

A FEAST THAT STARVES

*Imperialist Restructuring from 2008 to the Present
and the Errors of the “Neomercantilism” Thesis*

LONG MARCH Editorial Committee

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This document was initially prepared for public release on the forthcoming theoretical platform **LONG MARCH**. Our decision to circulate it in advance of the formal launch of that platform corresponds to our assessment of a pressing need for struggle against the *rightist political-ideological outlook* of the so-called Maoist Communist Union. Open theoretical debate between the existing organizations is a key task of the Maoist movement in our current period of ideological poverty and political dispersal in order to clarify a genuinely anti-revisionist orientation and smash vacuous, obscurantist deviations such as those advanced by the MCU.

In their case, it is especially urgent given the renewed opening of a public attack by its former members on the organization's chauvinistic gender practice and abysmal methods of leadership employed by its central clique. Demonstrating the vacuity of their political line is a necessary step in breaking their influence over certain sections of our trend and preventing others from falling victim to the predations of their leadership, as well as in the overall process of rectifying the general political line of the communist trend as a whole.

INTRODUCTION: AGAINST THE ‘NEOMERCANTILISM’ THESIS

In ‘Neomercantilism, the U.S. Election and Debates Among the Bourgeoisie,’ Thomas O’Connell attempts to argue that “the Mercantilist theory has reemerged in modified form and gained incredible popularity among the U.S. ruling class, given that it represents their objective class interests at the present moment. This is Neomercantilism, a Mercantilism adapted and suited to the needs of advanced capitalist imperialist countries.”¹

From our perspective, the contemporary bourgeois discourse O’Connell labels “neomercantilism” (and which has elsewhere by decidedly more serious observers been called ‘Bidenomics’) reflects the *ideological self-understanding of the U.S. ruling class* as it confronts the limits of its global dominance and its increasingly confrontational encounter with Chinese social-imperialism. The *discourse* of “Neomercantilism” is simply an *ideological* rationalization of imperialism in crisis, and decidedly *not* a scientific description of an emerging stage of capitalism. Rather than clarifying this dynamic, MCU document captures the character of “neomercantilism” as a bourgeois self-interpretation in an opaque way, framing it as “Mercantilism adapted and suited to the needs of advanced capitalist imperialist countries,” and asserting that the U.S. bourgeoisie “has decided that it needs to radically restructure the domestic economy” because “Neoliberalism has been a disaster for the U.S. bourgeoisie.” By failing to expose the specifically *ideological* character of “neomercantilism”, their framing misidentifies ideological epiphenomena for structural transformations, and thus obscures the deeper contradictions driving the present conjuncture.

O’Connell proceeds to defines neoliberalism narrowly through the Washington Consensus package: “Privatization, deregulation of the economy, flexible labor markets, a shrinking public sector, trade liberalization, foreign investment liberalization, and the retrenchment of the welfare state.” This approach treats neoliberalism as a policy orientation rather than the particular structural institutionalization of imperialism under U.S. dollar supremacy. As a result, so-called “neomercantilism” is presented as neoliberalism’s symmetrical successor—another policy paradigm, but now oriented toward protection and “national competitiveness.”

This implies a false discontinuity. From our perspective, neoliberal globalization was never primarily about free trade or deregulation as such. It was simply the ideological expression of a set of specific conjunctural interests of U.S. finance capital during a period which required the consolidation of imperialist value chains through the imposition of structural adjustment on the oppressed nations. “Free trade” and other such illusions refer us to the (historically contingent) orientation of the ruling class corresponding to that period as it was organized *ideologically*. Consequently, “neomercantilism,” which is framed by O’Connell as a coherent new regime, must instead simply be understood as the *ideological accommodation of the bourgeoisie to the breakdown of the orientation it once championed*. Even the document

itself inadvertently demonstrates this continuity, admitting that the United States cannot abandon the core mechanisms of that financialization because “[t]he U.S. must maintain its current account deficit to preserve U.S. Dollar hegemony [...] If that deficit is ended, it will seriously undermine the USD’s status as the world reserve currency.”

The logic presented by the MCU is not the logic of mercantilism at all—old or new—but the logic of finance capital, of imperialism.

The author further reinforces this continuity when acknowledging the magnitude of offshore U.S.-dollar markets: “Depending on estimates the Eurodollar system is between 40–60 trillion USD” and remains “essential to global capitalism and it is what allows the USD to exercise hegemonic dominance over the world economy.”

Yet O’Connell does not integrate this into the conceptual framework of “neomercantilism.” Instead, he presents the latter as a revival of national industrial strategy—e.g., tariffs, subsidies, reshoring—as if such moves could supersede the global dominance of finance capital rather than being driven by its contradictions.

Significantly, the document explicitly locates neomercantilism as the emerging consensus of both bourgeois parties, stating that “both the Democratic and Republican parties support reshore production [...] The growing consensus about Neomercantilism will not be reversed.” The difference between them is only in “the degree and rapidity of the shift towards Neomercantilism.”

When O’Connell claims that the state has “decided” to restructure the domestic economy, we insist on asking: *which fractions of capital*, operating under *which contradictions*, compel the state to act in this way? The MCU conceptualization presents the ruling class as instrumentalizing the state, reengineering the economy through policy design, rather than as an ensemble of competing capitals reacting to deep structural crises of profitability and geopolitical decline.

This voluntarism extends to its treatment of ruling-class factions. The document correctly notes that “a significant subsection of merchant capitalists and financial capitalists are heavily invested in China” and thus resist “neomercantilist” confrontation. Meanwhile, “other factions of the bourgeoisie” support decoupling or confrontation because China “has risen as an imperialist superpower capable of competing with the U.S.”

These are important observations. But the analysis stops at the empirical description of factional disagreement. It does not ask what Marxism demands we ask: how do these contradictions within U.S. monopoly capital reflect the the general tendency of capitalism-imperialism towards crisis and the sharpening of inter-imperialist struggle? Consequently, MCU’s diagnosis of the current situation takes the form of a new “paradigm” rather than an

evaluation of the basic *continuity* between the “neoliberal” and “neomercantilist” periods on the basis of imperialism’s enduring laws.

A second major issue lies in the treatment of China within the neomercantilist worldview. The document makes the correct claim that “China has risen as an imperialist superpower,” yet this insight is never fully absorbed into the analysis. O’Connell repeatedly describes U.S. “neomercantilism” as a national industrial strategy, emphasizing political-economic epiphenomena according to their ideological conception on the part of the bourgeoisie, rather than identifying the structural architectonic which gives rise to those phenomena (namely, the inter-imperialist conflict). Marxism, on the other hand, demands we interpret U.S. policy shifts precisely as the expression of the contradiction between these two imperialist blocs (itself driven by the falling rate of profit in both countries, whose respective logics of capital accumulation increasingly collide, and whose character is shaped by the living class struggle). When O’Connell asserts that China’s rise “has turned the U.S. against the WTO,” because even when the U.S. tried to shape the WTO legal framework “China often wins cases against the U.S.,” this is not evidence of a new mercantilism! It is a sign that the institutional architecture of neoliberal globalization can no longer mediate inter-imperialist contradictions. The MCU names this breakdown “neomercantilism,” but that name merely reflects its confusion, not the emergence of a coherent new stage.

The document also identifies a central contradiction of U.S. economic structure: the outflow of productive investment. The text is explicit that “the U.S. does not have much industry left,” and that decades of outsourcing have undermined domestic productive capacity. Yet it simultaneously concedes the structural necessity of U.S. deficits and the persistent export of capital: “Monopoly capitalists cannot survive without exporting capital.”

Such an admission undermines the conceptual foundation of the MCU’s neomercantilism thesis. If monopoly capital cannot reproduce itself without exporting capital, then *any attempt to restore national economic sovereignty is structurally constrained*. The state may offer subsidies, tariffs, industrial strategies, etc., but these can only redirect capital temporarily or selectively; they cannot reverse the global logic of imperialist accumulation. Hence inasmuch as a new “paradigm” exists, it is *ideological*, the surface-level reflection of the exhaustion of the “free trade” period of unilateral imperialism that followed the collapse of the Soviet social-imperialist bloc.

To adopt the term “neomercantilism” uncritically is to mistake the language of imperialist self-justification for an analytic category. Marxism requires that we treat these policy shifts as reactive restructuring attempts within the general crisis of imperialism, rather than as blueprints for a new regime of accumulation.

To that end, we are inclined to engage critically with the first apparent ‘application’ of the MCU’s neomercantilism thesis, the December 2025 article “Trump’s Regime Change Efforts

in Venezuela: Neomercantilism in Latin America,” but—perhaps appropriately—this document is as vacuous and facile as the line it purports to apply.

Nowhere in the document, save in a single sentence on its second page (“The most hawkish members of the Trump Administration, like Marco Rubio, believe that if they are able to topple the Venezuelan government, it will open the door to consolidating U.S. imperialism’s vice-grip on the rest of Latin America so as to secure key resources and markets for geopolitical competition with China”) do the MCU attempt to explain the actual motive force for imperialist intervention in Venezuela.² Instead, the article spends its time “examining and exposing the various ways the Trump Administration has been trying to justify this war.”

While certainly exposure of the attempts by the bourgeoisie to generate broad consensus for its war effort is a worthy task, without a clear and scientific account of the *structure of the imperialist system*, such agitation will remain stilted and indistinguishable from liberal pacifism.

Our question: does the MCU’s neomercantilism line provide the proletariat and its allies with an analysis of the structure of contemporary capitalism-imperialism which offers a line of march for its overthrow? Or is it yet another example of the petit-bourgeois pursuit of fashionable new ideas at a distance from the real movement and its theoretical expression?

It seems not even the MCU themselves find value in their “theory” of neomercantilism: their article makes no use of its framework to explain the American invasion of Venezuela. The concept is referenced three times in the article (aside from the title):

“[U]nder the framework of “Hemispheric Defense”—an updated form of the Monroe Doctrine adapted to the needs of modern imperialist power and in line with Neomercantilism—the U.S. hopes to topple a slew of governments in Central and South America and replace them, by one means or another, with pliant regimes acquiescent to the whims and demands of U.S. imperialism so as to better confront China in the battle for global imperialist dominance.”

“[W]hat is clearly at play in the ratcheting up of tensions with Venezuela, is the aim to consolidate the Western Hemisphere as part of the U.S. Neomercantilist bloc, free from significant Chinese or Russian investment, influence, or control.”

“[A] message to the governments and peoples of Latin America (but also the world): ‘Get in line with the U.S. Neomercantilist policy against our rival imperialist powers or you’re next!’”

Nowhere is the question of the application of this ‘neomercantilist policy’ to Venezuela addressed; nowhere is it substantiated. Instead, it is simply deployed as a stand-in to refer to the general orientation of the U.S. imperialists to their subject states; indeed, the authors go

so far as to refer to the potential for the reduction of Venezuela to the status of a “neocolony”! Hardly a new orientation for American imperialism!

Against such self-serving attempts to carve out a new conceptual terrain and fashion new terminology for its own sake, we insist that the anti-revisionist communist movement—in its protracted infancy, burdened with amateurishness, political underdevelopment and the responsibility to struggle against a persistent right-opportunist line represented by the MCU and its political fellows *and* a left-opportunist line represented by the Third Worldist trend—must take up a renewed study of the development of the structure of imperialism. We begin to do so below.

ON THE INTERNATIONAL SITUATION 2008-2025

Today, the global capitalist system is shaped by a process which began as a response to the 2008 Crisis. While—certainly!—this process must be understood as a product of the preceding period and the class struggle waged by the capitalists to stabilize the rate of profit following the crises of the 70s and 80s, our emphasis here will be on the relationship between a series of (comparatively) more recent shifts to the organization of capitalist accumulation and the sharpening of inter-imperialist rivalry (principally between the United states and China).

The 2008 crash—which we will refer to as the Great Financial Crisis (GFC)—exposed the capitalist trend towards overaccumulation and the failure of the U.S./European imperialist bloc to stabilize profit rates in sufficient advance; rather than a product of “reckless” speculation, the process resulting in the GFC was in fact a structural expression of contradictions internal to the capitalist mode of production, particularly those dominant when it reorganized the accumulation process during the period leading to the consolidation of finance capitalism as a discrete historical phase (e.g., that of imperialism).

