



# China and the new world situation

Resa Ludivien, *Neue Internationale* 265, June 2022 Fri, 24/06/2022 - 08:20

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The last few months have shaken the global power structure. Russia's war of aggression in Ukraine is not only affecting NATO's relationship with Russia or the EU, but also semi-colonial countries and the suddenly quieter, other contender for hegemony: China.

The war over Ukraine

China has been conspicuously silent on issues related to the war in Ukraine. Aid payments are marginal and even political participation in the "solution" of the conflict does not seem to be in sight. The background for this attitude is the fact that it finds itself in an ambivalent position. On the one hand, it is Russia's ally. Not only are they both under authoritarian rule, but they also want to be a counterpart to the West. The current Western policy towards Russia, especially the sanctions, will push Russia even closer to China. Economic exchange is also likely to increase, as China is a benevolent buyer of Russian raw materials that can no longer be sold in the West.

On the other hand, the war is inconvenient for China. Domestically, the government is under pressure because of Corona and foreign policy pressure is steadily increasing. The USA in particular is using the already existing conflict with the People's Republic to threaten it with sanctions. Despite its continuing ties with Russia, it would have nothing to gain from positioning itself too openly or participating in the war, as it fears the associated risks that are difficult to calculate. Indirectly, however, it could still profit by involving Russia and NATO in a long war and by presenting itself as a "peaceful" alternative backer for the semi-colonies.

East-West 2.0?

The war of aggression in Ukraine has not only led to a repositioning, for or against NATO, among Russia's closest neighbours, but also to a discussion of the question of "defence" in otherwise "neutral" states. Besides Russia, China is also on the anti-NATO side. A Russian defeat would therefore also have consequences for Beijing's expansionist ambitions, as it is unclear what would follow Putin. For the Chinese government, a change to a pro-Western regime would be tantamount to a weakening.

The internal crises in China, above all the pandemic, but also an approaching economic crisis, the cause of which is the massive over-accumulation of capital, put the CP under additional pressure. The mood is already bad. More and more people are expressing their discontent and despair because of the Corona measures and the resulting economic restrictions such as lack of wages and food, not to mention an even more blatant restriction of democratic rights.

On the economic level, the expansion efforts can be seen above all in the "New Silk Road" project. It is not only China itself that is affected but also countries that have moved closer to it, such as Pakistan and Sri Lanka. The promise of prosperity and Chinese-style modernisation that the "New Silk Road" project was supposed to bring cannot be kept at present.

On the contrary. So far, the Chinese government has done little to help its allies financially. This even leads to such countries at least temporarily reorienting themselves more towards the West - because they feel forced to make agreements with the IMF to avert bankruptcy and stabilise the country. On the one hand, this can be seen as an attempt to weaken the Chinese-dominated bloc. On the other hand, such "aid" must not be romanticised, as the working class has no real advantage from either dominance. To what extent countries like Pakistan can be released from Chinese influence again remains to be seen.

However, to see only an antagonism between "the West" and the "authoritarian" Great Powers, would be to ignore the real interests that countries like Russia and China are pursuing and thus also the real conflicts between the developing imperialist blocks. It is not a matter of "democracy and freedom" vs. "authoritarianism and dictatorship", but about the redivision of the world.

## Taiwan

A special feature of China in the current conflict is its implications for the Taiwan question. For years, the country has been saying it intends to "take back" Taiwan by political means and, most recently, with more and more military threats. Taiwan was never part of the People's Republic, having been previously occupied by Japan, but the rhetoric of the CP claims it as "historically" part of the Chinese realm.

An attack by the well-equipped Chinese military would be difficult for Taiwan to survive on its own as a state that, under pressure from China, many countries do not even recognise. Its capture would shift the Chinese maritime border towards the USA and, more importantly, Japan. In the event of an attack, Taiwan is therefore pinning its hopes on the USA, which for its part has already pledged to defend it. This hypothetical constellation, however, is only one possible scenario of a warlike confrontation. At present, the USA under Biden is working to strengthen existing military alliances in East Asia and to create new ones such as AUKUS (an agreement between Australia, Britain and the USA) in order to isolate China.

Control internally = strength externally?

