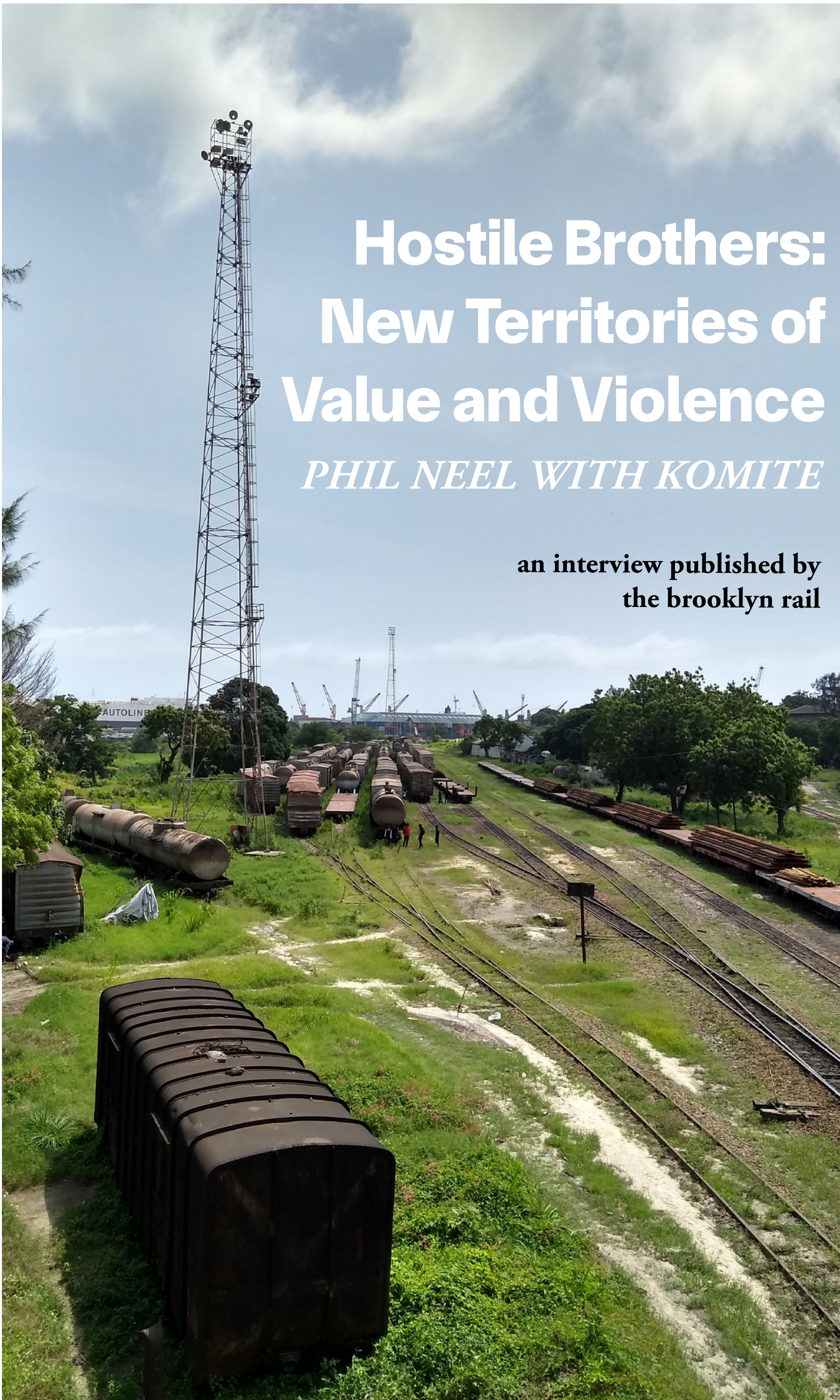
Hostile Brothers: New Territories of Value and Violence

PHIL NEEL WITH KOMITE

an interview published by the brooklyn rail



Interview originally published
by *brooklynrail.org*

Typeset in Garamond and
TASA Orbiter

Designed by post.chicanx

pdf available on haters.life

Hostile Brothers: An Interview with Phil Neel on New Territories of Value and Violence

Komite and The Brooklyn Rail

A neighborhood graveyard under power lines in an industrial area in Dar es Salaam, Tanzania. (Source: Author)

The following interview was conducted by Komite in English and subsequently translated into Turkish, to be published on their web platform in two parts.[1] *Komite is a Turkish collective of socialist militants who call for a break with the corrupt and inefficient institutions of the existing Turkish labor movement, mobilizing class politics to militate against the sweatshop regime of neoliberal globalization and the political oppression conducted by the current government. They work closely with newly established labor unions in the mining, logistics and agribusiness sectors. The interview below follows an earlier one focusing on the author's book Hinterland, conducted in 2021.*[2] *The impetus for this interview was an academic paper by the author on the question of "premature deindustrialization" and Chinese outward investment.*[3] *The paper was published earlier this year and summarized a portion* of the author's dissertation research.[4] Part 2 of the interview will follow next month.

1: The first part is online here: Phil Neel, "Güneydoğu Asya'dan Afrika'ya küresel fabrikanın peşinde", e-komíte, 8 October 2023. <https://e-komite.com/2023/guneydogu-asyadan-afrikaya-kuresel-fabrikanin-pesinde-phil-neel/>

2: The English version of that earlier interview is available here: Phil Neel, "New Battlefields," *Ill Will*, 30 June 2022. <https://illwill.com/new-battlefields>; and the Turkish version here: Phil Neel, "Küresel Hinterlandın Hayaletleri – Phil Neel ile Söyleşi", *e-komíte*, 17 July 2021. <https://e-komite.com/2021/kuresel-hinterlandin-hayaletleri-phil-neel-ile-soylesi/>

3: Phillip Neel, "Broken Circle: Premature Deindustrialization, Chinese Capital Exports, and the Stumbling Development of New Territorial Industrial Complexes", *International Labor and Working-Class History,* 102, Fall 2022. pp.94-123.

4: Phillip Neel, "Global China, Global Crisis: Falling Profitability, Rising Capital Exports and the Formation of New Territorial Industrial Complexes", Doctoral Dissertation: University of Washington Department of Geography, 2021. <https://drive.google.com/file/d/1krt15Qx0lPizv7SPR8b0GhsmGK61k1TP/view?usp=sharing>

Komite (Rail): As a communist geographer, you have spent time in China and Tanzania doing field work on the mobility of capital, labor movements, and urban transformation. Can you talk a little bit about what this looks like and what your focus has been?

Phil Neel: Specifically, I've focused on a few "territorial industrial complexes" that either act as important centers within the planetary production system or are poised to emerge as important centers in the future. These are places where I've lived, worked, and conducted field studies. One thing about communist geography that I really emphasize is reviving the classic geographic field survey—which basically just means going out and actually looking at the places you're researching and talking to the people who live and work there, getting a sense of the "vibe," for lack of a better word, and then combining this with the abstract analysis of datasets and scholarly literature to create a coherent narrative. This is very important to communist theory because the whole point of the "critique of political economy" is that you can never just focus on "economic" questions.[5] You're always talking about social forces and these social forces always involve the material formation of subjectivity and the material impact of subjective action. And this embedded style of inquiry is really the only way you can get a true sense of these subjective dimensions.

So I've studied what's now called the Greater Bay Area region in Southern China, which includes the Pearl River Delta (PRD) and Hong Kong. Technically the world's largest megacity—a massive exploded urban area that encompasses major centers such as Guangzhou, Shenzhen, Dongguan, Foshan, and Zhuhai—the PRD alone has a GDP larger than that of Indonesia and is still the single most important industrial and trade complex in the world, accounting for something like a quarter of all of Chinese exports (and Chinese exports compose something like fourteen or fifteen percent of the global total). To put that in perspective: if you were to appraise all the exports flowing out of this single river delta as if it were its own country, it would be basically tied with Japan and the Netherlands for fourth place (third place would go to Germany, second to the US, and first place to the remainder of China). The entire planetary production complex has many centers of gravity, but if you had to choose a single region that acts as something like the heart of global manufacturing, the PRD would probably be it.

Of course, these goods are flowing within planetary supply chains within which Chinese firms—whether we're talking large monopoly steelmakers or smaller contract workshops in sectors like garments—mostly just occupy the middle rungs, with much of the value flowing through these industrial networks passing through a nested hierarchy of subcontracting that is effectively controlled by what are called "lead firms," which are still predominantly (though not exclusively) headquartered in the world's richest countries.[6] These companies are the major brand names (think Nike), the big retailers (think Wal-Mart), the firms that control the IP for the most advanced

5: This is also why "Marxist political economy" is an idiotic appellation, demonstrating nothing more than the fact that whoever is using the term doesn't know what they're talking about.

6: For anyone interested in Marxian appraisals of how these supply chain structures work, I'd suggest the work of John Smith, Ashok Kumar, and Intan Suwandi. But if you just want a conventional overview of the "supply chain" literature from a basic liberal perspective, Gary Gereffi's book *Global Value Chains and Development* is a good summary.

technologies (think Qualcomm), and of course the big financial interests channeling and managing capital in the abstract (think JP Morgan Chase or "asset managers" like Blackrock). The Greater Bay Area is also an extremely important zone for industrial upgrading, in which firms adopt new organizational practices (especially greater consolidation) and new technical systems (especially more automated production lines and a pivot to more complex products) in order to claw back more of the total profit passing through the chain of production and elevate their position within this industrial hierarchy. They also, of course, relocate to areas with cheaper labor, cheaper land, or other basic cost-saving features. So now the Greater Bay Area is not so much just a production hub, but also a center for the headquarters, R&D centers, and advanced manufacturing lines of Chinese firms attempting to climb into higher-value segments of production. Shenzhen, for instance, has been trying to rebrand itself as the "Silicon Valley of Hardware," and Guangdong province leads the nationwide trend in automation.