The crisis was concentrated in the imperialist centers, particularly the United States, whose financialized regime of accumulation had become the dominant organizing principle for world capitalism. What followed was a *recomposition of imperialist spheres of influence* on a terrain increasingly structured by the collision between rising Chinese imperialism and U.S. interests.

From 2008 to 2025, this restructuring unfolded in uneven waves: first in the **2008–2011 period** (characterized by the emergency response to the GFC), then the **2011–2013 period** (post-crisis retrenchment of U.S. dollar hegemony and the rising international role of Chinese finance capital). This was followed by the **2013–2020 period** where rival accumulation regimes consolidated themselves before facing another series of shocks due to the 2020 pandemic.

The whole post-2008 sequence represents a transition from an imperialist world system dominated mainly by U.S. capital in the wake of the collapse of the Soviet social-imperialist bloc towards an increasingly antagonistic multilateral configuration centered around the U.S.-China rivalry. Insofar as conceptualizing these questions in terms of dollar liquidity and capital export is the main thread of the analysis below, a short detour on the theory of finance capitalism is warranted.

THEORIZING FINANCE CAPITAL

The tendency towards consolidation and centralisation of capital is the immediate result of the specifically capitalist production process, insofar as the process itself sets in motion the process of self-perpetuating accumulation and the competitive struggle between capitals. This reflects the overall trend towards monopolization and increased organic composition observed by Marx and Lenin.

We quote Marx *in extenso*:

“The continual re-transformation of surplus-value into capital now appears in the shape of the increasing magnitude of the capital that enters into the process of production. This in turn is the basis of an extended scale of production, of the methods for raising the productive power of labour that accompany it, and of accelerated production of surplus-value. If, therefore, a certain degree of accumulation of capital appears as a condition of the specifically capitalist mode of production, the latter causes conversely an accelerated accumulation of capital. With the accumulation of capital, therefore, the specifically capitalistic mode of production develops, and with the capitalist mode of production the accumulation of capital. Both these economic factors bring about, in the compound ratio of the impulses they reciprocally give one another, that change in the technical composition of capital by which the variable constituent becomes always smaller and smaller as compared with the constant...

Every accumulation becomes the means of new accumulation. With the increasing mass of wealth which functions as capital, accumulation increases the concentration of that wealth in the hands of individual capitalists, and thereby widens the basis of production on a large scale and of the specific methods of capitalist production.

[...]

Two points characterise this kind of concentration which grows directly out of, or rather is identical with, accumulation. First: The increasing concentration of the social means of production in the hands of individual capitalists is, other things remaining equal, limited by the degree of increase of social wealth. Second: The part of social

capital domiciled in each particular sphere of production is divided among many capitalists who face one another as independent commodity-producers competing with each other. Accumulation and the concentration accompanying it are, therefore, not only scattered over many points, but the increase of each functioning capital is thwarted by the formation of new and the sub-division of old capitals. Accumulation, therefore, presents itself on the one hand as increasing concentration of the means of production, and of the command over labour; on the other, as repulsion of many individual capitals one from another.

This splitting-up of the total social capital into many individual capitals or the repulsion of its fractions one from another, is counteracted by their attraction. This last does not mean that simple concentration of the means of production and of the command over labour, which is identical with accumulation. It is concentration of capitals already formed, destruction of their individual independence, expropriation of capitalist by capitalist, transformation of many small into few large capitals. This process differs from the former in this, that it only presupposes a change in the distribution of capital already to hand, and functioning; its field of action is therefore not limited by the absolute growth of social wealth, by the absolute limits of accumulation. Capital grows in one place to a huge mass in a single hand, because it has in another place been lost by many. This is centralisation proper, as distinct from accumulation and concentration.”³

The other mode through which the centralisation process for industrial capital takes place is through the concentration of banking capital and the emergence of the credit system. This is laid out masterfully by Lenin in the *Imperialism* pamphlet:

“The principal and primary function of banks is to serve as middlemen in the making of payments. In so doing they transform inactive money capital into active, that is, into capital yielding a profit; they collect all kinds of money revenues and place them at the disposal of the capitalist class.

As banking develops and becomes concentrated in a small number of establishments, the banks grow from modest middlemen into powerful monopolies having at their command almost the whole of the money capital of all the capitalists and small businessmen and also the larger part of the means of production and sources of raw materials in any one country and in a number of countries.

[...]

The banking system “possesses, indeed, the form of universal book-keeping and distribution of means of production on a social scale, but solely the form,” wrote Marx in *Capital* half a century ago. The figures we have quoted on the growth of bank capital, on the increase in the number of the branches and offices of the biggest

banks, the increase in the number of their accounts, etc., present a concrete picture of this “universal book-keeping” of the *whole* capitalist class; and not only of the capitalists, for the banks collect, even though temporarily, all kinds of money revenues — of small businessmen, office clerks, and of a tiny upper stratum of the working class. “Universal distribution of means of production” — that, from the formal aspect, is what grows out of the modern banks, which, numbering some three to six of the biggest in France, and six to eight in Germany, control millions and millions. In *substance*, however, the distribution of means of production is not at all “universal,” but private, i.e., it conforms to the interests of big capital, and primarily, of huge, monopoly capital, which operates under conditions in which the masses live in want, in which the whole development of agriculture hopelessly lags behind the development of industry, while within industry itself the “heavy industries” exact tribute from all other branches of industry.”⁴

Marx shows that

In the money-market only lenders and borrowers face one another. The commodity has the same form: money. All specific forms of capital in accordance with its investment in particular spheres of production or circulation are here obliterated. It exists in the undifferentiated homogeneous form of independent value: money. The competition of individual spheres does not affect it. They are all thrown together as borrowers of money, and capital confronts them all in a form, in which it is as yet indifferent to the prospective manner of its investment. It obtains most emphatically in the supply and demand of capital as *essentially the common capital of a class* — something industrial capital does only in the movement and competition of capital between the various individual spheres. On the other hand, money-capital in the money-market actually possesses the form, in which, indifferent to its specific employment, it is divided as a common element among the various spheres, among the capitalist class, as the requirements of production in each individual sphere may dictate. Moreover, with the development of large-scale industry money-capital, so far as it appears on the market, is not represented by some individual capitalist, not the owner of one or another fraction of the capital in the market, but assumes the nature of a concentrated, organised mass, which, quite different from actual production, is subject to the control of bankers, *i.e.*, the representatives of social capital. So that, as concerns the form of demand, loanable capital is confronted by the class as a whole, whereas in the province of supply it is loanable capital which obtains *en masse*.⁵

The centralization of credit creation and distribution as the foundational moment of the banking system — particularly in the u.s.a., England, and Germany — enabled the lending system to take on a generalized, social character, rather than an individual arrangement between a lender of capital and its leaser. The sharp rise in the availability of credit then

enabled the further expansion and centralisation of industrial production: “acceleration, by means of credit, of the individual phases of circulation or of the metamorphosis of commodities, later the metamorphosis of capital, and with it an acceleration of the process of reproduction in general,” and, through the formation of corporations and joint stock companies, “an enormous expansion of the scale of production and of enterprises, that was impossible for individual capitals.”⁶

This emergence of the corporate form facilitated the institutionalization of the division of the character of capital itself heralded by the credit system: while *control* of the money-capital invested in the production process (and thus the actual management of the production process itself) remained in the hands of the industrial capitalists, its *ownership* is now retained by the financial institutions who lent it as interest-bearing capital. This results in the “transformation of the actually functioning capitalist into a mere manager, administrator of other people's capital, and of the owner of capital into a mere owner, a mere money-capitalist. Even if the dividends which they receive include the interest and the profit of enterprise, *i.e.*, the total profit (for the salary of the manager is, or should be, simply the wage of a specific type of skilled labour, whose price is regulated in the labour-market like that of any other labour), this total profit is henceforth received only in the form of interest, *i.e.*, as mere compensation for owning capital.”⁷

This merger between the bank capital fraction and industrial capital became increasingly absolute. As Otto Jeidel observed in the German context,

“An examination of the sum total of industrial relationships reveals the *universal character* of the financial establishments working on behalf of industry. Unlike other kinds of banks, and contrary to the demand sometimes expressed in the literature that banks should specialise in one kind of business or in one branch of industry in order to prevent the ground from slipping from under their feet—the big banks are striving to make their connections with industrial enterprises as varied as possible in respect of the locality or branches of industry and are striving to eliminate the unevenness in the distribution of capital among localities and branches of industry resulting from the historical development of individual enterprises [...] One tendency is to make the connections with industry general; another tendency is to make them durable and close. In the six big banks both these tendencies are realised, not in full, but to a considerable extent and to an equal degree.”⁸

This capital, controlled by the banks and employed by the industrialists, and concentrated in industrial monopolies merged with banks (in the form of corporate holding structures and “joint-stock schemes”), is finance capital.

The transformation of the character of social profit for the new finance capitalist class—from the direct expropriation of surplus-value at the point of production to the pure extraction of

interest from industrial-productive firms owned via corporate structures and joint-stock schemes—enables a further deferral of crises due to the falling rate of profit, since the issue of rising organic composition is only indirectly factored into the rate of profit for the financier, *potentially* expanding the duration between the cyclical crises described above. Furthermore, the holding structure model taken up by the banks increasingly allows a firm to diversify its investments from a single industrial sector to the entire economy, minimizing potential losses resulting from any particular sector while expanding opportunities for profit. This also has the function of stabilizing profit from interest on investments across sectors by smoothing out fluctuations in returns, making the purchasing of shares *in banks* by individual investors a safer option than investing in an individual industrial enterprise, which further increased the available credit to the whole capitalist class.

But in reality, because the credit system removes the constraint on the expanded reproduction of individual productive enterprises by enabling the redistribution of accumulated liquidity across the class as a whole (which was previously limited by the available surplus produced by their own individual enterprises), the tendency towards overproduction is actually *accelerated*, for the reasons laid out above.

That is, the growth of debt on this basis tends to outpace the actual rate of accumulation of capital because of the falling rate of profit due to changes in the organic composition of productive enterprise, themselves the consequences of a competition only *accelerated* by tendential concentration into monopolies. Then, as less efficient individual firms increasingly fail to meet their debt obligations, the credit system itself is strained to the point of potential collapse, depreciating the market value of credit-money, increasing the rate of interest, thus further reducing industrial profits (even for the larger, more efficient firms) leading to overproduction of commodities which cannot be realized as money. *This was precisely the character of 2008*, which, rather than resulting from alleged “reckless lending” conducted by irresponsible financial agents, was the structural consequence of the contradiction between the forces of production and the relations of production.

2008 and its Discontents

The 2008 crisis began in the belly of world imperialism, e.g., the U.S. and European financial markets. It expressed a fundamental structural contradiction between two intertwined processes: first, the massive expansion of finance capital far beyond the capacity of productive capital to generate real value; and second, the long-term stagnation of productive profitability, which since the 1970s had driven capital increasingly into speculative circuits.

Imperialism had come to rely on mechanisms of financial expropriation—which, in the lead up to 2008, most notably included mortgage-backed securities and derivatives, both of which facilitated an ongoing process of credit expansion—as a means of compensating for declining rates of profit in the productive sphere. The finance capitalist system of indirect

ownership has the secondary consequence of deeply integrating the entire world economy, chiefly through mechanisms which “establish the bonds of subjugation [of the oppressed countries] to the imperialists’ internal market ([such as] the so-called “vertical integration” of the imperialist monopolies, or “global value chains” [which] are other forms of association of the imperialist monopolies with the monopolies in the countries of bureaucratic capitalism—monopolies which they themselves have generated.)”⁹ Consequently, when these mechanisms collapsed, the danger extended well beyond individual banks to the entire architecture of the world economy.