Anyone who studies the capitalist system knows that economic expansion and rapid growth cannot last indefinitely and do not depend only on individual or national efforts. Even though the expansion of capitalism in China has lasted for an unusually long time, its limitations are now more easily seen. While a few years ago "made in China" expressed how Chinese economic power extended to all continents, the People's Republic is now economically battered. Unlike 10 years ago, it can no longer play the role of the engine on which the world economy could rely in the face of the looming international crisis. The political and economic pressure on China from outside has increased. But Beijing wants to tackle the crises at home first.

The centuries-old concept of internal harmony, which was the philosophical basis for the strong focus on internal affairs and control even in pre-capitalist times, continues to determine the CP's crisis management. The focus on internal politics also characterised the People's Congress, which took place at the beginning of March - one of the most important dates in Chinese politics. The most important one, the Party Congress, is still to come, in November 2022. It will attempt to solve the crises already mentioned above single-handedly and without attracting much attention.

The problem is that not only pandemics but also inflation are global phenomena. To counteract the economic crisis in the country itself, attempts are being made to destroy capital in a "controlled" manner. This is to limit the social and economic consequences. However, the whole problem is a kind of squaring of the circle. The role of the crisis, from an internal capitalist point of view, is precisely to destroy surplus capital that is no longer competitive, in order to initiate a new cycle of productive reinvestment and renewal of the capital stock. The greater the mass of over-accumulated capital, the more this has also taken hold of the financial sphere and speculative bubbles have increased the sums of fictitious capital, the more violent the destruction by the recession must be so that the foundations can be laid for a new expansive cycle.

But this also includes an enormous intensification of class conflicts. Real capitalist property must be destroyed, but that also means the closure of factories and mass dismissals of workers. The CP is well aware of such conflicts and fears them. Therefore, it resorts to repression and surveillance in extreme forms. At the same time, it tries to carry out the destructive work of the crisis in a "controlled" way. However, this necessarily implies that surplus capital is not destroyed but maintained and thus the cause of the crisis is not eliminated.

A further reaction to world economic crises is the supposed strengthening of the domestic economy, which, however, promotes nationalism and repression. For workers, this means further restrictions. A crisis policy directed outwards would inevitably lead to a strengthening of the Beijing-Moscow axis and a drawing in of already allied regional

powers, that is, bloc formation. This would only accelerate the spiral of rearmament and the danger of war.

### Class struggle in China

The Chinese working class is the biggest in the world. No wonder, then, that attempts are being made to hold it down in order to control the country. Their potential to initiate a national overthrow or even an international movement is enormous. However, so also are the hurdles of repression and suppression. There have been countless industrial disputes in the past and also in recent years. However, because of the restricted freedom of assembly, no possibility to organise freely and the expanded surveillance apparatus, the struggles have often been limited to the local level and censorship has prevented any generalisation. One of the biggest movements, besides the one in Hong Kong before Corona, was the Chinese version of the #MeToo movement, which did not take a class stand, but managed to develop such a momentum that the social media censors could not keep up.

Resentment at the social and political situation is growing and has most recently been unleashed against the Corona measures that are making "survival" increasingly difficult. The economic, pandemic and internal political crises, as well as the CP's systemic struggle with the USA, demand a programme of action for the class struggle in China. The crisis will continue to intensify. There is a need for joint organising against the crisis, so that wage-earners, peasants and the oppressed do not pay the bill for the crisis. Already there are local struggles, organising on a small scale and underground or spontaneous actions in the workplace. There is a need for a targeted building and networking of fighting organisations beyond the big cities and in the countryside. While every use should be made of the limited legal rights, the building of such organisations and a revolutionary party to lead that work will inevitably involve underground activity.

A revolutionary party in China must be built independently of the CP and the bureaucratic caste it represents and start from the realisation that the country has moved from a degenerated workers' state to an imperialist power. The Chinese working class has nothing to gain from lining up behind the government's war rhetoric. Quite the opposite. This outward focus only serves to obscure contradictions at home, such as the attack on workers' livelihoods or the restriction of democratic rights like freedom of the press or the repression of minorities. In China, as in every imperialist state, the main enemy is at home. Let the capitalists pay for the crisis! Fight militarisation and nationalism!

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