Basically, there is this intense competitive struggle between different individual capitals and between various factions of capital to appropriate more of the total social value flowing through these planetary production networks, which then leads to overcapacity in these sectors, further intensifying competition. This then induces technical change, organizational consolidation, and industrial relocation—all of which constantly reshapes the character of these "territorial industrial complexes" where tens of millions of people live and work. Marx described this sort of inter-capitalist conflict as a struggle between "hostile brothers" dividing up their plunder. This is a great description, because it captures the idea that this is a real conflict, but also a fraternal one. Ultimately, these capitals have a shared class interest, in the sense that they're the ones who get to appropriate the plunder, not the ones forced to produce it. So what we see in these supply chains is actually a simultaneously competitive and cooperative struggle, where each individual firm and all these blocs of capital (sectoral, regional, national, etc.) are both dependent on the others and in competition with them, even while they all share the same fraternal class interest when it comes to things like disciplining labor and making sure the basic infrastructure of the market is functioning smoothly.

This complicated, competitive form of codependence is well illustrated by industries like electronics, where you have a lead "monopsony" firm like Apple,[7] headquartered in the US, which owns all the IP and does the advanced design but subcontracts actual production to a massive contract manufacturing monopoly like Foxconn, headquartered in Taiwan, which then buys from other higher-tech component suppliers headquartered in places like Japan and subcontracts lower-end component work to smaller manufacturers that you may have never heard of like Lens Technology, Longcheer, Huaqin, GoerTek, AAC Technologies, Luxshare Precision, all headquartered in mainland China, who may be sourcing components or farming out piecework to even smaller firms both in China and elsewhere, as well as buying raw materials from other big upstream suppliers. The cooperative element is visible in this interdependence. And if you can secure a good, reliable dependence on a major lead firm, you will benefit enormously.

7: Monopsony describes a condition where a single buyer or a small handful of buyers are able to exert substantial control over a market simply because they constitute the majority of demand.

The monopsony that Apple held over the smartphone market is basically what enabled Foxconn to get so large. But the competitive element also becomes immediately evident. Foxconn is now such an enormous monopoly power that it can throw around more of its weight to secure a greater share of the total profit. And then of course Foxconn's own subcontracting helps to feed these lower-order manufacturers based in mainland China, which can then become monopolies in their own right and are now even stealing big contracts from Foxconn.

So now you have this strange situation where a company like Apple is still certainly in a privileged position at the top of the supply chain, but has enormous difficulty diversifying its sourcing away from a small handful of large contract manufacturers such as Foxconn, all while these "original design manufacturers" (ODMs) such as Longcheer or Huaqin are now designing and producing most of the world's lower-end smartphones as "white label" products, which companies can just buy in bulk and slap their own brand name on. And this ODM industry is what allowed Chinese brand-name smartphones like Xiaomi, Huawei, OPPO, VIVO, and Tecno to gain such massive influence in both the domestic market and in the markets of poorer countries—markets that were initially too small to be lucrative for the lead firms. So the most intense competition is lateral competition between these lower-order contract manufacturers, operating at a point in the supply chain where profits are razor-thin and where there is immense overcapacity, in the sense that you have too many firms able to do the same work competing for too few major contracts. These firms then grow by defeating and swallowing one another and by expanding into marginal markets in poorer areas, which then enables them to start competing with the higher-order contract manufacturers further up the chain. Despite the fact that so much focus gets placed on the supposed "trade war" between the US and China, then, the reality is that most of the intense, head-on competition is actually happening slightly lower down in the supply chain, as mainland Chinese companies gain market share or even lead hostile takeovers and industrial espionage efforts against firms headquartered in places like Taiwan or South Korea.

With all that in mind, I've also done quite a bit of research in some of the places where these lead firms are headquartered, such as the Cascadia megaregion in the US (which technically extends into Canada)—and which I won't talk about too much here, but discuss at length in my book *Hinterland*[8]—and in areas that are supposedly emerging industrial centers further down the hierarchy of global value chains, including the eastern seaboard of Thailand and, most recently, Dar es Salaam, Tanzania. These areas are crucial for understanding the future geography of production and the prospects of capitalist society more generally because, as that competitive-cooperative struggle between various capitals plays out within global supply chains, there is a continual incentive to relocate more production to cheaper labor markets. This fact has produced the idea that industrialization proceeds through a "flying geese" pattern, in which the leading "geese" like Japan shed lower-end industries to places like South Korea and Taiwan, which then shed them to places like China, inducing development wherever those industries land. As I'll explain below, this is not exactly correct, but it does capture the basic pattern of inter-industrial competition and the idea that "development"

8: *Hinterland: America's New Landscape of Class and Conflict* (London: Reaktion, 2018).

follows from these investment decisions expresses the basic fact that industry is always anchored in specific places through fixed capital (things like plant, equipment, and infrastructure) which then literally produces these territories that appear to us as startling spurts of urban growth. But beneath all the migration and the construction of residential complexes lies the humming engine of the planetary factory.

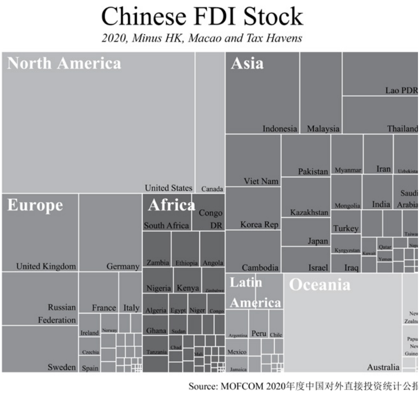
Rail: Chinese investment in Africa is an important, yet insufficiently investigated issue of our times. How does this relationship shape both places? What do you see as strictly site-specific or conjunctural in these two countries? And how do they relate to the global capital flux on a greater scale?

PN: All of the dynamics I just mentioned obviously create these major dramas over where, exactly, the new centers of industry will be. For the past decade there's been a lot of talk about industrialization in Africa in general and in East Africa specifically, with a lot of claims that countries like Ethiopia are going to be the next big export centers and that the entire region could even become something like the "next factory of the world."[9] But, in general, proximity is still extremely important. So it's not coincidental that industrialization has followed an arc around the littoral zones of the Pacific Rim—and specifically bays with deepwater ports—jumping from Tokyo to Taipei, Seoul, and Hong Kong and then from there to Shanghai, Shenzhen and Beijing, and now to Hanoi, Phnom Penh, and Jakarta. At each stage, established supply chains tend to seed new centers in nearer locations rather than ones too far afield—though "near" here should be understood mostly in terms of "logistical" distance, which is why so much industry is centered on these maritime amenities like river deltas and why it takes such enormous infrastructural investment to make inland production profitable even if labor is cheaper.

And the cost calculus is obviously not fixed, either. Infrastructural investments change the basic equations, but so do things like economic crises, demographic trends, and competition from other areas. For example, prior to the Asian Financial Crisis, it was widely predicted that countries in Southeast Asia—especially Thailand and Malaysia—would be the next "Asian Tiger" economies, since they started to see these massive booms of export-led development beginning in the '80s. But a whole confluence of events ensured that this would not ultimately come to pass, with countries like Thailand falling into what's now called the "middle-income trap." The crisis in 1998 played a major role here, but China's industrial ascent was probably the biggest single structural factor behind the stunting of the boom in Southeast Asia. So it's somewhat ironic that Chinese capital has now become increasingly important to the current industrial boom in the region. In fact, while the image of a "Global China" is true in trade terms, when it comes to investment, most Chinese capital overseas goes into corporate acquisitions in the wealthy countries, and, of the portion that is greenfield investment in poorer places, the vast majority remains within Asia and is especially concentrated in areas that either share a border with China or are not that far in maritime distance: Laos, Vietnam, Thailand, Indonesia, Malaysia, and Cambodia, Pakistan and Kazakhstan (see the figure below).

And these histories should give us pause when we hear news reports about how

9: This is the title of one widely-read study of Chinese investment in Africa, by Irene Yuen Sun.



countries in Africa are now on the verge of their own "economic miracles," successfully constructing developmental states and attracting major infrastructural and industrial investments. In part, I conducted research in Dar es Salaam to "ground truth" available data and appraise some of the major claims made in the media about Chinese investment in Africa more generally. Dar es Salaam was a prime location for this, because Tanzania lies at a good midpoint between more intensive developmental states like Ethiopia and the countries with more traditional dependencies on one or two key natural resources, such as copper in Zambia or oil in Angola. Meanwhile, political stability and a moderately active developmental regime in the form of the ruling party (Chama Cha Mapinduzi, or CCM) ensure that there aren't particularly volatile civil conflicts poised to threaten developmental schemes, even if the CCM itself tends to oscillate between vaguely populist and more conventionally "neoliberal" forms of governance that alternately constrain and encourage foreign investment. Tanzania is also the site of two supposedly "Chinese" megaprojects: a completely new deepwater port and associated trade zone in Bagamoyo, which was set to be the largest port in East Africa when announced; and the Julius Nyerere Hydropower Station on the Rufiji river, which will be the largest power station in East Africa. But both of these turned out to be deceptive, which I'll explain in a moment.