The global financial crisis destabilized these so-called “global value chains” (GVCs) on a world scale and compelled the imperialists, mainly the U.S., to intervene decisively. Banking losses were socialized and liquidity was expanded on an unprecedented scale, while programs of quantitative easing—the purchasing of assets by the Fed to increase the availability of liquid US—were deployed to preserve the stability of finance capital. These measures were structurally necessary and reaffirmed the Leninist insight that the capitalist state exists to secure the conditions for expanded reproduction (rather than ‘exclusively’ taking the form of bodies of armed men deployed for the purpose of repression).

The state interventions during this period forestalled a systemic breakdown and prevented the destruction of the finance-capitalist layer in the face of an otherwise potentially existential crisis for the bourgeoisie; in so doing, they also exposed the direct fusion between the interests of monopoly-finance capital and the state, as well as the state’s function as the guarantor of fictitious capital values against large-scale devaluation. This had significant ideological effects on the mass movement, which we will discuss below.

Another immediate consequence of the crisis was a sharp contraction in global foreign direct investment (e.g., capital export), which declined by roughly 21 percent in 2008.¹⁰ But a reduction in FDI rates *in general*—and FDI, as Lenin noted, is the basic and most essential mechanism of imperialism, which “completely isolates the rentiers from production and sets the seal of parasitism on the whole country that lives by exploiting the labour of several overseas countries and colonies,”¹¹—did not accomplish a reversal of the imperialist arrangement of the world. Although *total* FDI volumes fell in the aftermath of 2008, the *relative share* of FDI flowing into the semi-colonial countries *increased*, particularly when compared to lending and investment flowing into the imperialist countries themselves. Those capitals which survived the crisis sought out zones where productive investment remained possible, or where assets from earlier productive cycles could be consolidated under comparatively more favorable conditions. Consequently, the post-crisis recovery period only deepened the integration of the oppressed countries into the imperialist “value chains.” This dynamic is starkly evident in the whole period ranging from 2009 to 2019, during which the share of external debt within the portfolios of so-called “emerging markets” rose from approximately 23 percent to more than 40 percent.¹²

Thus the general tendency of imperialism, to intensify rent extraction from the oppressed countries, thus reasserted itself even as the finance capitalist firms were rescued by state interventions and capital injections which deployed “public” funds to the tune of trillions of dollars.¹³ The dramatic expansion of U.S. dollar liquidity that followed the QE response to the GFC also reinforced American imperialist hegemony throughout the 2010s, a dynamic that we will examine in greater detail below.

By socializing the impact of portfolio losses while preserving private ownership over the gains plundered from the oppressed countries during this period, the imperialists strengthened the worldwide dominance of monopoly finance capital and deepened the subordination of the toiling masses to their parasitic rule. But the state interventions characteristic of the immediate crisis response also facilitated a period of ideological reorganization of the *discourses* of imperialism—a phenomenon correctly observed by the MCU, despite their misinterpretations of its content. Institutions which had previously emphasized deregulation (e.g., central banks, credit rating agencies, etc.) reframed their orientation towards so-called “risk management.” At the practical level, this performed an identical class function to the neoliberal deregulatory craze: safeguarding the conditions necessary for accumulation by the imperialists.

Such shifts were not, however, universal. Differences in the shape of the crisis response between the U.S.-European imperialist economies and China reveal the structural trajectories of each imperialist bloc and thus the conditions of their confrontation in the 2010s.

In the United States and Western Europe, the concentration of surplus capital in speculative and unproductive circuits produced cascading financial crises that forced the state to intervene directly to stabilize finance capital. In contrast, the Chinese economy, which at the time possessed a comparatively smaller and less dominant financial sector, experienced the crisis primarily as a collapse in external demand for manufactured exports. Drawing on the planning capacities of its state-capitalist apparatus, China responded by stimulating domestic demand through large-scale infrastructure investment and expanded social spending, mobilizing roughly 12 percent of GDP for this purpose.¹⁴ This response was reinforced by a substantial expansion of credit availability following a deregulation process that had begun earlier in the 2000s, and which has its roots in the “Reform and Opening Up” counterrevolutionary period following the coup d’etat by the Hua-Deng capitalist roader clique upon the death of Mao Zedong.¹⁵

This stimulus response absorbed the main portion of a surplus labor pool which had emerged due to the collapse of commodity export demand in the immediate post-2008 period, while simultaneously generating a massive expansion of the industrial and productive capacity of Chinese capital. This expansion enabled continued capital accumulation by the

domestic bourgeoisie and laid the material foundations for its outward projection in the following decade, most visibly through the Belt and Road Initiative which we discuss below.

The divergence between emergency crisis responses—on the one hand, the deepening of financial interdependence and global dollar dependency under U.S. imperialism, and on the other, China’s productivist strategy of state-directed accumulation—established the basis for an intensification of the inter-imperialist struggle for capital export markets in the 2010s. This struggle began to assume more concrete form once the accumulation enabled by China’s crisis response translated into large-scale imperialist investment abroad in the subsequent period.

For broad layers of the population in the imperialist countries, the post-2008 moment shattered the long-cultivated fiction that free markets naturally disciplined capital or that the gains of increased productivity flowed downward (so-called “trickle down economics”).

Popular responses emerged rapidly, shaped by the sudden collapse of employment and the explosion of household debt, as well as the apparently total impunity of the ruling class. In the United States, the foreclosure wave and youth unemployment produced a volatile social base composed of proletarianized graduates, precarious service workers, and declassed middle strata.¹⁶ The Occupy movement condensed this anger into a symbolic confrontation with finance capital. Its rhetoric centered on the egregiously unequal distribution of the social product by the “oligarchy,” capturing a widespread intuition that monopoly finance had subordinated society to its interests but obscuring the structural forces responsible for this process through the language of the “99%.” This spontaneous explosion of (decidedly partial) class consciousness was grounded in the collective cultural experience of the bailouts and austerity at the municipal level, and the disintegration of the job market (for “white collar” professional workers as well as the industrial proletariat, who were faced by a wave of plant closures which sealed the coffin of a manufacturing sector on the decline since the 70s).¹⁷

The political limits of the Occupy-era mass mobilizations were conditioned by the historical condition of the U.S. working class—on the retreat since the Reagan-era bourgeois offensive—and the near-total absence of a genuine organized communist movement. Without a revolutionary party capable of articulating the crisis of finance capital as a consequence of the contradictions of capitalism-imperialism or provide a strategic orientation to guide the struggle, the movement remained trapped at the level of moral denunciation and spectacle. The resultant spontaneous horizontal forms which this movement generated reflected both a distrust of existing institutions and the long-term erosion of revolutionary organization following the revisionist degeneration of the communist left in the latter half of the 20th century.¹⁸ To the emergent popular consciousness, the state appeared as a neutral arbiter of

social struggle corrupted by finance capital rather than as an instrument of class domination, or was treated as simply a generic authoritarian apparatus emptied of class character.

Certainly exceptions to this orientation cohered, especially among advanced and Marxist-aligned groupuscules in the orbit of the occupations, many of whom had an (in retrospect tragic) optimism about the “99%”’s ability to confront capital, such as this observation from an Occupy Oakland activist:

There has been a lot of talk about a lack of demands as a weakness of the #Occupy movements. I hear their demands loud and clear. The critique of capitalism, opposition to state power, clear revulsion towards the police, redefinition of social and power relations, independent organization, cooperation, and the attempt to reconfigure our existing world into one that is healthy for all; these are demands that are being made by those occupying. The idea from the beginning was to create. In acts of creation power is returned. We have held our ground, defended a space that is our own. Now we are organizing not just for ourselves but also for others. A general strike will occur. The next question is clear: what other cities will follow?¹⁹

Outside of a few isolated explosions of class struggle in Oakland, this general strike did not materialize. Occupy dissipated leaving behind a residue of political radicalization which lacked organizational continuity or particularly sustainable forms.

In Western Europe, especially in the southern periphery of the EU, popular responses took on a more confrontational and sustained character. Austerity programs imposed to stabilize European finance capital translated into wage cuts, pension reductions, and mass unemployment, the gutting of social programs, and a rising street fascist movement targeting migrants. In Greece, Spain, and Portugal, general strikes, prolonged demonstrations, and occupations expressed a working class refusal to accept the costs of crisis resolution. These movements drew from industrial workers and public-sector employees, as well as (like the Occupy movements in the US) youth facing long-term exclusion from stable employment. Their intensity reflected a growing sense that the official institutions had failed altogether to resist the impositions of the imperialist bourgeoisie:

“From the very start of the recent imperialist and capitalist attack against the people, there was mass resistance and struggle. The great strike of May, 5th 2010, the demonstrations of June-July 2011, the popular uprising of October 2011 and the mass demonstrations of 12 February 2012 are the major steps of the ongoing struggle. Along with these there are dozens of strikes, hundreds of resistance focal points in workplaces, neighborhoods and towns, there are many student occupations and demonstrations. In all these struggles the people surpassed the limits that the obeisant trade unions have set. They also surpassed the political limits and machinations of the official Left and clashed with the state and its

apparatus that have not hesitated to use any violent means to suppress the popular and workers' struggle not stopping at even murderous provocations."²⁰

Yet here too, the marginalization of communist forces proved decisive. The revisionist communist parties (such as the KKE) and the trade unions remained bound to economism and parliamentary horizons, while newer left formations redirected mass anger toward electoral projects and renegotiation within the European framework.²¹ As the KKEml correctly observed, "[t]he problems that these struggles face have their roots in the defeat of the communist movement, the capitalist restoration and the long ideological, political and organizational disarmament of the masses."²²

Consequently, the defeat of these movements was not merely the result of repression or individual sell-out politicians; rather, guided by revisionist political lines amenable to parliamentary participation (if not out-and-out reformism), the mass movements were faced with a strategic vacuum in which no force would consistently link austerity to imperialism as a global system of exploitation and confront it with proletarian revolution.

2011–2013: Dollar Discipline and the Exportation of the Crisis

Once the immediate rescue phase had stabilized the major imperialist economies, the costs of the crisis were increasingly displaced outward. Recovery proceeded through mechanisms that compelled semi-colonial, semi-feudal countries to absorb the contradictions generated within the imperialist financial system.

In May 2013, U.S. Federal Reserve Chair Ben Bernanke delivered congressional testimony that publicly signaled the possibility of tapering asset purchases, marking a potential departure from the extraordinary crisis-response policies of the preceding four years. This announcement triggered an immediate global repricing of expected U.S. interest rates. As projected global liquidity conditions shifted, capital flowed rapidly out of semi-colonial and semi-feudal economies. The resulting reversals produced sharp financial destabilization, as large-scale inflows were followed by equally abrupt withdrawals.²³ These movements revealed the structural operation of dollar hegemony. Financial systems dependent on dollar-denominated flows experienced sharp, sudden currency depreciation and intensified capital flight (both of which drove skyrocketing inflation and "cost of living" crises for the masses).

Dollar hegemony operates as a global mechanism of coercion. By controlling the conditions of liquidity and access to credit, it compels dependent economies to impose austerity and internal adjustment while securing the dominance of U.S.-based finance capital.

India provides a clear illustration of this mechanism. The semi-colonial, semi-feudal structure of the Indian economy makes it reliant on sustained dollar inflows—particularly through portfolio inflows and external credit, both of which we characterize under the general header of foreign direct investment—to finance external deficits and stabilize its currency. The

volatility induced by the Federal Reserve's "taper talk" therefore produced severe consequences. Where, during the immediate post-crisis period, QE policy inflated the price of financial assets while lowering yields (making credit cheaper to access and thus increasing dollar liquidity), the Fed signaling an end to this policy resulted in a rapid repricing by international finance capital of liquidity and risk: capital was withdrawn from "dependent" (e.g., Third World) markets, and the cost of external financing rose. Between May and August 2013, the rupee depreciated by approximately 20 percent against the dollar.²⁴ This depreciation coincided with large-scale withdrawals of foreign capital from Indian bond and equity markets, compounding financial instability and forcing emergency intervention by the Indian bureaucrat-capitalist class:

As never before in the history of Indian Parliament, a number of acts including those regarding food security, land acquisition, company bill etc were enacted without almost any objection from the opposition this year in a single session. Even bills that have been pending since decades through various governments were passed now without further ado. Majority of the restrictions regarding imperialist penetration into our country that remained even after accepting LPG policies in the 90s were lifted now with unprecedented speed. The rush with which these bills were passed with the full connivance of the so-called opposition parties only shows how desperate the imperialist masters and their agents ruling here are to come out of the financial crisis that is looming over them. All these acts have the single purpose of furthering the neo-liberal policies of the imperialists that would deprive the people of *Jal, Jungle, Zameen, Izzat aur Adhikar* (water, forest, land, self-respect and rights).²⁵

The measures adopted to stabilize the economy imposed a regime of financial discipline without requiring formal IMF supervision. These included interest-rate hikes that tightened monetary conditions and constrained domestic growth, along with explicit policy commitments aimed at reassuring foreign investors, as the Indian comrades describe above. Such commitments accelerated the opening of insurance and pension sectors to foreign capital through relaxed restrictions on foreign direct investment, and expanded investment incentives for global finance-capitalist firms.²⁶ Alongside the further penetration of imperialist capital into the Indian economy, these adjustments transformed the Indian central bank into an auxiliary institution increasingly oriented toward managing liquidity conditions determined by the imperialists, mainly U.S. imperialism.

In other cases, including Turkey and Brazil, the IMF played a more direct role in enforcing comparable adjustment programs, using conditional lending to impose structural reforms that deepened their subordination to imperialism. Across these cases, the Federal Reserve's effective control over global liquidity cycles—through its influence on the availability and cost of dollar credit—reinforced the structural dominance of U.S. finance capital worldwide.²⁷

Volatility itself became a primary disciplinary instrument, enabling imperialism to externalize the effects of the 2008 crisis while consolidating its control over the oppressed countries.

During this same period, China began to expand overseas infrastructure financing, secure long-term resource extraction agreements, and increase outward foreign direct investment. These developments marked an early phase of what would later be consolidated as the Belt and Road Initiative, formally announced in 2013 through Xi Jinping's speeches in Kazakhstan and Indonesia. China's outward expansion reflected the pressures of a growing body of surplus capital seeking new markets and higher returns, as well as to secure access to resources for industrial production (particularly in the green energy sector). This was carried out through combined activity from private firms and state-owned enterprises (SOEs), as well as coordinated state policy aimed at mitigating domestic overaccumulation while extending Chinese capital's reach abroad.

The popular movements responding to the capitalist offensive during this phase arose less from the opaque and eclectic critiques of finance capital which characterized the 2008-2010 period, and more as (typically spontaneous) struggles to combat the sudden disruptions to everyday life caused by the restructuring process. Rising food and fuel prices, cuts to subsidies, transport fare hikes, and declining real wages triggered mass protests across a wide range of the oppressed countries. In India, Brazil, Turkey, and South Africa, millions entered the streets in mobilizations that combined anger at corruption, frustration with declining living standards, and a growing sense that prior promises of "development" had stalled.

The political form of these revolts was shaped by the structural position of the semi-colonial countries within imperialism In India,

"[w]hile the MNCs are putting enormous pressure on the Indian ruling classes to implement the MoUs signed with them, the people are valiantly opposing their implementation braving all odds. The reactionary Jayalalitha government in Tamilnadu in collusion with the center trampled the movement opposing the Kudankulam nuclear plant and started work. The people are continuing their agitation. In Jaitapur in Maharashtra, some NGOs withdrew the agitation against the proposed nuclear plant after getting a promise of increase in compensation. But the people are keeping the struggle flag aloft. One after another the gram sabhas are rejecting bauxite mining by Vedanta in Niyamgiri. Though the Indian state ruthlessly suppressed the anti-POSCO agitation in Odisha at gunpoint committing innumerable atrocities on the agitators, they refused to surrender and are continuing to fight. In DK, people of Bastar and Gadchiroli are still able to stop the mining process and building of dams but with lot of sacrifices. Several of the anti-mining and anti-dam activists were killed in fake encounters; several of them were arrested and incarcerated in jails with dozens of false cases foisted on them. Mining has started in Saranda in Jharkhand after huge military operations by

adopting 'clear, hold and build' policy 'to flush out the Maoists' which meant nothing but a series of all kinds of cruel atrocities on the people of Saranda."²⁸

In Brazil, the mass protests of this period facilitated the regroupment and consolidation of the communist left:

In 2011, massive workers' rebellions took place at PAC construction sites. Workers confronted the police repression of Lula's National Force, covered their faces, and set construction camps on fire. The following year, 2012, important battles occurred within the revolutionary peasant movement, and on April 9 in Jacinópolis-RO, peasant leader comrade Renato Nathan was assassinated by gunmen acting on behalf of the old State. Comrade Renato was one of the founders of the Movimento Estudantil Popular Revolucionário [MEPR, the revolutionary student movement – ed.] and, shortly after completing his studies, worked alongside the peasant masses as a teacher at the Popular School and made a decisive contribution to the Agrarian Revolution, becoming one of the main leaders of the League of Poor Peasants (LCP) of Rondônia and Western Amazonia. In his honor, and due to his importance to our revolution, the Frente Revolucionária de Defesa dos Direitos do Povo [FRDDP, the Revolutionary Front for the Defense of the Rights of the People – ed.] established April 9 as the Day of the Heroes of the Brazilian People. The assassination of comrade Renato, far from being an isolated fact, represented the heroic resistance of peasants, Indigenous people, and quilombolas in their sacred struggle for land, and pointed youth toward rebellion as the way out of the crisis.

Thus, 2013 began already with the omen of great battles. In Goiânia, comrades of the MEPR led an important struggle, marked by combative confrontations with the Military Police, protests with buses set on fire, and which extended for five months until May, creating a fundamental accumulation for the turning point that would come the following month, in June. Porto Alegre and Natal were also stages of demonstrations that provided important quantitative accumulation for June. As a phenomenon in direct correspondence with the failure of opportunism and its inability to point to a revolutionary way out in the class struggle—yet within a conception of parallelism regarding the need to reconstitute the Communist Party of Brazil—on February 2 of that year our current was founded at what became known as the Congress of Unidade Vermelha, where national leaders were elected. Despite the ideological problems that would later become matters of struggle, the creation of the organization was a victory for the proletariat, since it expressed the legitimate will of youth to place themselves firmly and decisively at the service of the people and the revolution. From a subjective standpoint, during the June and July 2013 and 2014 days, the line of the comrades of the FRDDP predominated in our ranks, as we maintained ourselves on the left, against capitulation and dilution of the movement. We correctly understood the character of the demonstrations and rejected attempts by centrism and opportunism to label them “fascist,” sometimes raising alarms about the “danger of a coup,” other

times claiming they were “middle-class” demonstrations. We continued to place ourselves on the front lines of the fiercest battles—in Rio de Janeiro, São Paulo, Belo Horizonte, Goiânia, Belém, Porto Alegre, Recife, and elsewhere—raising and never lowering our glorious red banner.²⁹

The militancy and breadth of these 2013 movements became a touchstone and political reference point for the mass struggles of the later 2010s and 2020s in Brasil.

2013–2020: The Consolidation of Competing Imperialisms

Beginning around 2013, the restructuring of global capitalism entered a qualitatively new phase.

The motive contradiction of capitalism-imperialism—its tendency to generate capital in excess of profitable outlets—had been further intensified by the asset inflation produced through the QE crisis responses of the early 2010s. In the imperialist economies, this surplus capital continued to circulate through speculative and financial channels rather than returning to productive investment.³⁰ The pressure to locate new sites of valorization therefore increased. This pressure translated into deeper penetration of the oppressed countries through foreign direct investment structured around state guarantees and preferential tax regimes, allowing imperialist capitals to extract rents from investments in infrastructure, as well as the increasingly pivotal energy and logistics sectors. It also took the form of technology-transfer arrangements that embedded asymmetric value appropriation, particularly through the provision of machinery, management systems, and digital platforms to semi-colonial states. The Peru People’s Movement (Reorganization Committee) have demonstrated how these “tech transfer” packages are used to maintain the dependency of the semi-colonial countries on foreign capital:

In addition, we would like to note that what is transferred in each “investment project” is a product or model already in production. So even if it is the “newest” or the latest, it is already obsolete, because the parent company is already researching and developing a new one. This research and development (R&D) is not transmitted within the package, but remains with the parent company. Moreover, machines for manufacturing workshops are older models and in many cases have been withdrawn — they have zero or symbolic value in the books, and when they are exported as part of the FDI “package” they acquire a new value as a fixed asset in the foreign accounts of the subsidiary. But even if these machines are of the “latest generation”, they do not in any way contribute to the technological development of the host country since they are foreign products, and by the same token, do not signify the development of the machine production sector to produce machines for industry in the host country.

The main thing to emphasize is that foreign investment is carried out according to the development interests of the monopoly in the struggle for the world market.

The enterprises generated in the oppressed countries, or in the most backward imperialist countries like China, are bound by tentacles to the imperialist enterprises, which ensure by all means and in all cases the subjugation of the enterprises which imperialist finance capital played an instrumental role in generating.³¹

These processes were reinforced by the use of multilateral institutions to impose new rounds of structural reform on the oppressed countries, including market liberalization and the privatization of state assets.³²

During this phase, the sharpening inter-imperialist confrontation resulted in an intensification of established methods of imperialist plunder, as the rise of Chinese capital as a counterweight to U.S. capital made maneuver for diminishing zones of profitable investment increasingly urgent.

The shape of Chinese outward expansion reflected a peculiar developmental trajectory rooted in a hybrid social formation combining statist planning, bureaucratic-capitalist enterprises, and market mechanisms. The Chinese response to the 2008 crisis—particularly its large-scale domestic stimulus, and the consequent consolidation of strategic industries—performed both internal and external functions which accelerated its path to becoming an imperialist power. Domestically, it had preserved productive capacity and prevented the deindustrialization experienced across much of the Western imperialist countries after 2008. Internationally, it generated new surpluses that required external outlets, propelling infrastructure-centered capital export through initiatives consolidated under the header of the Belt and Road framework. As the Indian comrades have observed,

“Chinese imperialism accumulated capital from industrial production in a very rapid way as a result of which it could also accumulate a large amount of Finance Capital together with its heavy Bank Capital. This is seen in the abnormal fast growth of the domestic and foreign exchange resources. These resources increased from 165 billion dollars in 2000 to 3,305 billion dollars by March 2012. The foreign exchange resources of China are equal to that of the same of the six next largest countries. Foreign exchange resources would be utilized as Finance Capital in the form of loans. A share of the surplus value achieved through the country taking loan goes to the shareholders. In order to have special utility rights over foreign exchange resources, they are normally stored in the form of relatively safe foreign government bonds, as a part of International agreements or in the form of bank deposits in the IMF. In fact, 3.3 trillion dollars of the gross property of China are foreign exchange reserves. [...]

From 2008, while on one hand the world economic crisis intensified, on the other China emerged as a major exporter of capital. Due to the financial and economic crisis of 2008 that spread to Europe from the US, many big private and public banks in the

US and many capitalist countries became bankrupt. China utilised this situation when the governments of those countries were providing finance and investments to the Multi-National Organisations/ Corporations in the form of stimulus packages and flooded its investments into the foreign countries. The Chinese government and its new capitalist class are extensively investing capital especially for raw material and for industrial properties not in the country but outside. Chinese capital flooded in other countries also taking the chance of the closure of giving and taking of loans across the world, the reduction of share values and the increased demand from many corporations for money, all due to the crisis.”³³

As a result, by the mid-2010s China had entered the world stage as the main competitor to U.S. imperialism, with its own networks of dependency across Southeast Asia, Africa and Latin America.³⁴ It also challenged American dominance in several increasingly strategically key sectors (e.g., telecommunications, rare earth minerals, green energy, etc., as well as its disproportionate presence within industrial supply chains).

By the end of the decade, US-China rivalry had come to determine the overall trajectory of global restructuring. Instruments which had historically served as macroeconomic policy tools (e.g., tariffs, export controls, etc.) increasingly saw use as mechanisms to organize this confrontation. American strategy focused on constraining the technological ascent of Chinese industry, while Chinese capitals pursued strategic autonomy of their industrial and extractive supply chains, as well as the internationalization of the Yuan to counter dollar hegemony as the main denomination of capital markets.