The city itself is also an amazing case study. Dar es Salaam is not only the industrial and economic center of Tanzania but has also been one of the fastest growing cities in the world and will likely grow to megacity status sometime in the next few decades as it sprawls out into the surrounding Pwani region (which saw something like 6% average annual population growth between the 2012 and 2022 censuses). Its historic integration within Indian Ocean commercial networks also means that the city is in a prime location if the development of territorial industrial complexes continues to lurch westward from the Pacific littoral to the Indian Ocean. Meanwhile, Chinese firms have played a role in the rapid construction of new urban infrastructure, including a series of prominent skyscrapers that have completely reshaped Dar es Salaam's skyline over the past fifteen years. But even when you look at real estate and roadbuilding, the picture is actually much more complicated, development is far more muted than you might expect, and the exact role of Chinese capital is often—in fact, almost always—portrayed incorrectly. Probably the most common error is that people think construction projects are "Chinese" projects just because they see a lot of Chinese workers on-site or even just some construction equipment from China. While it's true that Chinese construction and engineering contractors are extremely important when it comes to who is actually doing the work of constructing dams, roads, railway lines, and all kinds of residential and commercial buildings in poorer places, it's also important not to confuse winning a construction contract with providing the capital for the entire construction project.[10]

And exaggeration is even more extreme within sectors like manufacturing and warehousing. These are the sectors I was looking at in my field survey (conducted in 2020, right before the pandemic), where I was basically just walking around all the city's major industrial districts, interviewing workers and residents in Swahili—and periodically some workers or managers in Chinese—asking about the size of different factories, what they produced, and who owned them. Based on reports in the press and the general tone of the academic literature, I was expecting to find far more Chinese companies than I did, and I assumed that the firms that I did find would be larger. But most Chinese manufacturing and warehousing firms in the city were small private companies, with just a few bigger ones, and basically only one subsidiary of a major conglomerate.[11] Similarly, I was expecting a lot of the big infrastructural projects going on in the city—the construction of a new standard-gauge railway line, two major bridges, and any number of roads—to be financed by Chinese capital. In fact, this was not the case at all. The New Selander Bridge, for example, was jointly financed by the Korean Economic Development Co-operation Fund (South Korea's major developmental aid institution) and the Tanzanian government (which uses money not from tax dollars but from sovereign debt mostly financed by traditional multilateral institutions like the IMF and World Bank), and the lead contractor was a South Korean engineering firm. But everyone thought it was a "Chinese" project because the sub-contractor tasked with much of the physical construction was China Railway Seventh Group. The Nyerere Hydropower Station is the exact same story: financed by the Tanzanian government, with early feasibility, design and environmental impact studies by a Brazilian firm, ultimately handed over to two Egyptian contractors, but because one of the major sub-contractors is a Chinese company, it's often presented as a "Chinese" project.

And those are at least projects that exist! The majority of announced projects simply never happen. But they get reported on in the media as if they're done deals. It's absurd. Sort of like pretending that you've just added thousands of dollars to your net worth whenever a bank sends you some junk mail saying that you're "pre-approved" for a credit card. The Bagamoyo Port is representative of these projects: it was announced in the early 2010s as a "Chinese" project, despite the initial plan being to source funding from both China and Oman, in addition to the Tanzanian government. As soon as it was announced, it stalled. It has been more than a decade now and no ground has ever been broken. You can go to Bagamoyo whenever you want—it's a beautiful historic town—and clearly see that there is no megaport there, and no megaport being built. And now the new president of Tanzania is talking about reviving the project, but no one wants to fund it.

10: By far the best studies of these construction and engineering contractors operating in Africa have been produced by Stella Hong Zhang. For example: "Chinese International Contractors in Africa: Structure and Agency", *China Africa Research Initiative*, Working Paper 47, May 2021. <https://static1.squarespace.com/static/5652847de4b033f56d2bdc29/t/6099cc5d267fb10016b82045/1620692064252/WP+47+-+ZHANG%2C+Hong+-+Chinese+Intl+Contractors%27+Market+Power+Africa.pdf>

11: This is, however, in line with many of the other field-based surveys of Chinese investment in the region and on the continent as a whole, the most comprehensive of which is: Tang Xiaoyang, *Coevolutionary Pragmatism: Approaches and Impacts of China-Africa Economic Cooperation*, Cambridge University Press, 2021.

State-mandated informational sign outside the construction site of the New Selander Bridge, listing all contractors involved. (Source: Author)

There are tons of projects like this, and one of the persistent problems in the data is that many sources that ostensibly record "Chinese investment" are actually just listing all these announced projects. Many of these stories are just outright lies—stuff that would be basically unprintable in any other context, such as wild claims that China planned to conduct widespread land grabs and even settle thousands of peasants in Mozambique.[12] So, in this sense, the "Belt and Road" is mostly a mirage. It simply does not exist in the way that people talk about it. But the local media in many African countries, the big media outlets in the US and EU, and the Chinese media all have different vested interests in presenting this image of a massive, state-led developmental project conducted as some sort of grand geopolitical strategy.[13] In Chinese media it's presented as a good thing (as "win-win development"), in US and European media it's presented as an evil threat (with all the orientalist undertones you'd expect), and in African media it can be either, depending on which local political faction a given news outlet supports—because the *image* of Chinese investment and influence is often an important tool mobilized within local electoral campaigns.

And even the sectors where Chinese contractors are very active, such as infrastructure, are hardly dominated by "Chinese" projects, but are instead the product of complex chains of international financing and often serve the needs of international capital first and foremost. The building boom in Dar es Salaam, for example, has really not been attuned to local needs, because the vast majority of the population migrating to the city cannot afford the apartments that are being built in these big multi-story residential complexes—and as a result, on any given night when you go out and look at this skyline, most of the windows are dark, but beneath and beyond them there is this soft glow from the sprawling "uswahilini" (which are single-story, makeshift "slum" settlements composed of largely hand-built construction) where most people actually live. So the building boom is better understood as an outlet for surplus real-estate capital (and the affiliated construction and engineering work) being crowded out of bubbles elsewhere.

Ultimately, all of these misconceptions serve to disguise many of the more concrete trends in Tanzania and in Africa more generally, in which more traditional forms of international hierarchy

12: For a systematic debunking of these sort of claims, I'd suggest the work of Deborah Brautigam.
13: For a critical take on this idea, see: Lee Jones and Shahar Hameiri, *Fractured China: How State Transformation is Shaping China's Rise*, (Cambridge University Press, 2021).

persist: most funding for infrastructure construction in Africa still comes from familiar sources, such as national governments taking out IMF loans; the big natural resource firms are still largely headquartered in the wealthiest countries or in proximate sub-imperial centers like South Africa; very traditional neocolonial relationships still exist in places like Francophone West Africa, where France still plays its role in controlling currencies[14] and conducting mercenary military actions to secure supplies of uranium; and the biggest foreign military ventures are all, of course, linked to the US and are justified in the language of anti-terrorism and humanitarianism. Chinese firms operate in Africa *within* these existing hierarchies, not against them.

And the bulk of Chinese influence is therefore not found in developmental aid, FDI, or even construction contracting, but instead precisely where you'd expect it to be: in the dominance of Chinese firms within the middle and lower tiers of global industrial supply chains, which means both that Chinese goods are overrepresented in the composition

14: Much of West and Central Africa still uses the colonial-era currency, called the CFA Franc (split into West African and Central African varieties), which is pegged to the Euro. Monetary policy for the region is therefore effectively set via the European Central Bank. Even more egregious was a requirement that all member states deposit half their foreign exchange reserves with the French Treasury—in sum, this meant that most countries sent more money to France every year than they received in aid. In response to criticisms, the system is currently under reform. In 2020, France agreed to end the Treasury requirements for the West African CFA Franc and withdraw its officials from the currency's governing bodies. With a legal endorsement from French Parliament, talks have since begun to create a new common currency within the Economic Community of West African States, ostensibly by 2027. But the roadmap remains vague and few of the member countries have met the criteria (such as keeping deficits and inflation under a certain threshold) set out by the West African Monetary Institute for adoption of the currency. For a history of the CFA Franc and an overview of its neo-colonial governance mechanisms, see: Marceleau Biankola-Biankola and Aubin Nzaou-Kongo, "International Law and Monetary Sovereignty: The Current Problems of the International Trusteeship of the Cfa Franc and the Crisis of Sovereign Equality," *African Revieew of Law and Critical Thinking*, 1(1), 2020. pp.25-61

Construction outside a golf course on Barack Obama Drive, near the presidential palace in Dar es Salaam. Locally prevalent anthropic sediments of plastic waste mixed with coastal sand visible in foreground. (Source: Author)

Caption: Tanzania's Standard Gauge Railway, being built by Turkish contractor Yapi Merkezi. (Source: Author)

of manufactured goods and that the Chinese economy exerts a disproportionate impact on global commodities markets—i.e. goods like copper, oil, agricultural products, etc. This then creates trade dependencies in both these directions: dependence on Chinese sellers to supply manufactures and dependence on Chinese buyers to clear stocks of core commodities. Much of the supposed industrial boom that took place in Africa in the first two decades of the century therefore is better described as a form of "shadow industrialization" linked to the global commodities supercycle that was driven by the Chinese urban and infrastructural boom.[15] And a similar phenomenon followed from the gradual dominance of Chinese manufactures within African consumer markets, which created a shadow boom in sectors like logistics, wholesale trade, and retail. In the Kariakoo market district in Dar es Salaam, you can find hundreds of young Tanzanians who make a living travelling back and forth from Guangzhou, buying garments from these big wholesale malls (which I also visited while living in the city in the mid-2010s, they're fascinating places). So it's no coincidence that Chinese loans, developmental aid, and FDI all just happened to plateau and then decline almost exactly in line with the commodities boom, leaving a trade deficit in their wake since most places are still dependent on imports of manufactured goods from China.

At the level of capital flows, then, China has actually been becoming much less important in most African countries, even while it remains central as a trade partner. Many of the traditional colonial patterns also remain extremely relevant, and these have little to do with China. For example, trade and finance links with South Asia and the Arab World remain central in many former British colonies, and South Africa has continued to play its "sub-imperial" role as a regional power.[16] Meanwhile, the rapid economic ascent of Saudi Arabia, the UAE, and, to a

15: For more detail about this, see: Pádraig Carmody, Peter Kragelund, and Ricardo Reboredo, *Africa's Shadow Rise: China and the Mirage of African Economic Development*, (Zed Books, 2022).

16: For more discussion on the concept of "sub-imperialism" and the specific role played by South Africa, lesser extent, Oman, Turkey, and Egypt, have seen these countries often playing far more important roles within East Africa than China does. This influence is multifaceted, as well, ranging from the remittances of East African "guest workers" in the gulf states (subject to some of the worst forms of brutality, verging on literal enslavement), to large-scale infrastructural investment and construction contracting, to vicious forms of geopolitical intervention—as is currently visible in Saudi and Emirati influence in Sudan, which is becoming something like a proxy war echoing the conflict in Yemen. This is sort of an extreme case. Most of this influence is much more mundane. For example, while I was living in Dar es Salaam, probably one of the most prominent large infrastructural projects under construction was the Standard Gauge Rail being built in the south of the city by a Turkish construction contractor (Yapi Merkezi) working alongside a Portuguese firm (Mota-Engil). So whenever you went out on the road toward the airport you had to go under this big elevated construction site that was flying the Turkish flag. And beneath all of this international influence we also have to remember that smaller-scale domestic capitalists and those from neighboring countries also play an important role. Kenyan construction firms are probably just as important in Tanzania as Chinese ones, for example. And the biggest industrial interests in the country are the Bakhresa Group and MeTL Group, both Tanzanian family businesses.