A central terrain of struggle in this context was the reorganization of the so-called GVCs. Three closely connected dynamics unfolded during the period we are examining. First, low-wage production was increasingly relocated from China to lower-cost semi-colonial economies, most notably Vietnam,³⁵ Bangladesh,³⁶ and Ethiopia.³⁷ Second, imperialist states promoted the reshoring of high-value production, particularly in sectors regarded as strategically sensitive, including semiconductors and advanced manufacturing.³⁸ Third, both Western and Chinese authorities asserted a more direct role for the state in defining industrial strategy, reflecting a shared recognition that the earlier phase of relatively unregulated globalization no longer aligned with the long-term strategic interests of imperialism nor with the increasingly precarious structure of capital within the imperialist countries themselves.³⁹

The third of these dynamics warrants particular attention, given the prominence it has acquired among right-opportunist tendencies within our political milieu. This is especially evident in the position advanced by the so-called MCU discussed above, although even there the MCU retreat from serious discussion of their own theoretical outlook, in favor of simply describing policy as “neomercantilist” and moving on:

“Some of these Neomercantilist measures (such as Department of Energy loans for green energy manufacturing like lithium-ion batteries) provide the government with tools to direct production in a somewhat more organized fashion. These give the bourgeois state mechanisms by which it can direct, to some degree, where and how to produce key commodities, means of production, and essential technology. However, a significant portion of the policies which Biden-Harris administration has rolled out, such as the EV tax credits, are more “market conforming” measures. These broadly subsidize consumer demand for a given sector, but do not amount to anything approaching an industrial policy or a systematic production plan.

The bourgeoisie, as a class, is of course totally incapable of running a truly systematic and planned economy. The anarchy of production inherent to a system of generalized commodity production—and the private property relations on which it rests—prevents this. Insofar as there is capitalism, there are many competing capitals, even within a unified home market. However, the U.S. bourgeoisie has, in the past, taken a much more ambitious approach to planning the economy. This involved, as one would expect, all the corruption, maneuvering, and decadence inherent to bourgeoisie society. However, there is a big difference between the bourgeoisie developing a relatively coherent industrial policy and carrying out a series of patchwork measures. What the Biden-Harris administration has put forward so far is more of the later than the former.

That being said, all of this does represent a significant departure from Neoliberalism. In reality, the policies that the Biden-Harris administration has pursued so far, represent the first steps towards a coherent and unified Neomercantilist policy.” (emphasis ours)

In reality! We are forced to ask: which reality? Certainly *at the level of its own discourses* an emphasis on so-called supply-side management and industrial policy appears to be a shift from the “free market” orientation of the neoliberal period, but inasmuch as there exists a clear practical continuity of state-intervention over the entire neoliberal period, one wonders how “significant” a departure this really is.

That is, while we are—on the surface—in agreement with the MCU on the *fact* of increasing state intervention in the bourgeois economy, we see this as a matter of intensification of existing structural tendencies rather than a discrete or paradigmatic shift.

Our position is that the tendency towards increasing proximity between the state and monopoly capital is indicative not of a “neomercantilist” policy shift, but of the process of corporativization as described by Chairman Gonzalo:

Corporativism is **“the setting up of the state based on corporations, which implies the negation of parliamentarism”** (Chairman Gonzalo). I.e. the power of the big bourgeoisie organized through organs with representatives from different

strata, guilds, or other groups, who with their “expertise” and “in agreement” make political decisions – instead of representatives elected through elections, as in bourgeois parliamentarism (note that both forms serve to maintain the bourgeois dictatorship)...Social democracy (social fascism in Lenin’s words) in countries like Germany or Sweden also develop, especially since the end of World War II, a clear and manifest corporativism; the so-called “Swedish model”, “the spirit of Saltsjöbaden”, is a very clear example of this “agreement” between the classes, which in reality is an agreement between the factions of the bourgeoisie and its lackeys, under the supervision of the state and in favor of the big bourgeoisie. These are examples that show that the “negation of parliamentarism” does not necessarily imply the abolition of parliament or of elections, but that this negation is also expressed in the power of the executive, in the total failure of the illusion of parliamentary democracy etc. [...]

Corporativism expresses the big bourgeoisie’s need to protect the interests of the whole big bourgeoisie, as a class, against the revolution and in struggle with the big bourgeoisie of other countries. It expresses the need to handle the struggle between individuals, groups or factions within the big bourgeoisie of the country, in order to safeguard the power of the whole big bourgeoisie. Therefore, to some degree, the fascist regime uses the state to impose plans and give directives to the companies of the big bourgeoisie – but they cannot avoid the “anarchy of capitalism” as Lenin says, and they cannot avoid the production crises that are inevitable in capitalism.⁴⁰

Inasmuch as we conceive of increasing corporativization as an expression of structural tendencies inherent to the capitalist-imperialist system as a whole—consequent to the falling rate of profit and the need for stabilization of the conditions of the reproduction of capital—we also take up the position that this process indicates a trend towards fascism in the imperialist countries. As the Peruvians describe above, fascism is not exclusively a question of “terror on the march,” as it is characterized by liberalis and reformists, but a “phenomenon possible within the logic of history, caused by the development of the monopolies into imperialism and the questioning of the bourgeoisie by the proletariat.”⁴¹

Popular movements in this phase responded to the intensification of dispossession, and the renewed imposition of austerity, often with a depth and persistence that exceeded earlier protest waves.

In Latin America, this conjuncture produced a series of mass uprisings that signaled the exhaustion of the earlier “progressive” cycle. Countries that had benefited from the commodity boom now faced falling export revenues, rising debt burdens, and pressure from the multilateral organizations to implement SOPs and austerity programs. In Ecuador, the government’s attempt to remove fuel subsidies under IMF guidance provoked a powerful indigenous-led rebellion that paralyzed the country. In Chile, fare hikes and pension

privatization ignited a nationwide uprising that rapidly expanded into a comprehensive rejection of the social order inherited from the Pinochet era:

After the first day of protest, the government announced that the transport fare increase would be immediately reversed, but it was already too late and, instead of calming the protest, it intensified it, as it became clear that they could have done so much earlier and that much more was being demanded. The same government that had previously assured that “the increase cannot be reversed” ultimately could reverse it. The same government later reversed a 20% increase in electricity prices, after “experts” had claimed months earlier that this “could not be done.”

In just two days of popular protest, the revolutionary violence of the masses expressed its transformative force.

Likewise, in the area of Putaendo, in the Valparaíso region—where water hoarding by large landowners and big mining has ruined small peasants—the Aconcagua River, which had been completely dry until Friday, woke up on Saturday with abundant water after the company Codelco opened the gates. Peasants and organizations that have long denounced their situation with the slogan “it’s not drought, it’s plunder” attribute the sudden improvement in their situation to the urban protests.

With these and countless other examples, the masses have begun to experience the transformative force of violent popular struggle, and the hypocritical, rotten pacifism promoted by reaction, opportunism, and revisionism now rings hollow, no matter how much it is promoted in all the reactionary media and however much they try to present themselves as defenders of popular discontent.⁴²

These movements were notable for their social breadth and militancy. Workers, students, indigenous nations, and the urban semiproletariat entered into sustained confrontation with the state, often facing heavy repression. The demands articulated in the streets reflected Mao’s teaching on the irresistible historical trend of the period dominated by the contradiction between imperialism and the oppressed nations: countries want independence, nations want liberation, and the people want revolution. The intensity of struggles in the “storm centers” of imperialism heralded a growing recognition that the prevailing model of accumulation offered nothing for the majority of the world’s population.

In India and Brazil, mining projects, agribusiness expansion, and infrastructure corridors backed by foreign capital intensified dispossession and ecological destruction, principally impacting the broad masses of the peasantry and the indigenous peoples but certainly not to the exclusion of the urban proletariat.

“The present wave of struggles started with the peasants of Maharashtra going on an indefinite strike starting from 1 June demanding the writing-off of their bank loans similar to the decision of the UP government. They are also raising their long-pending demands like remunerative prices for their produce, interest-free loans, free or subsidised inputs like water, electricity, fertilisers, etc., implementation of the recommendations of Swaminathan Commission (which Modi promised before the last parliamentary elections but his government made a volte-face in a recent affidavit in the Supreme Court claiming that it cannot be implemented), and so on. Since the beginning of the movement, the peasants of Maharashtra refused to sell their products, closed down procurement centres and agricultural markets, blocked roads, threw their produce like milk and vegetables in protest, and carried out militant demonstrations. It is the first strike called by peasants in a long period in the state and even the country. Though a section of the leadership agreed to withdraw the strike after discussions with BJP-led Maharashtra government, another section has continued the agitation. The movement rapidly spread to the Gujarat, Rajasthan and Maharashtra with similar demands. The assurances given by the Modi government or the state governments, the political dramas enacted by the likes of MP Chief Minister Shivraj Singh Chauhan by sitting on indefinite fast and shedding crocodile’s tears for the peasants have failed to fully satisfy the agitators. It is unlikely that the ongoing movement, which is the largest and the most widespread since the introduction of the policies of Liberalisation-Privatisation-Globalisation in the country a quarter century back, will die down completely until the fundamental causes behind the peasant’s unrest are resolved.”⁴³

““Those who believe they can force peasants into silence at gunpoint are mistaken: life has shown us that this only incites and further exacerbates the revolutionary peasant movement,” said comrade Stalin in 1906. Nothing could be truer today. While in Rondônia the League of Poor Peasants continues to occupy land and wage a firm struggle against the latifundium, even under bloody attack, the peasant movement of Pará has embodied even more strongly the revolutionary spirit of the peasantry mentioned by Stalin.

With the comrades who fell in Pau D’Arco in May, the peasantry of Pará rose up in a combative offensive against the latifundium and the old State, retaking the Santa Lúcia estate in June with the support of the LCP, organizing two peasant congresses—the first in October 2017 and the second in April 2018—as well as continuing to demand punishment for the criminals responsible for the massacre and organizing demonstrations, debates, etc., which united the people of the region in the struggle for land. The LCP stands out for having played an important role in this struggle for land in Brazil in 2017, with occupations in Alagoas, Pará, Rondônia, and Minas Gerais. Many Indigenous and quilombola groups also continue along the path of combativeness despite attacks by the old State and the latifundium. The Brazilian peasantry remains combative, breaking whenever possible with its opportunist leaderships.”⁴⁴

2020–2025: The Pandemic-Era and After

The pandemic exposed and accelerated the structurally determinant contradictions of the capitalist-imperialist system. The period from 2020 to 2025 must therefore be understood as one of rapid condensation, in which long-term tendencies set in motion by the post-2008 restructuring took a more concentrated form. Crisis management deepened the centralization of capital through state coordination, and sharpened the inter-imperialist rivalry over the command of strategic technologies and supply chains. The confrontation between the U.S. and China emerged in this context as an open struggle for control of these circuits of accumulation..

By 2020, any remaining ideological commitment to free-market orthodoxy had thinned substantially. State power and monopoly capital became even more tightly fused and this fusion became the condition for the stabilization of market relations amid mounting volatility. In addition to increasing economic intervention, the expansion of the security state was accelerated during the pandemic. In the United States, this took the form of an immediate response to the George Floyd protest wave, during which the state deployed new forms of policing and military strategy, as well as technological innovation at the level of the federal repressive apparatus to engage in surveillance of dissidents.

This is consistent with our observation of a tendency towards fascistization, described by the Comintern during its 6th congress period in the following terms:

The epoch of imperialism, the sharpening of the class struggle and the growth of the elements of civil war-particularly after the imperialist war-led to the bankruptcy of parliamentarism. Hence, the adoption of “new” methods and forms of administration [...] Under certain special historical conditions, the progress of this bourgeois, imperialist, reactionary offensive assumes the form of Fascism. These conditions are: instability of capitalist relationships; the existence of considerable de-classed social elements, the pauperisation of broad strata of the urban petty bourgeoisie and of the intelligentsia; discontent among the rural petty-bourgeoisie and, finally, the constant menace of mass proletarian action. In order to stabilise and perpetuate its rule, the bourgeoisie is compelled to an increasing degree to abandon the parliamentary system in favour of the Fascist system, which is independent of inter-party arrangements and combinations [...] The combination of social democracy, corruption and active white terror, in conjunction with extreme imperialist aggression in the sphere of foreign politics, are the characteristic features of Fascism. In periods of acute crisis for the bourgeoisie, Fascism resorts to anti-capitalist phraseology, but, after it has established itself at the helm of State, it casts aside its anti-capitalist prattle and discloses itself as a terrorist dictatorship of big capital.⁴⁵

We insist that, against the vacillations of the 7th Congress of the CI which identify fascism principally with terror, the 6th congress description of a combination of state-led economic

intervention (which they label social democracy but which we understand more broadly to refer to a process of corporativization and active industrial policy, *including* social democratic integration of working class demands but not limited to it), corruption and bureaucratic degeneration, the expansion of the repressive apparatus, extreme imperialist aggression, etc. offers a scientific and robust characterization of fascism. But rather than merely being the product of “special historical conditions,” it is clear that the permanent tendency of capitalism-imperialism towards crisis and restructuring—when not interrupted by the revolutionary seizure of power by the working class—also entails a permanent tendency towards the fascistization of the state, such that “[t]o the more and more concentrated monopolies, the bourgeois democracy becomes more and more of an obstacle instead of a means to maintain their dictatorship and apply their politics, and ideologically and politically, in imperialism everything that has been progressive in politics, philosophy, culture and science is abandoned. Faced with the economic, ideological and political crisis, and mainly to confront the proletarian revolution, imperialism launches fascism in an attempt to save its rotten system of exploitation and oppression.”⁴⁶

This general tendency took a concentrated form during the pandemic years. Pandemic-related shutdowns brought about a sudden halt in productive activity and produced a crisis of realization and circulation. Output collapsed, commodity inventories accumulated, consumption contracted sharply, and supply chains fractured across multiple sectors. For a brief interval, the entire structure of imperialism was placed under acute strain.

The imperialist response was without precedent in scope, as central-bank balance sheets expanded dramatically through QE and asset purchasing by the Fed, while corporate debt markets were backstopped, and liquidity was injected into financial institutions on a massive scale. As the Federal Reserve Bank of the US themselves observed,

[T]he size and composition of [the Federal Reserve Bank] balance sheet changed quickly. The size of the balance sheet increased from \$4.3 trillion in mid-March 2020 to a peak of nearly \$7.2 trillion in early June. Then, reflecting, in part, improvements in financial market functioning, the size of the balance sheet decreased to a bit under \$7 trillion as of August 12. The size of the balance sheet relative to nominal gross domestic product (GDP) currently stands at about 35 percent, a level not seen since World War II.⁴⁷

At the same time, the Federal Reserve introduced the Primary and Secondary Market Corporate Credit Facilities (PMCCF and SMCCF), marking the first occasion on which the Fed committed to purchasing corporate debt through both bond issuance and secondary-market operations in order to stabilize a corporate debt market destabilized by the pandemic shock.⁴⁸ Comparable measures were adopted within the Eurozone, where the European Central Bank launched the Pandemic Emergency Purchasing Programme, initially valued at approximately €750 billion and expanded to more than €1 trillion by 2022.⁴⁹

These interventions fulfilled a clear class function: the preservation of the financial methods through which imperialism exports capital, even under conditions of severe disruption to production and realization of capital.

As a result, despite the scale of the shock to real production generated by lockdowns and supply-chain dislocation the mechanisms of capital accumulation continued to operate. The financial architecture of imperialism was insulated from systemic collapse. Nevertheless, the pandemic exposed the fragility of the “globalized” supply-chain regime that had characterized the 1990s and 2000s, which fractured under the pressure of the crisis.

The specific demands on production due to the pandemic itself, as well as the general shifts in capital composition described in the preceding sections of this document, meant that in addition to semiconductors, REMs, and energy logistics, medical equipment and pharmaceuticals emerged as focal points of national concern. The neoliberal rhetoric of frictionless global circulation gave way to a more sober ideological assessment on the part of the bourgeoisie (which the MCU has elected to characterize as “neomercantilist”). .

Quoting the Biden White House,

[T]he Administration is taking immediate action to address vulnerabilities and strengthen resilience with the launch of a new effort aimed at addressing near-term supply chain disruptions. And, pursuant to E.O. 14017, it is crafting strategies for six industrial bases that underpin America’s economic and national security, which will be completed within a year. The supply chain reviews reinforce the need for the transformative investments proposed in the President’s American Jobs Plan.

These efforts are critical because, as the COVID-19 pandemic and resulting economic crisis have shown, structural weaknesses in both domestic and international supply chains threaten America’s economic and national security. While amplified by the public health and economic crisis, decades of underinvestment and public policy choices led to fragile supply chains across a range of sectors and products. Unfair trade practices by competitor nations and private sector and public policy prioritization of low-cost labor, just-in-time production, consolidation, and private sector focus on short-term returns over long-term investment have hollowed out the U.S. industrial base, siphoned innovation from the United States, and stifled wage and productivity growth.⁵⁰

In response, two processes unfolded simultaneously. As the imperialist powers began reshoring or near-shoring strategic production—particularly in semiconductors, batteries, and pharmaceuticals⁵¹—the semi-colonial countries were increasingly positioned as sites for intensified extraction in low-value segments of production. Western corporations pursued cost arbitrage in these regions while simultaneously attempting—and largely failing!—to reduce strategic dependence on China.

The “Minerals Security Partnership” provides a particularly stark illustration of this tendency. As its mandate explains, “[c]reating diverse, secure, and sustainable supply chains for critical minerals is vital to deploying [new technologies] at the speed and scale necessary to ensure continued American prosperity.”⁵² Established in 2022, the MSP aims to stabilize raw-material supply chains for American capital by accelerating extractive development through policies that encourage “investment throughout the value chain” in “reputable” mining companies.⁵³

Comparable shifts in participation and positioning within global value chains have been documented by the bourgeois academic press. One such analysis observes that:

“Over the [2015–2022 period], Malaysia, Viet Nam, and Hong Kong SAR display steadily rising GVC participation alongside declining upstream positioning—indicative of deepening specialization in downstream segments such as component integration and final assembly. However, between 2018 and 2020, participation levels dipped notably, reflecting the impact of U.S.–China trade tensions and pandemic-induced supply shocks, as well as potential reshoring responses within the U.S. market. For Viet Nam and Thailand, the pattern shifts markedly after 2022: participation drops sharply while position indices rise, suggesting a partial upstream relocation. This shift may be driven by supply chain realignment or demand-side adjustments under prolonged geopolitical and trade uncertainties.”⁵⁴

These developments contrast with the conditions confronting U.S. imperialism at the onset of the pandemic. China entered the crisis with a domestic economy already reshaped by its post-2008 response and with a globally expanded presence resulting from intensified industrialization and capital accumulation exported through the Belt and Road Initiative.

This positioning enabled the Chinese ruling class to use the pandemic shock both to stabilize domestic circuits of capital accumulation and also to deepen international influence. China extended credit, medical supplies, and logistical support to countries largely abandoned by Western powers during the crisis. At the same time, it accelerated BRI-linked infrastructure projects, reinforcing long-term dependency relations and securing stable channels for capital export, while expanding control over strategic inputs (such as rare earth minerals in the Congo) and consolidating their command over key shipping logistics routes.

China’s capacity to maintain industrial production while Western economies underwent prolonged lockdowns reinforced its role as an indispensable hub for global manufacturing. This reality further exposed the extent of global dependence on Chinese productive capacity and intensified U.S. concerns over the erosion of technological and industrial leadership.

Under these conditions, U.S. strategy shifted toward the explicit containment of China’s ascent, displacing the earlier priority of stabilizing the financial organization of imperialism as such. This transition clarifies the process obscured by the MCU’s “neomercantilism” thesis,

which addresses the problem only at an epiphenomenal level. The disintegration of the “neoliberal” organization of accumulation represents the structural expression of imperialism’s underlying contradiction within a conjuncture shaped by a renewed inter-imperialist collision.⁵⁵

This period marked the most explicit confrontation between imperialist powers since the Cold War: the Russian imperialist invasion of Ukraine and the mobilization of the military-industrial capacity of the NATO-aligned imperialists to maintain access to the Ukrainian market and shore up defense infrastructure in Eastern Europe. The normalization of open armed conflict has enabled a process of military-industrial rearmament, reactivating a sector that had remained relatively dormant and generating substantial productivity gains (numbering in the multiple trillions of dollars in defense contracts in the United States alone) through direct state intervention.⁵⁶

The defining feature of this period, however, has been the near-total fusion of state apparatuses with monopoly capital across the imperialist world. State-backed industrial policy directing investment toward strategic sectors has become commonplace in both the United States and China. Centralized coordination of technological development alongside the expansion of security-state functions that integrate economic surveillance with imperialist military strategy, has increasingly defined the dominant trajectory. This is consistent with the position of Mariátegui “who in “Figuras y aspectos de la vida mundial” [“Figures and Aspects of World Life”--TRANS.], when talking of H.G. Wells, tells us that the bourgeois State goes through a process of development and that it is this process that leads to a fascist and corporative system.”⁵⁷

Taken together, these developments reveal a tendency that has been unfolding since 2008: capitalist reproduction under imperialism increasingly depends on deepened state intervention, as the contradictions of overaccumulation demand politically enforced outlets for surplus capital, structurally guaranteed profits for monopolies, and intensified plunder of the semi-colonial, semi-feudal world.

The main trends of increasing state intervention, increasing proximity between finance capital and the state, and escalating armed confrontations between states—all of which are determined in the last instance by the class contradiction at the capitalist-imperialist system’s heart, and proximately by the intensification of the competition between Chinese and American capital, which has sharpened the contradiction between the oppressed nations and imperialism—forecast a certain “chaos under heaven.” In the imperialist countries, the tide of fascist reaction is rising, as the capitalists, desperate to maintain their rule, liquidate the illusions of parliamentary democracy, auction off the state apparatus to private enterprise, and unleash chauvinistic terror on the masses. In the oppressed

countries, the collision between imperialist capitals means massacre for the people unless opposed by a national-democratic united front led by the revolutionary proletariat.

CONCLUSION: ON THE INVASION OF VENEZUELA

Since the victory of the “Bolivarian Revolution” (that is, the election of Hugo Chavez on an ostensibly socialist platform in 1998), U.S. imperialism has waged systematic economic war against Venezuela. Sanctions, asset seizures, financial exclusion, and restrictions on oil exports were designed to collapse state revenues, discipline labor, and force political capitulation. These measures formed part of a broader strategy of crisis export, shifting the burdens of imperialist overaccumulation onto an oppressed country and disciplining its attempts to break from the U.S. sphere of domination.

The recent attack represents an escalation along this same trajectory, undertaken once financial pressure alone proved insufficient to force the Chavista government to heel.

Yet the endurance of the Venezuelan state under sanctions did not correspond to an anti-imperialist orientation on the part of the Chavista government in any substantive sense (regardless of the rhetoric of the Chavez and Maduro governments). Rather, it reflected the consolidation of a bureaucratic-capitalist regime, one which, after the formation of the 5th Republic of Venezuela, had stabilized itself through repression and the management of scarcity. Indeed, even the chief theorist of the so-called “Socialism of the 21st Century” outlook (alleged to characterize the Bolivarian Revolution) Heinz Dietrich, former advisor to the Chavez government, had disavowed the Chavista government by 2013:

“Since the arrival of Bolivarianism to power (1999) in Venezuela, there has never been any socialist economic measure: neither of 20th-century Socialism nor of 21st-century Socialism. The political-economic model developed by Hugo Chávez after 2003 was never more than a progressive developmentalism, similar to the first government of General Perón. Already exhausted by 2010, it entered Perón’s second stage: growing erosion and the path toward the abyss. The Guayana Socialist Plan, Workers’ Control, the Communes...are nothing more than chimeras in a capitalist market economy such as Venezuela’s. Now all this fantasy implodes...”