Rail: In your article "Broken Circle" you wrote about the question of "premature deindustrialization" in both China and Tanzania.[17] Seemingly, in many places today, we see a fall in the agricultural population and a rise in the population that work in the services sector while the employment in the industrial sector is stagnant or has a relatively small increase. From a Marxist point of view, how can we analyze this phenomenon? What does it say about the global composition of capital and labor?

PN: At root, it's really just a confirmation of some of the most basic points that Marx makes in his critique of political economy: firms are induced to constantly revolutionize the technical process of production to ensure continued profits in the face of both competition from other firms and the ongoing class struggle on the shopfloor, and this then means that, over time, you're going to see more people cast out of the core productive industries. But these people are still proletarians, they still need money to survive. And the process doesn't actually decrease competitive pressure within industry. Profit margins continue to narrow, overcapacity develops, new monopolies emerge, and you see this build-up of surplus capital with few stable and profitable outlets to absorb it. You can pour that excess capital into speculative ventures, into real estate, into infrastructure, but eventually doing so gives diminishing returns and inflates these huge debt bubbles.[18] The present situation in China is obviously a case in point. And beneath all this, the underlying trend continues. Marx literally calls it the "general law of capitalist accu-

---

see the work of Patrick Bond.

17: Phillip Neel, "Broken Circle: Premature Deindustrialization, Chinese Capital Exports, and the Stumbling Development of New Territorial Industrial Complexes", *International Labor and Working-Class History,* 102, Fall 2022. pp.94-123.

18: Robert Brenner offers a very good account of this trend. For example: *The Boom and the Bubble: The US in the World Economy*, Verso, 2002.

mulation," describing the tendency for a "surplus population" to accrue alongside surplus capital. Traditional models of development tend to break down in the face of this reality.[19]

This surplus population doesn't grow at the expense of social wealth or productivity but in line with it—in other words this is not a theory of absolute "immiseration," the stalling of development, or some final crisis that comes to break the system once and for all. Instead, the surplus population increases *because of* economic growth and development. The bigger the extent and growth of capital at the entire global scale and the higher the productivity of industry as a whole, the larger the surplus population will be. This is true both absolutely, because obviously a large labor force will have a large "reserve army" of un- and underemployed people, but also relatively, because competition drives technical change within the process of production, ensuring that fewer people need to be employed in industry to produce the same quantity of goods. And this is the basic cause of what the conventional economic literature calls "premature deindustrialization."

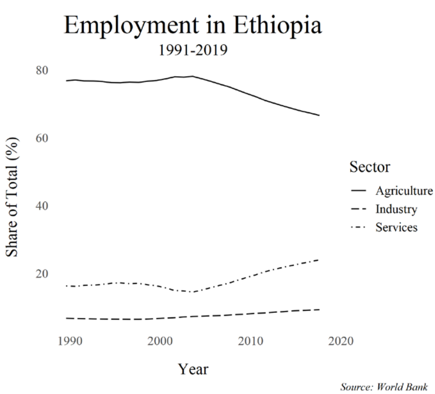
The key thing to understand is that this is deindustrialization of employment, but not necessarily output. So even in areas that *are* successfully attracting more export industries, there is often not an equal increase in formal industrial employment. And that's because a company opening a new factory somewhere is usually going to need to install plant and equipment that meet the prevailing technical level of the industry—otherwise they won't be cost-competitive on global markets, even if their labor is cheaper. So when firms open new facilities in even very low-cost countries like Ethiopia, these facilities are going to be more mechanized than they would have been in the past. This then produces a divergence between the share of industry in total output and the share of industry

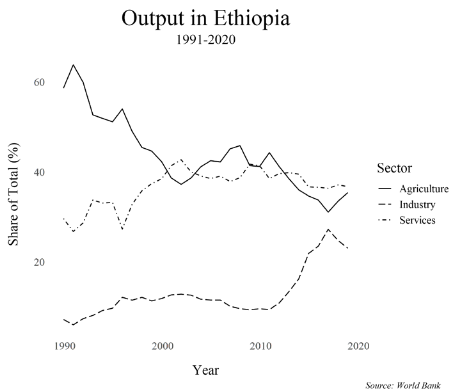
19: For one good piece that complements the "Broken Circle" article, I'd suggest reading: David Oks and Henry Williams, "The Long, Slow Death of Global Development", *American Affairs*, VI: 4, Winter 2022. <https://americanaffairsjournal.org/2022/11/the-long-slow-death-of-global-development>

The informal and formal economies of "premature deindustrialization" in Dar es Salaam. In the foreground: an informal carpentry workshop; in the middle: an uswahilini settlement near a flood-prone river; in the background: the Ubungo power plant, being expanded with the help of a Chinese construction contractor. (Source: Author's photo) in total employment (see the two charts below) and this divergence becomes more extreme over time as the technical standards become more complex within manufacturing as a whole. If you view this at the global scale over the long run, then, deindustrialization of employment occurs at lower points of per capita GDP and the peak of industrial employment tends to be lower in each new spurt of industrialization, so that many countries now "deindustrialize" before they ever have widespread industrial employment. Even the "exceptions" that see the strongest industrial booms see them peak faster and employ a smaller share of the total population at their height.

So China is not actually a real exception, as should now be obvious. But the Chinese case does illustrate another important part of this trend: as competition and overcapacity intensify, the competition to become the next site for industrialization becomes an increasingly zero-sum affair. Earlier I mentioned the Asian Financial Crisis and the bursting of the bubbles that followed the industrial boom in places like Thailand and Malaysia. That's a good illustration of the basic point, because we see regions like the PRD essentially growing at the expense of places like Thailand's eastern seaboard (this competition took off in the 1990s, intensified in the 2000s, and slowed a bit in the 2010s). And Thailand is a very good case study here because, under the Thaksin administration in the early 2000s, the country pursued "developmental" programs that tried to make industry more competitive, built a lot of infrastructure, and dumped various forms of stimulus into different segments of the economy. This successfully restored growth to moderate levels, but didn't come close to reigniting the engine of export industry in the face of Chinese competition. So, today, you now have new centers rising in places like the Red River Delta in Vietnam and these do drive new seemingly "exceptional" cases where formal industrial employment increases. But we can expect this employment to peak more quickly and at a lower overall level than it did in China, and we can also clearly see that these few cases of "successful" industrialization are simply the victorious minority that, in their very contrast, help to illustrate the conditions that prevail for less successful majority. Their growth ensures that industrial employment will be lower elsewhere.

For conventional economists, this sort of deindustrialization is "premature" because there is supposed to be a fixed





process of maturation that all economies go through in the process of growth.[20] In other words, it's an exception or aberration that then has to be addressed by various policies designed to exert national developmental interests both in and against so-called "neoliberal" globalization in order to ensure that structural development is not "stunted" by the inequalities built into the global market. In this literature, deindustrialization and globalization are often linked to the rise of populism. Thus, many of these economists now argue for the revival of industrial policy, selectively increasing tariffs, and mobilizing monetary policy for developmentalist ends. This is supposed to both enhance the competitiveness of domestic industry and ward off the specter of populism by reviving certain classic features of liberal governance that the "neoliberal" ideological norm had disavowed, including many supposedly "Keynesian" policies.[21] And this, in turn, has generated a big discussion about the "death of neoliberalism" and "deglobalization." But of course all those things are overblown and there was really never that big a difference between the "neoliberal" order and those that preceded it, with each period of economic policy simply reiterating the same basic capitalist imperatives in slightly different contexts.

The communist understanding of the phenomenon, rooted in Marx, doesn't really think of this deindustrialization as "premature." It's right on schedule. In fact, it's just an extension of "deindustrialization" in general, now taking place in a world fully enclosed by capitalism. In other words, a world where "depeasantization" has largely been completed—farmers in poor countries are now largely dependent on the market for their survival, even if they still enjoy a certain "subsistence buffer" that remains important in periods of high unemployment—and therefore where people have little choice but to work in the vast, informal, black-

20: The first part of this process, shifting from agriculture to industry, was formulated in the "dual sector model" of W. Arthur Lewis, while the final wave of rising service employment was theorized in the "three sector model," developed by Alan Fisher, Colin Clark, and Jean Fourastié—between the 1930s and 1950s—all of which would form an important basis for development economics and modernization theory epitomized by the work of figures like Walt Rostow. Later, these theories would be combined with the "flying geese" model formulated by Kaname Akamatsu in the 1930s. Initially, this theory was limited to Imperial Japan, where it influenced the economic logic of the "Greater East Asian Co-Prosperity Sphere." The theory was then formally published in the international economic literature in the 1960s, after many of the figures who managed the Japanese imperial project were placed back into power by the US military regime in the name of anti-communism. By explaining the sequential rise of new export regimes in places like Japan, South Korea, and Taiwan (which, not coincidentally, mirrored the structure of the Co-Prosperity Sphere), the theory became a foundational component of conventional economic accounts of globalization.