“The policy of Maduro and Cabello is due to the foolish attempt to prolong Hugo Chávez’s political-economic model, already structurally exhausted in 2010. As the model had nothing of socialism, the Commander [e.g., Chavez – trans] never had the intention of destroying the bourgeoisie. He only wanted it to accept the legality of his government. Like Perón, Correa, Evo et al. Therefore, in the face of every serious conflict he yielded and sacrificed his lieutenants (Samán, Vielma Mora, etc.).”⁵⁸

Under Maduro, the Venezuelan state responded to imperialist pressure by imposing austerity on the masses, criminalizing labor struggle, suppressing independent popular organization, and constructing a security apparatus packed with military elites and bureaucrat capitalists. Such is the content of revisionism: a regime that speaks in the language of socialism while disciplining the working class in practice.

For example, as even the right-opportunist PCV (Tribune of the People) describe,

“During Nicolás Maduro’s term, some of the historical gaps that allowed the popular sectors to confront internal financial capitalism have been affected, even before the deepening of imperialism’s unilateral coercive measures (the so-called “sanctions”).

Many of the setbacks in wages and social welfare date back to the five-year period from 2013 to 2018, a time when Washington had not yet implemented its policy of maximum pressure on Caracas. During that period, average oil production exceeded 2.1 million barrels per day and crude oil prices remained above \$69 per barrel.

In addition, more than \$71 billion was paid to international financial creditors, despite the Venezuelan state’s likely exclusion from the global financial system and the SWIFT payment system, scenarios that were well known at the time.

Although Memorandum No. 2792 of the Ministry of Labor was drafted at the end of 2018, it only confirmed and formalized what workers had been experiencing since at least 2014: a progressive and sustained decline in their ability to influence wage discussions and the election of their union representatives. Thanks to this mechanism, at the time of writing this article, the official wage in Venezuela (130 bolivars) is equivalent to less than one euro, according to the official index of the Central Bank of Venezuela (BCV).”⁵⁹

Despite this limited anti-imperialism of the Bolivarian state, the Venezuelan masses have consistently taken up *genuine* anti-imperialist politics in their armed resistance to U.S. intervention, such as the popular movement responding to the arrest of Hugo Chavez during a U.S.-backed coup attempt in 2002, or the mass mobilizations in response to the attempts by the U.S. to install their puppet Juan Guaidó in 2019. While neither of these instances corresponded to a proletarian socialist impulse in the mass movement *as such*, they—and the weakness of the organized *left* opposition to Chavista revisionism (pro-U.S. reactionary ‘opposition’ forces notwithstanding, although such forces are even more marginal)—indicate a not-insubstantial level of mass support for Chavismo which should be taken seriously and which is, to our view, irreducible to a vulgar ‘false consciousness’ linked to its nationalist rhetoric.

The *comunas* system, an innovation of the Chavista “21st Century Socialism” project, offers an interesting (albeit peculiar) window into the often vacillating relationship between the organized, advanced layers of the Venezuelan masses and the state:

Concretely speaking, Venezuela’s communes bring together communal councils—local units of direct democratic self-government—with productive units known as social production enterprises. The latter can be either state-owned or, more commonly, directly owned by the communes themselves. Direct ownership means that it is the communal parliament itself—composed of delegates from each council—that debates and decides what is produced, how much the workers are paid, how to distribute the product, and how best to reinvest any surplus into the commune itself.

[...]

[T]he majority of the state apparatus is openly hostile to communal power. This is especially true of local elected officials—Chavistas very much included—who positively loathe these expressions of grassroots democracy that cut into their territory and resources and threaten their legitimacy as leaders. Thus while many local leaders wear Chavista red while mouthing the words of popular participation and revolution, in practice they routinely attack, undermine and obstruct the most participatory and revolutionary spaces in Venezuelan society today.

Ángel Prado, a spokesperson for the sprawling El Maizal commune in the central-west of the country that today cultivates 800 hectares of corn, explains how the history of the commune is a testament to the tense relations between communal power and the state. It took grassroots pressure for Chávez to throw his weight behind these *comuneros* by expropriating the land, but even when he did so, the lands passed into the hands of the state agricultural corporation.

Organizers were left wondering, “why is the state here if this belongs to the commune?” and had to undertake a second struggle against the “revolutionary” state. By organizing themselves and nearby communities and by proving they could produce even more effectively than corrupt bureaucrats, El Maizal eventually gained the support of Chávez to take over the land for themselves. But even today, Prado argues that local Chavista leaders and the PSUV represent their “principal enemies,” and are actively attempting to “extinguish the commune.” “We *comuneros* share very little with the governing party,” he insists.”⁶⁰

Geo Maher, the author of the above passage, an anarchist-aligned ex-academic from the U.S., is certainly enthusiastic about the *comunas* as the source for a left opposition to Chavismo, but their consistent claim that “Chavismo did not produce the *comunas*” obscures an important dynamic process. Maher dismisses as “paper formalization” the legislative creation of the *comunas* system in 2006 (and again in 2010, when the Organic

Law of the Communes imposed the model as the cellular structure of the Venezuelan municipal government), but these are instances with which we need to engage in order to understand the relationship between this system and the state. That is, like the decision during the waning days of the Cultural Revolution's first period to merge the mass organizations with the state apparatus, initially during the imposition of the Three-in-One committees in 1968 and then again during the February Countercurrent in 1969, the formal integration with the state of mass organizations ostensibly charged with safeguarding revolutionary gains forecloses their capacity to intervene *against the state* when it is the state apparatus itself facilitating the counterrevolution.

While the relative autonomy of the *comunas* make them *potential* spaces for contestation between the masses and the Chavista government, as Maher attests, it is equally true that their partial fusion with the bureaucracy has facilitated recuperation of oppositional forces (both left and right) by the state. See for example their role in the 2010 and 2013 elections as examples of this process. Maher's claim that the state apparatus is "hostile" to communal power paints with too broad a brush.

Energy remains a central question of the relationship between Venezuela and imperialism. Venezuela's vast hydrocarbon reserves represent a strategic prize at a moment when energy security has become a core concern for imperialist states confronting supply-chain fragmentation. Control over oil rents, export routes, and currency denomination remains inseparable from the reproduction of imperialist power. U.S. capital's partial exclusion from these rents generated mounting pressure for escalation, particularly in light of the relatively strong performance of the Venezuelan economy (compared to the rest of Latin America)⁶¹ from 2022-2024:

"The Trump administration sees significant potential for its own energy prospects in Venezuela's reserves.

Increasing the country's production of oil would be expensive for US firms. Additionally, Venezuelan oil is heavy and more difficult to refine. There is only one US firm, Chevron, currently working in the country.

Asked for comment about Trump's plans for US oil production in Venezuela, Chevron spokesman Bill Turenne said the company "remains focused on the safety and wellbeing of our employees, as well as the integrity of our assets".

"We continue to operate in full compliance with all relevant laws and regulations," Turenne added.

ConocoPhillips, a major US oil company that no longer has a presence in Venezuela, "is monitoring developments in Venezuela and their potential

implications for global energy supply and stability", said spokesman Dennis Nuss."⁶²

The role of Russian and Chinese imperialism must also be addressed without illusion. Over the past decade, both powers expanded their economic and strategic presence in Venezuela (e.g., through loans, energy deals, arms transfers, infrastructure projects, etc.). China Concord Resources Corp's Lake Maracaibo project, and the Anhui Erhuan Petroleum Group JV and Kerui Petroleum JV projects in the Acema, Oritupano-Leona and Mata fields and in the Ayacucho 2 block in the Orinoco Belt all rival the role played by Chevron in controlling petroleum exploitation.⁶³ In November 2025, coinciding with escalations from the U.S. imperialists, Venezuela's National Assembly approved a 15-year extension of the joint ventures between state company PDVSA (the Venezuelan state-run petroleum corporation) and a unit of Russia's Roszarubezhneft corporation to operate oilfields in the south.⁶⁴

Penetration of the economy by foreign capitalists certainly does not strengthen Venezuelan self-determination! Chinese credit arrangements tied oil exports to debt repayment, locking Venezuela into extractive channels under new management.⁶⁵ Russian involvement reinforced militarization and security cooperation.⁶⁶ Together, they propped up the ruling bureaucrat-capitalist and comprador bloc while binding Venezuela to circuits of accumulation which, while rival to Yankee imperialism, are imperialist all the same, resulting in the outflow of resources and profits from Venezuela (and which could be put to use for the benefit of the Venezuelan people) to the balance sheets of multinationals.

Venezuela has thus for years been a terrain of inter-imperialist contention, where competing powers struggle over resources and strategic positioning. The Chavista leadership functioned as a broker within this struggle, extracting rents by maneuvering between the rival imperialist capitals while suppressing domestic resistance. The masses were offered nationalist rhetoric in exchange for declining living standards and repression:

"Chavismo verbally confronts the Yankees while remaining tied to the export of oil to North American imperialism and surrendering itself hand and foot to Russian and Chinese imperialism. In fact, Venezuela is a ring in which the various imperialist blocs confront one another, which, as in other parts of the world, incite internal wars in several countries—Syria, for example—or confrontations between countries in certain regions. The United States attacks the Venezuelan government with its lieutenants in the region by establishing an economic and political blockade in order to seek to suffocate Maduro and re-establish an openly pro-Yankee government, and, if necessary, to move toward military intervention; that was the mission of the recent tour of the U.S. Vice President, of the meeting of 12 foreign ministers held in Lima on August 8, and of the recent military exercises and strengthening of the gringo army in its bases, especially in Peru and Colombia. The Russians lead the counterpart by providing military backing to the Maduro government, and bind it through economic support, as in the recent case

of the landing of 30,000 tons of wheat, as part of a plan of 600,000 tons for the remainder of the year. A favor that is in no way unconditional, since it entails strengthening Venezuela's dependence on the Russian empire."⁶⁷

The recent U.S. attack must therefore be understood within a broader shift in imperialist strategy. As state-capital fusion deepens, military force is increasingly integrated into accumulation management itself. Armed intervention now complements traditional neoliberal restructuring as a means of resolving accumulation blockages. The invasion illustrates how imperialism responds when neither financial discipline nor proxy alignment guarantees control.

For the Venezuelan masses, the consequences have been devastating. The most recent wave of U.S. intervention has compounded the destruction already wrought by the preceding decade of sanctions and the plunder of the country by the bureaucrat-capitalists under the Maduro administration. If Chavismo survives the current crisis in any measurable form, we do not doubt that its response will be to tighten domestic repression and further consolidate its relationships with Chinese and Russian capital to counter U.S. influence; a tiger will not change its stripes. On the other hand, if the U.S. intervention succeeds in destabilizing the country, the further penetration of the economy by American imperialism will result in the same outcome: privatization of the handful of remaining SOEs, austerity, and redoubled dependency on foreign capital. Workers and peasants will bear the cost regardless of which bloc gains advantage. Consequently, the courageous resistance of the Venezuelan people will play the decisive role in the future path of the country: it is abundantly clear that the project of "21st Century Socialism" has run its course, and only the overthrow of the imperialists and their comprador lackeys through people's war and new democratic revolution can vouchsafe the interests of the oppressed masses of Venezuela.

Neither the revisionist aligned "opposition" parties nor the hollow shell of the Bolivarian revolution can provide the organizational vehicle for such a struggle; only a revolutionary communist party organized on the basis of Marxism-Leninism-Maoism can take up this historic duty, but the liquidation by the counter-revolutionary forces of the existing Venezuelan mass organizations, revisionist-led or not, runs counter to this goal, and in this it is irrelevant whether those counter-revolutionary forces are bought by the Americans or the Chinese. Consequently, so-called "anti-revisionists" who refuse to take up the defense of the national sovereignty of Venezuela against imperialist aggression make the same error as those who refuse to criticize the betrayals of the masses orchestrated by Chavismo. While U.S. imperialism remains the main enemy, enforcing its will on the people of Venezuela through the exercise of its unmatched military reach., opposition to U.S. aggression cannot collapse into implicit support for rival imperialisms that merely seek a larger share of the spoils extracted from the people.