21: And the focus on "neoliberalism" as a target of critique, rather than capitalism as such, is not just theoretically misguided but politically quite dangerous. It's a good illustration of how poorly thought-out theory can lead to poorly devised political strategy. For example, the exclusive emphasis on "neoliberalism" is one of the reasons that it was so easy for the Democrats in the US to absorb the energy of the "socialist" movement that had sprung up around figures like Bernie Sanders. His politics could appear as "socialist" simply because "capitalism" had been equated with a fantasy image of "neoliberal" market fundamentalism. But Sanders was essentially just proposing a return to standard midcentury liberalism. And now, instead of Sanders himself, we get a figure like Biden, who you can think of as what happens when you order FDR on Wish.com, or if the Democratic Party had been inbreeding the imperial dynastic bloodline of Eisenhower for half a century to retain its purity and instead ended up producing this brain-damaged puppet emperor. Maybe "neoliberalism" is dead, but it's not like this fantasy image of the Keynesian social compact is going to replace it. Instead, we get an aggressive, dysfunctional echo. Keynes with a Habsburg jaw.

and-grey market service sector. At the extreme end, this surplus population is visible in what are now typical images of abjection: the mega-slums filled with un- and underemployed youth who invariably pose a "social problem" for the state. In Arabic-speaking countries in North Africa, the term is *hayateen*, referring to young men who have nothing to do but "lean against walls." In Dar es Salaam and other Swahili-speaking areas, the term is *wahuni*—related to *uhuni*, which means something like "aimlessness"—in use since the colonial era to describe the young "hoodlums" attracted to the city, which never had a big enough labor market to absorb them.[22] But this is nothing new. Thinkers like Franz Fanon or Eldridge Cleaver long ago emphasized the political potential of this "lumpen" faction of the proletariat, which should not be confused with "surplus population" as such.

An "artisanal miner" working a small claim near Shinyanga, Tanzania (Source: Provided to the author by respondent working at the mine, reproduced with permission)

Overall, though, the surplus population is a broader category, not synonymous with the lumpenproletariat and not well represented by these images of absolute abjection.[23] Today, some people even pretend that the "surplus population" has been excluded from "the economy" as such. But the whole point is that people in the surplus population *aren't* able to escape the economy. They still need money to survive and they still rely largely on goods produced and distributed within the market—even if they're stealing them, or depending on humanitarian support, or living on some sort of state welfare. And of course the most common method of survival is simply to work. Again: the surplus population is not necessarily unemployed, but underemployed, or employed in these catchment service sectors that make up for the lack of employment in industry. This will look different in different areas that have different levels of wealth. So, when we talk about the surplus population, we're really talking about something quite familiar: an entire range of flexible "bullshit" service jobs occupying the entire spectrum from informal street hawkers to people in supervisory and administrative roles, to an array of skilled and speculative occupations spanning social reproductive activities like education and entirely superfluous things such as house flipping or managing the backend of

22: The term has been in use since at least the 1930s, and was revived again in the post-colonial *ujamaa* era as a symbol of urban disorder. The popularity of the term has tended to accompany every period of rapid urban growth in Dar es Salaam, including the most recent one. Thus, many people today incorrectly trace its roots back to the early hip-hop culture of the 1990s and early 2000s, where it took on a connotation similar to "thug" or "gangster."

23: This has unfortunately become quite common in the academic and activist literature, where people now love to talk about "racialized populations of surplus proletarians" concentrated in places like prisons, slums, refugee camps, etc.

some cryptocurrency platform. Yes, we're talking about the slums and the prisons and the refugee camps. But we're also talking about a big chunk of what is conventionally called the "service economy." It's not a coincidence that Marx himself often portrayed capitalism's future not as a giant factory in which everyone is employed in manufacturing but instead as something like a "society of servants," where most people are forced to be butlers and maids and cooks for the better-off just in order to make enough money to survive.[24]

Rail: Nowadays the concept of "debt trap" is widely used in academic research concerning the ties between the African continent and China. Moreover, it seems that such research is mostly funded by the government institutions of Western nations, some of which are former colonial masters of these nations. What is your take on this concept and this kind of academic research?

PN: Yeah, the "Debt Trap" thing is just complete bullshit, and it's quite obviously a product of orientalist China-scare media and the DC thinktank industry. It's actually very useful, though, because it's like a little badge that certain people put on marking them out as mildly racist idiots. Anyone who advances this narrative doesn't need to have their opinion taken seriously. You can ignore them.

Every single aspect of the "Debt Trap" narrative has been so thoroughly disproven that it really doesn't make sense for me to talk about it in any detail, I'll just give you some footnotes for more detailed sources debunking these claims.[25] But the general overview would be something like: 1) most poor countries owe far more debt to traditional multilateral institutions, the terms of Chinese loans are usually far more lucrative for poor countries, and Chinese lenders have been much more willing than their Western counterparts to renegotiate, extend repayment, and forgive debt; 2) local opposition politicians often have a vested interest in promoting these stories in order to gain votes against incumbents who have done deals with China; 3) China has never once "seized" the infrastructure or assets of any of these countries in repayment for its loans—stories about the Hambantota port in Sri Lanka and the Entebbe international airport in

24: This is a point made by Jason Smith, in his book *Smart Machines and Service Work: Automation in an Age of Stagnation* (Reaktion, 2020). And the more general theory of "premature deindustrialization" is also explained in detail in: Aaron Benanav, *Automation and the Future of Work*, Verso, 2020.

25: Basically, I'd just suggest looking at the work of Deborah Brautigam, who has long been the main figure debunking false "China in Africa" stories. Here are a few of the main overviews from Brautigam and a few other authors: Deborah Brautigam, "The Chinese 'Debt Trap' is a Myth", *The Atlantic*, 06 February 2021. <https://www.theatlantic.com/international/archive/2021/02/china-debt-trap-diplomacy/617953/>; Lee Jones and Shahar Hameiri, "Debunking the Myth of 'Debt-trap Diplomacy', *Chatham House Research Paper*, 19 August 2020, <https://www.chathamhouse.org/2020/08/debunking-myth-debt-trap-diplomacy>;Deborah Brautigam, "A critical look at Chinese 'debt-trap diplomacy': the rise of a meme", *Area and Development Policy* 5: 1, 2020. <https://doi.org/10.1080/23792949.2019.1689828>; Deborah Brautigam, "How Zambia and China Co-Created a Debt 'Tragedy of the Commons'", *CARI Working Paper*, Number 51, September 2021. <https://static1.squarespace.com/static/5652847de4b033f56d2bdc29/t/615263af0820b159230eccb1/1632789426031/WP+51+%E2%80%93+Brautigam+%E2%80%93+Zambia+Tragedy+of+the+Commons.pdf>; Deborah Brautigam, Vijay Bhalaki, Laure Deron, and Yinxuan Wang, "How Africa Borrows From China: *And Why Mombasa Port is Not Collateral for Kenya's Standard Gauge Railway*", *CARI Working Paper*, Number 52, April 2022. <https://static1.squarespace.com/static/5652847de4b033f56d2bdc29/t/62575fb9c92fbc7ddb334cd8/1649893307393/WP52-Brautigam-Bhalaki-Deron-Wang-How+Africa+Borrows+From+China.pdf>

Uganda being "handed over to China" are complete falsehoods; and 4) the narrative was clearly and explicitly promoted by rightwing politicians and conservative think tanks in the US (and India, where the meme originated) and has been quite obviously mobilized to justify the hawkish stances against China taken by both the Trump and Biden administrations.

Rail: Your excellent book Hinterland focused mainly on the geographic expansion of the working class in the US and its intersection with the recent wave of insurrections that are seemingly not triggered by revolutionary class struggle. What can you say about the situation in China and Tanzania? Where does the potential of revolutionary class politics lie in these countries? How does the premature deindustrialization phenomenon shape and affect the possibilities of an international working-class movement?

PN: Obviously this is too big a question to answer adequately here.[26] But I will offer a few notes that might be somewhat useful. One thing that happens when you both investigate class struggle on the ground today and actually situate communist theory within its proper historical context—i.e., read even the most abstract philosophical or exegetical texts with some understanding of the political debates that produced them and to which they were responding—is that you realize how much of the "political theory" that gets inherited is just a vulgarized, degraded echo of something much more complex and substantial. The idea of a "revolutionary subject" is a good exam-

26: For the more concrete portion about China and Tanzania, I'll just defer to a few other English-language sources because there's really no way to get into adequate detail here. For China, I'd strongly suggest looking at the work of the international communist collective Chuang (https://www.chuangcn.org) and the book: Hao Ren, Eli Friedman and Li Zhongjin (Eds.), *China on Strike: Narratives of Worker Resistance*, Haymarket 2016. For Tanzania, the basic history of political struggles in the country are laid out very well by Issa Shivji. But, for the more general conditions and prospects of current struggles in Sub-Saharan Africa, I'd recommend the work of Ernest Wamba dia Wamba, Elleni Centime Zeleke, and Michael Neocosmos.

A container ship leaving the port of Dar es Salaam. (Source: Author) ple. Often, people answer this sort of question about the "potential of revolutionary class politics" by sifting through demographic, economic, and geographic categories to find some privileged group that is particularly well positioned either to develop revolutionary consciousness or simply to halt capitalist production. The history of communist organizing is also often told in this fashion, where first the industrial working class leads the revolutionary charge as the subject of history, and then maybe it's the peasants, or the lumpen, or even (this one is the funniest) students. And finally, when all this breaks down all you have left is some vaguely-defined mush: the people, the multitude, or the absolute worst, "civil society" and the "social movement."

A more intelligent version then turns around and says: in fact, there is no longer any given revolutionary subject that can bring together these various groups engaging in struggle, so instead of a "traditional workers movement" unified by a political program we have these non-movements that can't fully cohere around any sort of shared vision.[27] But you really have to be suspicious of people who tell you things are new and different. In this regard, I'm obstinately, obsessively orthodox. I'm not convinced that there actually have been any fundamental, structural changes to the way that capitalist society works or to the basic strategic questions that confront anyone trying to build communist power in preparation for (and of course to help induce) some sort of revolutionary upheaval—aside from maybe the fact that you can no longer build peasant armies at the "periphery" of the capitalist system, which now has no periphery because it has fully enclosed the world. So, instead, there are just questions of position and context. But we're fighting the exact same fight as communists last century and the century before that.

The spectacular, tragic failure of the twentieth-century revolutions has left a weird mirror-image of them burned into our eyes whenever we gaze back at history. Instead of seeing the long, meticulous process of building communist power through decades of subsistence struggles, insurrections, and the somber, slow construction of communist institutions—all involving myriad fractions of proletarians and, in an earlier era, peasants—we instead confuse the peak of this long process (visible either in a "workers movement" rooted in the mass-manufacturing industries, or in elaborate armed parties of peasants, students, and "lumpen" groups) as the historically-given subject of revolution, which now seems to no longer exist.[28] And we then scramble to find some sort of replacement subject or we throw our hands up and say we're in a new era, there is no subject, we have to figure out something else.

But I don't trust any of this. I know it sounds weird to say this, because so many people have such an ass-backwards understanding of Marx, but the basic thing that you can draw from Marx's actual writings and the writings of subsequent communists involved in that whole century of revolutionary struggle is that *there is no given subject of history*. The churning of the productive forces does not auto-

27: The communist collective Endnotes gives a good overview of this basic conundrum, which they refer to as the "composition problem." Two pieces are most relevant: "The Holding Pattern," *Endnotes 3*, September 2013. <https://endnotes.org.uk/translations/endnotes-the-holding-pattern>; and "Onward Barbarians!", 2021. <https://endnotes.org.uk/posts/endnotes-onward-barbarians>

28: Endnotes also provides a good account of this process, in: "A History of Separation", *Endnotes 4*, October 2015. <https://endnotes.org.uk/articles/preface>; and the single best account is probably that of Mike Davis, in his book: *Old Gods, New Enigmas: Marx's Lost Theory*, Verso, 2018.

matically stir up a revolutionary subject adequate to the era. There is instead the question of *political subjectivity* (or more specifically, what communist philosophers call "subjectivation"), which is the practical process of composition through which a revolutionary subject can be constructed in action.[29] (All these forms of "subjectivity" are inherently collective and inherently practical, by the way; we're not just talking about building "political consciousness" in the minds of individuals.) And this overlaps with the (similarly collective) question of *productive subjectivity*, because our relationship to the planetary productive complex that undergirds capitalist society sculpts our minds at a very fundamental level, generating a certain common-sense ideology that then constrains our ability to see political potentials, warps our idea of how a better world might work, or even prevents us from envisioning one entirely.[30] But this isn't some sort of absolute, deterministic limit. It's just a field of probabilities set by history that then becomes the starting point for the process of political composition in any given era.

Deindustrialization is, however, important when it comes to the ideological field in which political subjectivity takes shape, because so much of how we understand the world around us—the basic social relationships that we can see and especially the ones we can't—is influenced by the nature of our hands-on engagement with the material stuff of that world. And for most people, the entire chain of events that leads to this material stuff being produced and placed into their hands is entirely opaque. It happens within the black box of the "supply chain," maybe in some giant factory complex somewhere far away, or maybe machines do it—who knows? And this is, I would argue, why there's this new proliferation of utopian visions that either uncritically accept capitalist production as a sort of neutral technical apparatus that can simply be put to better use or who try to reject it wholesale by inverting all of its features. So on the one hand, you have the utopians who think that you can seize existing logistical systems and use existing forms of corporate accounting to run a socialist economy. And on the other, you have utopians who do the exact opposite, arguing that, since capitalist production is this distant, opaque, and far-away thing, then socialism or communism or anarchism or whatever must be going back to the land and living in a tiny, mostly autarkic commune with your friends and neighbors which is, at most, maybe "confederated" with other largely self-reliant communes for larger-scale tasks. But of course neither of these things makes any real sense. The first is just refusing to do the work of thinking through what a truly different social system might look like and the second is just sketching out an insubstantial shadow-image of capitalist society that would only really work if you had a mass die-off of humankind and, even then, would effectively be condemning people to a life of hard labor. Both are common, however, because of the general distance from the realities of production that prevails in largely deindustrialized societies. So a big part of the process of composing a political subject is reconnecting it with the question of productive subjectivity to form some sort of practical vision of communism that doesn't fall into either of these utopian traps.

Rail: On the left camp of politics the question of imperialism (or mostly im-

29: The philosopher Alain Badiou is a major influence on my thinking here.
30: The work of Guido Starosta and others affiliated with the Centro para la Investigación como Crítica Práctica in Argentina are a major influence on my thinking here.

perialisms) is on the rise again. The war in Ukraine, the proxy wars in the Middle East, and the Chinese influence in Africa are subjects of a new discourse of imperialist rivalry. What is your take on the current meaning of the concept of imperialism and how do you define a country as imperialist, given the fact that there are widely varying categorizations among Marxist scholars? What do you think may (and should) be the position of international communists vis-a-vis this actual question of imperialist frictions?

PN: When most people talk about imperialism they are thinking in purely geopolitical terms, of a grand power struggle between countries. But the communist position is that the battle between nations is only a form of appearance of that deeper competitive-cooperative conflict between capitals that I described earlier. This doesn't mean that it's not "real," because obviously geopolitical conflicts have real impacts. The point is just that this superficial reality tends to disguise a more substantial one. Even the most elaborate versions of these theories of imperialism, which try to hone in on whether a country is "core," "semi-periphery," or "periphery," and thereby determine how "imperialist" it is, are often embarrassingly simplistic. It's like watching a kid stage big dramatic battles between action figures, periodically appraising which ones are the bad guys and which ones are the good guys and which ones are maybe somewhere in between.

In contrast, the communist critique of imperialism emphasizes that it is not really a national affair, at root. This means that it's not a game of defining a country as imperialist or not. You simply cannot approach the question like this because "countries" are not the relevant units. People who try to measure how "imperialist" a country is think that it's something like looking at different animals and figuring out if this or that creature is a cow, or maybe how closely related it is to a cow, based on how the creature looks. But instead what they're actually doing is looking at different cuts of meat and various organs that were pulled out

Informal employment in conditions of "premature deindustrialization," as illustrated by a shed serving as a music studio beside a streetside shop selling phone cards and other small consumer goods in Makumira, Tanzania. (Source: Author) of the body of a cow and they're asking, "Is this a cow?", or the smarter ones ask, "How cow-like is this particular cut of meat, versus this other one?" But it's all cow and it's all dripping with blood. Basically any country that is part of the international market is participating in an imperial order that, by its very nature, exceeds the nation-state. Imperialism is a description of the inherently hierarchical, competitive, and constantly differentiating structure of value production at the planetary scale—or, more specifically, it is the way that this structure is managed and mediated by various political and economic agents.

In other words, we have to start from the inter-firm competition that structures global value chains, which of course plays out in a way that both intensifies the exploitation of the proletariat as a whole and differentiates the character of exploitation both within and between countries. The question isn't whether this or that organ is part of the cow, but instead what its function is within the body of the creature. Insofar as this large-scale "zoning" of production pushes the interests of different individual capitals to align with one another, you will then see the emergence of coherent fractions of capital that operate, at least loosely, in league with one another. Insofar as this zoning pushes these fractions to take on contradictory interests, you'll see some sort of conflict—political tensions, a trade war, a cold war, a real war, whatever. Individual capitals will operate in cooperation with one another because they share a certain position within those value chains, depend on certain similar markets—for capital, labor, or even simply the same money supply—and often have a codependent relationship with an entire network of firms in their own local/regional/national market that share an interest in keeping basic costs down, among other things. It's not coincidental, then, that individual firms are usually the first-movers in imperialist endeavors. The classic example would be the big US Trust companies entering into Latin American markets in the late-nineteenth century, with the US navy then sending gunboats to protect them. But you can see a million examples of the same thing today: for instance, the French special forces sent to protect the assets of uranium mining firms in the Sahel.

There are obviously a lot of ancillary factors and accidents of history here and the picture I'm providing abstracts from all of that, but it gives the general idea. As these fractions of capital cohere, they also begin to act as *de facto* representatives of the markets, monetary regimes, and property systems that they share a dependence on. And this is how and why they will capture and construct states to suit their needs.[31] In a very literal sense, state-building is always an elite-led effort that serves elite interests. In a theoretical sense, we say that the state is always an emanation of class power. Despite the ostensible separation between state and capital, then, the effective servility of the state is ensured because there is a material dependency: the state's revenues and resources are entirely derived from accumulation.[32] The state then takes on all these general tasks to ensure that accumulation can proceed and that capitalist

31: Again, it's actually more complicated than this. In particular, the state itself also continuously serves to integrate capital as a coherent class and as a "national bloc" by encouraging the formation of various interfaces between the "economic" and "political" sphere, such as planning institutions, lobbying agencies like the chamber of commerce, etc. For a less abstract and more concrete account of exactly how this process works, see: Stephen Maher, *Corporate Capitalism and the Integral State: General Electric and a Century of American Power* (Palgrave Macmillan, 2022).

32: For the more abstract communist theory of the state, I'd suggest reading the works of Simon Clarke society can be reproduced, helping to coordinate between individual capitals and resolve conflicts between lower-order factions of capital, maintaining the baseline conditions for a functioning market by crafting monetary institutions, systems of property law, etc., and mobilizing capital in general toward basic reproductive tasks that would otherwise be unprofitable in the short term but are nonetheless necessary to ensure that production can take place at a certain scale and level of technical complexity—education, infrastructure, public health, etc. It is in this sense that individual states become the "representatives" of the total social capital.

But we always have to remember that this is itself a contradictory task. Beneath the mirage of national unity, states are obviously riven with conflicts between different fractions of capital—which are able to draw on different groups of proletarians to support their causes. Some of these fractions may find their interests diverging so substantially from that of others that they lead coups, instigate civil wars, or attempt to secede entirely. And above the national level, there is also obviously the reality that no single state truly represents the total social capital. Even the "hegemonic" states at the top of the imperial hierarchy will ultimately choose their own limited interests over the interests of all of capitalist society when it really comes down to it. And of course the international orders that they do construct tend to be to the benefit of their national firms first and foremost. That's visible in the structure of global trade during the Victorian era, when the British Empire served this hegemonic function, and of course it is also apparent in the postwar restructuring of global production under the auspices of American power. And this also implies that there will always exist subaltern elites within the global system who may take stances against the wealthy powers and fight to retain larger shares of value within the global market. But that doesn't make these elites or the states that they preside over "anti-imperialist" and it certainly doesn't make them the allies of a communist movement. They're subaltern powers jostling *within* an imperial order. Mistaking this for anti-imperialism creates the risk that popular uprisings in poorer places will be diverted and ultimately sacrificed to serve the interests of domestic capitalists trying to claw out a larger share of value for themselves.[33]

Rail: Since our last interview two years ago, what improvements or setbacks have you observed in global working-class politics? How, where and at which sectors can (and should) we organize primarily? In which forms of organization?

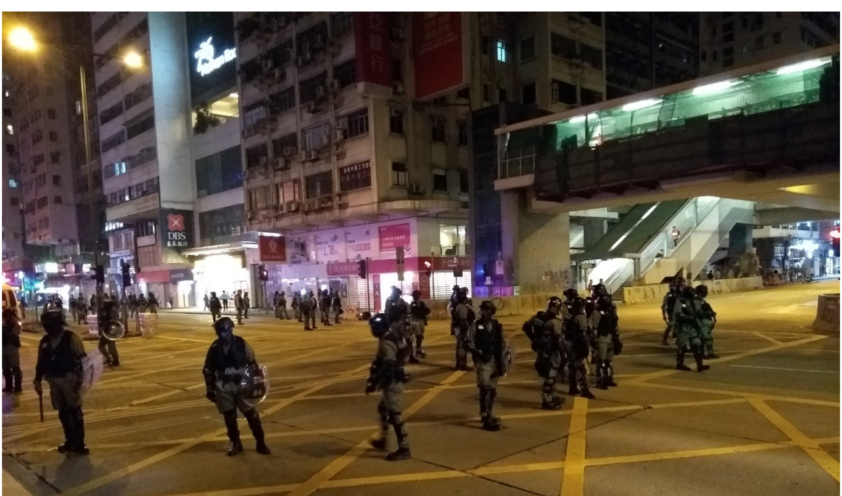
PN: Well, this is another question that's obviously a bit too big to answer adequately. I would say that, on average, the

and Werner Bonefeld. But a fairly good historical account is also offered by Leo Panitch and Sam Gindin in their study of the US: *The Making of Global Capitalism: The Political Economy of American Empire* (Verso, 2012).

33: Meanwhile, this sort of geopolitical posturing has always been a common theme for far-right political movements. At worst, the far right even use the language of anti-imperialism against the major powers to justify their own imperial ventures against lesser powers once they've seized control of the state. Italian nationalists like Enrico Corradini coined the term "proletarian nations" in the early 20th century to recast the class struggle as an international conflict, and this was then picked up by prominent Fascists such as Mussolini and by the Strasserites within the Nazi Party in Germany. In Japan in the late 1920s, Takahashi Kamekichi formulated an even more intricate version of the same basic argument in this theory of "petty imperialism," which gave the Japanese imperial project an anti-imperialist justification packaged in Marxist language.

cadence of struggle had begun to accelerate again around 2018—initiated by the Yellow Vests and the revolution in Sudan, as well as the large wave of wildcat strikes that took place in the US that same year—and that interview in 2021 came in the wake of two really immense events, the insurrection in Hong Kong and the George Floyd rebellion in the US, both of which were taking place in largely depoliticized, deindustrialized areas at scales that had not been seen for at least a generation. These things really wrenched us away from the status quo and illuminated yet again just how irrelevant and incapable many of the leftist organizations were when faced with these massive, messy, and often quite nihilistic expressions of proletarian anger. But these were also invaluable experiences because, for the first time, I think, many people got a window into what the actual scale of an insurrection would be—they are extremely complex events that move very, very quickly and it is simply impossible to keep up with everything that is going on. You're caught up in this oceanic pulse and of course the question is how do you operate in a deliberate fashion in that context, rather than just getting hoisted up on the wave and then eventually dropped into the dark trough of repression that follows. And on top of this, in Hong Kong, people also had to face the reality that liberal or even far-right political currents were by far the most influential, posing a real, practical political struggle for communists playing out in the midst of the more general, nihilistic upsurge.

After these events in 2019 and 2020, there were certainly still major protests—the most significant probably being Sri Lanka in 2022—but I'd say that the trend was clearly the slide toward another winter of repression. At the local scale, you of course have trials for riot, arson, insurrection, sedition. Hong Kong is an obvious example here, but the liberals who think that China is some sort of uniquely authoritarian state have to explain why many of the same tactics (for example, targeting bail funds, issuing blanket terrorism charges), and in fact more or less the same charges, are now being used in Atlanta—where, on top of this, the police may just choose to execute you in cold blood, as they did



Riot Police in Hong Kong, 2019. (Source: Anonymous)

Manuel "Tortuguita" Terán.[34] Not coincidentally, the most recent charges in Atlanta—these are RICO charges, used to prove the existence of some sort of vaguely defined criminal enterprise—list the beginning of the alleged "conspiracy" as the date of George Floyd's murder by police. And at the same time you have this great forgetting, the attempt to just cover up what actually happened and not really acknowledge it for what it was. Here, I think the words of my friend Idris Robinson proved prophetic: "A militant nationwide uprising did in fact occur. The progressive wing of the counter-insurgency seeks the denial and disarticulation of this event."[35] There's no better description for what happened.

At the same time, these progressive forces obviously benefited enormously from the uprising and continue to do so, without offering any support for those suffering this horrific repression and without even speaking the names of those who were murdered and injured and imprisoned. And I'm not just talking about every corporation slapping a BLM sticker on their brand or the general cultural embrace of things like equitable representation and vague themes of social justice. It's more than this. The rehabilitation of the Democratic Party, however half-assed, was only possible because the uprising finally convinced these forces that they actually needed to incorporate some of these progressive themes into their programs. That's precisely what happened with the Biden campaign and in the subsequent mid-terms. Too many people had recognized the bleakness of the world that surrounds us. The old centrist equation of pretending that everything was fine simply wasn't going to work anymore—and of course Trump proved that quite decisively.

Ultimately, there shouldn't be any surprise here, it's what always happens after big uprisings. And the bigger you go the more effort has to be put into the process of denial and recuperation. Nor is this blindness just something promoted by liberals. I don't really think that anyone on "the left" has fully absorbed the reality of what happened. When it's talked about, it's often mentioned in much the same register as other, more limited forms of struggle, and again and again you hear people bemoaning the supposed "lack of organization." No one has yet provided anything other than these largely journalistic leftist accounts that try to offer a play-by-play of what happened or cut up events into overly neat demographic categories. And even these have been too limited, focusing on one or two cities without really capturing the diversity of how the uprising played out in different locations. But, just as often, the uprising is basically ignored, aside from some general recognition of the demand for greater racial equity.[36] Again, traditional leftist frameworks really have

34: This repression is related to the "Stop Cop City" movement, a long-running struggle against plans to raze a local forest in order to build a gigantic police training facility and a Hollywood production studio. The movement has explicitly framed its struggle as a continuation of the 2020 rebellion. The details can be found here: Anonymous, "The Forest in the City", *Crimethinc*, 22 February 2023. <https://crimethinc.com/2023/02/22/the-forest-in-the-city-two-years-of-forest-defense-in-atlanta-georgia>

35: "How it Might Should Be Done", *Ill Will*, 15 August 2020. <https://illwill.com/how-it-might-should-be-done>

36: There was recently this big back-and-forth in anglophone Marxist circles about these spending programs by the Biden administration, which of course were long thought of as kind of impossible within the terms of "neoliberalism" (yet another reason that the concept has always been a bit smooth-brained). Everyone involved was focusing on the reemergence of industrial policy and debating whether this constituted some new regime of "political capitalism" (as argued by Robert Brenner and Dylan Riley, in the inaugural article in the debate). These thinkers all gave the big macroeconomic structural explanations for why you difficulty engaging with or even understanding the complex, nihilistic, and excessive character of revolts in our era.

Returning to the larger, global scale of class conflict, coups and reactionary wars usually punctuate periods of struggle, marking out the points at which the terms of combat have shifted so decisively rightward that it becomes difficult to do anything other than retreat. Ukraine would be the obvious example here. Similarly, protests against the coup in Myanmar quickly gave way to a civil war that both elevated the chauvinist liberals (the blood of the Rohingya not even dry on their hands) as figures of resistance and reignited the old agitation for ethnic separatism by armed groups in the upland areas. Something similar happened in Ethiopia, which had seen pretty substantial riots in 2020 after the killing of Hachalu Hundessa, with protestors explicitly invoking parallels with the George Floyd rebellion in the US. But this unrest was then washed out of the popular narrative after the outbreak of the Tigray War. Meanwhile, we also saw the grim result of earlier repression elsewhere, as in mainland China, where a decade or so of crackdowns on independent labor organizing, feminist groups, and Marxist circles (these latter mostly composed of students) meant that, when protests did emerge in late 2022, the only coherent political voices within them were those of liberal elites from places like Shanghai.[37] These people didn't really give a shit about all the migrant workers violently bursting through cordons in urban villages throughout the country because they were unemployed and running out of food, or the major labor riot that took place at the Zhengzhou Foxconn facility where they make the iPhone. They just held up their white papers and talked about democracy and of course this is what was picked up by the Western media.[38]

Finally, as for the question about privileged sectors or forms of organizing, this is kind of like asking for a magic potion. Again: there is no given subject of history, no privileged or magical demographic that is destined to lead the charge, and no "one neat trick" to building revolutionary capacities. It's a long, slow, and halting process of composition. Political subjectivity is constructed through these struggles, and all these various failures and setbacks and retreats can feel miserable because it seems like they knock down everything built up until that

might see this sort of thing in a context of slow growth and took different positions about whether it was really that distinct from what's happened in the past. But basically no one mentioned the weird coincidence that all of this only happened after a massive uprising where tens of thousands of people looted and burned nearly all the major cities in the country. Obviously the big structural explanations are important. But so is mass political subjectivity and the actions that compose it, however ill-formed, nihilistic, or unpalatable to the left.

37: The international communist collective Chuang has a good series of first-hand accounts of this long-running repression on its blog. Most recently, they hosted an article by a long-time labor organizer recounting the crackdowns on underground worker organizing in the 2010s: Wen, "The End of an Era: Labor Activism in early 21st century China", *Chuang Blog*, 24 April 2023. <https://chuangcn.org/2023/04/the-end-of-an-era-labor-activism-in-early-21st-century-china/>

38: Again, Chuang provides a good series of overviews. First, there is a translation of a piece by a Chinese labor activist living overseas, with a good preface casting some doubt on a few of its claims: Zuoye, "Three Autumn Revolts: Breaking the Ice on China's 'Anti-Lockdown Movement'", *Chuang Blog*, 20 January 2023. <https://chuangcn.org/2023/01/three-autumn-revolts/>; and second is an extended interview with someone who witnessed the protests in Shanghai firsthand, which really captures their elite character: Chuang, "Beyond the White Paper: An Interview on the Social Elite in Shanghai's Protests of November 2022", *Chuang Blog*, 08 April 2023. <https://chuangcn.org/2023/04/beyond-the-white-paper-an-interview-on-the-social-elite-in-shanghais-protests-of-november-2022/>

point. But they don't really, because we still learn, and history still surges beneath us regardless. Even when repression gets very severe in one place, things are still sparking elsewhere and these new events demonstrate new experiments. Maybe the limits that keep these events constrained and divided aren't quite overcome, but you can at least begin to see some attempts, some hint of how things might go—I think France is again a good example of this, with the protests against the pension reforms (in both the 2019-2020 strike and the protests in early 2023) having to kind of account for what happened with the Yellow Vests and with ongoing protests by youth in the suburbs even if the big unions and other leftist institutions weren't really able to formulate anything adequate, and then the next cycle of suburban riots (in the summer of 2023, after the murder of Nahel Merzouk by police) again illuminated this failure. Because it's not like any of the progressive attempts to recuperate things really *resolve* the basic conflicts. These class struggles will continue, and they'll take a whole range of forms.

So whenever people ask this question, about exactly what sectors we should be intervening in, or exactly what forms of organization we should adopt, the answer is always just another question: who is the "we" here? Who are we actually talking about and where are they located and what actual power do they hold to be able to do anything? Usually the answer is disappointing, because in reality the "we" asking these questions is often just a small handful of people with no time, no money, and often no practical capacity to *do* much of anything. But that's kind of a disappointing answer. So let's end on a more hopeful note. Let's at least pretend to be thinking through some tactical options. If you're faced with a condition in which you have very few resources, the whole sober strategy of very carefully building up a "socialist movement" or something within the auspices of electoral politics and civil society doesn't actually work very well. The returns are simply too low and all your efforts can too easily be recuperated whenever elite institutions finally decide to take one of their periodic "progressive" turns. Instead, you have to be both very scientific—in the sense of

Burned-out police vehicle during the George Floyd Uprising in Seattle, 2020. (Source: Anonymous) abandoning preconceptions, being committed to wide-ranging experiments, and being honest about what worked and what didn't—and you absolutely have to be kind of reckless, you have to gamble. Obviously it's very dangerous, because it increases the risk and the weight of potential repression (events in Atlanta are again a case in point). But it's also the only thing that really has any chance of catapulting these microscopic organizing efforts into something larger.

So the most basic precondition is that you absolutely *have to* be involved in those major events of mass politics that exceed the status quo. If you consider yourself a communist (or a socialist or an anarchist or whatever) you can't fucking stay home and do nothing when there's a big riot or a major strike in your city, posting "smart" commentary about it online afterwards.[39] Obviously, we're all going to have certain limits of safety, ability, and responsibility (to our kids, our families, our friends, etc.) when it comes to such things, and I'm not saying you need to go and do something that's going to get you arrested. Just that you have to show up if you can and, if you can't, you have to be supportive and open to what is happening, understanding that it will be messy and ugly at times. And the point is not just to physically be present and observe or to "support" in the sense of posting a BLM hashtag on your Instagram, but to materially support those uncontrollable and excessive elements that make the whole thing threatening in the first place, rather than trying to rein these things in—so you can't show up and try to lead a fucking march to city hall when people have just been burning police stations and looting the shopping district, because even though you may think that you're trying to push the movement to take a step forward in political awareness, you're actually standing in front of it and pushing it backwards in the more important practical sense, which then means that you are, in fact, pushing it backward politically as well. Similarly, unless you have some real risk (like an open case) or real responsibilities (needing to get home to your kids) that puts you or your loved ones in legitimate danger, you should be ashamed of being the person who simply leaves when the march gets rowdy or "out of hand." Active participation and support demonstrate the baseline fidelity that then enables your activity to have some sort of broader influence. The first dividing line of politics is always the line between courage and cowardice.

Exactly what this will look like varies enormously based on where you are and what you've inherited from previous uprisings. Similar factors are also going to determine which "sectors" are prone to being the most active or the most volatile. But I do think we can identify some very broad trends that will structure the field of possibilities over the next few decades. I'll talk about three that I think are not mentioned enough, or are often not discussed very clearly:

First, "extreme weather events" and other environmental disasters are going to be increasingly common and communists absolutely need to be involved in organizing in relation to these events—this might mean running disaster preparedness courses, providing disaster relief, offering services to retrofit buildings, using mutual aid networks to distribute food, helping migrants and refugees fleeing these events or the conflicts that follow from them, etc. It just depends on what kind of resources you have. I often point

39: Though you can of course skip the normal leftist parades and marches-to-nowhere put on by "social movement" types.

out that, when you actually look at the historical sequence of revolutions and civil wars, you find that people aren't really converted to different political positions or convinced to support one faction over another because of these factions' arguments or ideological programs. Instead, support follows competence. People will tend to align themselves with whatever force seems able to competently provide services, protection, and a modicum of stability, all while retaining some fidelity to the underlying political project that inspired people in the first place. Military theory usually refers to this as the field of "competitive control."[40] Within communist thought, it's just one component of the broader concept of building "dual power." Environmental collapse is, unfortunately, going to make this feature of political struggle even more central. You can win popular support by evacuating people from flood zones, saving the lives of migrants, coordinating emergency food and water supplies, and helping people prepare for these events ahead of time—and many of these activities also offer potential sites of political education and agitation.

Second, even though traditional union organizing with its narrow focus on contract negotiations and policy influence is obviously conservative (in the extreme, we can even say that trade unionism always has a nationalistic and even basically racist impulse, very clearly visible in US labor history) and has not really delivered on its promise to rebuild a "labor movement" of any sort—despite immense interest among young people in unionization—it's even more naive to imagine that you can build communist power without having to engage in subsistence struggles in the workplace or address the basic question of worker organizing. So the challenge is going to be how to construct communist institutions that can operate within the trade union sphere—especially within logistics, as well as the social-reproductive sectors like food service, health and education, simply because these are the foundation of employment in deindustrialized economies—and reinvent fighting tactics that exceed the narrow scope of "negotiations" over contracts to successfully win gains for workers (which means doing things that are illegal under current labor law), all without unwittingly becoming ancillaries of an inherently nationalist and narrowly economistic trade union leadership aligned with the ruling parties. A related task is specifically building up dedicated groups of communist scientists, engineers, technicians, and various other workers within the advanced productive industries. Having bases within these fields of knowledge is essential to breaking through those limits of productive subjectivity I was mentioning earlier.[41]

Third and finally, the specific role of real estate within the larger regime of what Robert Brenner describes as "asset-price Keynesianism"—wherein the prices of certain assets like land are used to inflate speculative bubbles in the absence of more reliable sources of profit during periods of general stagnation—means that questions related to housing will continue to be volatile sites of social conflict. These include issues around rental costs,

40: You can see a summary of the concept here: Daniel Fisher and Christopher Mercardo, "'Competitive Control': How to Evaluate the Threats Posed by 'Ungoverned Spaces'", *Small Wars Journal*, 17 September 2014. <https://smallwarsjournal.com/jrnl/art/%E2%80%9Ccompetitive-control%E2%80%9D-how-to-evaluate-the-threats-posed-by-%E2%80%9Cungoverned-spaces%E2%80%9D>

41: My friend Nick Chavez has written extensively on this topic. For one representative piece, see: "The Present and Future of Engineers", *The Brooklyn Rail*, October 2021. <https://brooklynrail.org/2021/10/field-notes/THINKING-ABOUT-COMMUNISM>

rising homelessness, the inability of young people to buy into housing markets, the influence of real estate developers within city government, and of course the whole range of questions related to gentrification and the construction of these lifeless, soulless built environments that have now metastasized throughout the urban world. In wealthier countries, this also constitutes a major dividing line within the proletariat, because those who can afford to buy a house in an urban area (rural land really doesn't count unless you have a lot of it, or a mansion or something) have a number of different material interests that distinguish them from renters. After all, they have a major asset that can be mobilized as a source of credit and a foundation for generational wealth. They can also make use of that asset to become landlords on the side, maybe paying their mortgage and making a bit of profit on top of their wage income.[42] This final divide, between the landlords and the renters, is of course a major source of conflict over basic things like urban policy, taxation, and all sorts of laws about leases, evictions, rent increases, etc. In this context, I'd say that whoever can figure out how to successfully expropriate landlords will see immense popular support.

This will also become a major "policy" conundrum within the electoral sphere, and I don't think we should be surprised when certain governments opt for seemingly "socialist" solutions—imposing stringent regulations on speculation, subsidizing owner-occupied housing, even providing new types of public housing to drive down costs. Deflating real estate prices is going to be a simple necessity in many places, if they want to avoid a catastrophic crash. For communists, the goal would then be to try and conceive of methods of providing stable housing that mobilize or at least gesture toward a more general decommodification of land and buildings. And, in general, that might be a good point to end on: any communist project will have to proceed with decommodification as its immediate horizon—i.e. it will proceed through "communist measures"—since this is the basic precondition for a communist society.

42: In the US, most big cities are split more or less 50/50 between renters and owners, with bigger centers usually higher (New York and LA are both more than 60% renters) and smaller cities usually lower (often around 30%). Roughly 7% of the US population are "individual investor" landlords. Most rental properties are owned by these individual investors, and most only own between one and four units. Of these individual investors, only half even report making any net income from their properties, with the rest reporting losses. So, while it's conceivable that anyone who owns three or four units could live off the income and therefore belong fully to the class of landlords, those who only own one or two are almost certainly still dependent on some other source of income. Thus, many "individual investor" landlords are only partially "declassed" from the proletariat.


Z A M