Ultimately, however, such support and such criticism is of little value given the present weakness of communist forces worldwide. Thus this moment clarifies the tasks of genuine anti-imperialists in the United States and the imperialist countries: in the last analysis, proletarian internationalist solidarity with the courageous masses of Venezuela, who have already taken to the streets to resist U.S. imperialism, demands *the revolutionary overthrow of the capitalist-imperialist system itself*. Nothing else will stop its bloodthirsty pursuit of profits. To do so requires the construction of a revolutionary communist party on the basis of Marxism-Leninism-Maoism which can lead the masses in the armed struggle for power. Today, that is our task—to raise high the bright red banner of proletarian revolution and fight for socialism.

We conclude with a quotation from the comrades of the Colombian Unión Obrera Comunista (MLM):

The working masses and the authentic revolutionaries of the world must firmly oppose direct military intervention in Venezuela, and unite with the Venezuelan people so that, under the present circumstances, they raise high the banners of proletarian revolution; so that communists advance in the construction of a powerful revolutionary Communist Party in that country, leading the proletariat in alliance with the peasantry toward the seizure and destruction of the current State falsely called socialist, and, on the basis of the genuine general arming of the people, build a true State governed by workers and peasants and give real free rein to the construction of Socialism.⁶⁸

**DOWN WITH CAPITALISM-IMPERIALISM!
YANKEES OUT OF VENEZUELA AND THE WHOLE WORLD!
LONG LIVE PROLETARIAN INTERNATIONALISM!
PEOPLE'S WAR UNTIL COMMUNISM!**

- 1 O'Connell, 'Neomercantilism, the U.S. Election and Debates Among the Bourgeoisie.' 2024. All further quotations in this section reference this document unless otherwise noted.
- 2 In fact, the authors go so far as to claim, in an aside, that the objectives of this intervention are to place Latin America under the heel of "Israel and the U.S." This fascinating decision to treat Israel as the key imperialist power is indicative of a vacillation in political line from the right-opportunist camp, who had previously gone so far as to oppose the armed resistance in Palestine and claim that Israel is a "legitimate nation" in a document published by their student front titled 'Statement on the Genocide in Palestine.' In light of the absence of *any* additional documents on the Palestinian national question from the MCU (and given that the extent of their theoretical account of imperialism or the national question in general is limited to the neomercantilism document under review here), we do not intend to seriously interrogate the implied position that Israel is a major imperialist power in its own right rather than a junior partner to U.S. imperialism; we take for granted that our readers appreciate the absurdity of such a claim, given that the Israeli settler-colonial economy and its military apparatus are openly subsidized by foreign capital inflows and tech transfer.
- 3 Marx, *Capital* Volume 1, Ch. 25
- 4 Lenin, "Imperialism: The highest stage of capitalism."
- 5 Marx, *Capital* Volume 3, Ch. 22
- 6 *ibid.*
- 7 *ibid.*
- 8 Jeidel, "The Relationship Between the Major German Banks and Industry, with particular attention to the Iron Industry." Quoted in Lenin, "Imperialism, the highest stage of capitalism."
- 9 Peru People's Movement (Reorganization Committee), "Notes on the process of bureaucrat capitalism in the Third World countries." 2014.
- 10 c.f. UNCTAD, "Global Foreign Direct Investment now in decline -- and estimated to have fallen during 2008." 2009.
- 11 *Imperialism*, *op cit.*
- 12 Committee on the Global Financial System, for the Bank for International Settlements. "Changing patterns of capital flows." 2021.
- 13 Federal Open Market Committee press statement, 18 March 2009.
- 14 Research Institute of Economy, Trade and Industry, "China's Reaction to the Global Economic Crisis." November 2009.
- 15 IMF Staff Report for 2010 Article IV Consultation with the PRC. July 2010.
- 16 c.f. Hector Cordéro-Guzman, "Main Stream Support for a Mainstream Movement," on Occupywallst.org for a decent demographic study of the OWS movement.
- 17 c.f. "Extended Mass Layoffs in 2008." U.S. Bureau of Labor Statistics. June 2010.
- 18 While the practical limits of Occupy-era horizontalism and consensus-based organizing are largely self-evident, we note that simply dismissing the forms which emerged during this era out of hand is an insufficient orientation. We are tasked with studying the real conditions which gave rise to the "General Assembly" model and taking seriously the questions which these structures attempted to answer, even if we arrive at divergent conclusions. The insistence among certain circles in our tendency to mechanically reproduce "democratic centralist" "mass" organizations composed of a handful of their own activists is indicative of the primitiveness which dogs the anti-revisionist trend, and studying the practical work of a contemporary political movement which *objectively* mobilized thousands of activists for struggle is a paramount task in overcoming that primitiveness.
- 19 Matthew Edwards, "Insurrection, Oakland Style: A history." Viewpoint Magazine, October 2011.
- 20 KKEml International Relations Bureau, "The Situation in Greece: The people and the working class of Greece struggle for the overthrow of imperialist brutality and subjugation." February 2012.
- 21 c.f. SYRIZA, as well as the Popular Resistance - Left Anti-Imperialist Cooperation electoral coalition which absorbed even the anti-revisionist Greek communists like the KKEml into its parliamentary alliance.
- 22 *op cit.*
- 23 Eichengreen and Gupta, 'Tapering talk: The impact of expectations of reduced Federal Reserve security purchases on emerging markets.' *Emerging Markets Review* v. 25, December 2015.
- 24 "India's rupee hits another record low against US dollar." *The Guardian*, 21 August 2013.

- 25 CPI Maoist, “Call of the Central Committee,” September 21 to 27, 2013. In *Maoist Information Bulletin* #28, July-December 2013.
- 26 c.f. Reuters, “FACTBOX: India’s Measures to Support the Rupee in 2013.” 24 July 2013.
- 27 The trend of retrenchment of private credit issuance corresponded to an increasing role played by state-issued credit following the post-crisis QE policies of the Federal Reserve Bank. Similarly, the post-2008 period saw a collapse in bank-issued credit vs. private lending by, e.g., hedge funds and other non-bank financial actors. See ‘Changing patterns...’ op cit.
- 28 CPI Maoist op cit
- 29 Unidade Vermelha – Liga da Juventude Revolucionária “5 anos de Junho/Julho de 2013; 5 anos de Unidade Vermelha!” June 2018. Translation ours.
- 30 c.f. ‘Changing patterns...’ op cit.
- 31 Peru People’s Movement (Reorganization Committee), “Notes on the process...” op cit.
- 32 See for example the Greek bailout, through which the IMF forced an austerity program on Greece, demanding privatization of SOEs established by SYRIZA, slashed social expenditure, and labor law reform (as well as broader market deregulation). c.f. “Structural Reforms in the Euro-Zone: An IMF Perspective.” IMF. 2017. This should be understood in contradistinction to the perception—common on the social democratic left—that conditionality frameworks to enforce austerity policy have been abandoned as strategy by the multilateral organizations.
- 33 Communist Party of India (Maoist), “China: A Modern Social-imperialist Power.”
- 34 c.f. ‘Delivering the Belt and Road: Decoding the supply of and demand for Chinese overseas development projects.’ AIDDATA (William and Mary College). 2022.
- 35 International Labor Organization, *Viet Nam’s electronics supply chain: Decent work challenges and opportunities*. 2022 The example herein is also indicative of the shift towards the “China plus One” orientation of MNIs invested in productive enterprise,
- 36 c.f. McKinsey & Co (a “consulting” firm operating in the MNI GVC management space), ‘What’s next for Bangladesh’s garment industry, after a decade of growth?’ March, 2021. Ready-made garment exports from Bangladesh more than doubled, from \$14.6 billion in 2011 to \$33.1 billion in 2019.
- 37 c.f. Bloomberg, ‘China is turning Ethiopia into a Giant Fast-Fashion Factory.’ 2018. The \$10b Hawassa Industrial Park venture was funded by BRI, part of an industrialization project that displaced thousands of farmers.
- 38 c.f. John VerWey, ‘Policy Brief: Re-shoring advanced semi-conductor packaging.’ (Center for Security and Emerging Technology. June 2022.) for a description of this trend from the perspective of the bourgeoisie, principally as it interacts with the later CHiPS act passed by the Biden administration.
- 39 c.f. Millot and Rawdanowicz, “The return of industrial policies: Policy considerations in the current context.” OECD Economic Policy Papers, No. 34, May 2024. Associated figure from Juhasz, Lane, Oehlsen and Perez, “The Who, What, When, and How of Industrial Policy: A Text-Based Approach,” November 2022, cited in Millot.
- 40 ‘On fascism: Reaction all along the line.’ Sol Rojo #36. Our emphasis.
- 41 PCP (Central Committee), “Let Us Retake Mariátegui and Reconstitute his Party!” October 1975. It goes without saying that, following the victory of the capitalist raiders in 1976, the Chinese social formation has followed the same tendency: indeed, by virtue of the state planning capacities of the pre-76 period, China’s revisionist bourgeoisie has been even more successful in fusing itself with the state than would’ve been possible in the United States or Europe. Domestically, China is a social-fascist power; internationally, a social-imperialist one.
- 42 El Pueblo (organ of the Chilean Union of Revolutionary Communists, Marxist-Leninist-Maoist), “El pueblo de Chile se levanta.” November 2019. Translation ours.
- 43 CPI Maoist Central Committee, “Hail the growing wave of peasant’s agitations in the country!” 2017.
- 44 A Nova Democracia, “Guerra civil reacionária amplia morte de camponeses, atesta CPT.” 2018. Our translation.
- 45 “The General Crisis of Capitalism and the First Phase of World Revolution.” The Programme of the Communist International. Comintern Sixth Congress 1929
- 46 Sol Rojo op cit. We find it valuable to distinguish between the *ideological expressions* of fascism as a historical tendency of capitalist development (e.g., the fascist parties and organizations themselves, or the fascist ideological register of certain politicians and movements) and that tendency itself; social-fascism

- and Chinese social-imperialist revisionism are no less fascist than, e.g., the 'Traditionalist Workers Party,' and failing to maintain this distinction occludes our capacity to identify fascism with structural shifts in the bourgeois state which are agnostic to the particularities of the parties in power.
- 47 Board of Governors of the Federal Reserve System, "Federal Reserve Balance Sheet Developments." August 2020.
- 48 c.f. *Annual Report of the Board of Governors of the Federal Reserve System 2020*. Some of the efforts taken by the Fed during this period which were allegedly intended to retrench US economic stability against spillovers from foreign market collapse also mobilized dollar liquidity to secure US imperialist hegemony during the pandemic shocks, using mechanisms we developed above.
- 49 ECB, 'The monetary policy response to the pandemic emergency.' May 2020.
- 50 "FACT SHEET: Biden-Harris Administration Announces Supply Chain Disruptions Task Force to Address Short-Term Supply Chain Discontinuities." June 2021.
- 51 e.g., the CHIPS Act in 2022, which was mirrored in Europe with the European Chips Act in 2023.
- 52 U.S. Department of State, 'Minerals Security Partnership.'
- 53 Membership rolls of the MSP show a rogues gallery of Euro-American imperialists and their regional partners, as well as a host of semi-colonial states in 'MSP Forum' status (meaning that they lack formal partnership in the program; they are the targets of extraction rather than its beneficiaries): full members include Australia, Canada, Estonia, Finland, France, Germany, India, Italy, Japan, Norway, the Republic of Korea, Sweden, the United Kingdom, the United States, and the European Union (represented by the European Commission), while 'Forum' members include Argentina, Democratic Republic of the Congo, Dominican Republic, Ecuador, Greenland, Kazakhstan, Mexico, Namibia, Peru, Philippines, Serbia, Türkiye, Ukraine, Uzbekistan, and Zambia.
- 54 Luo, Kang, Di, 'Global Supply Chain Reallocation and Shift under Triple Crises: A U.S.-China Perspective.'
- 55 The United States and China were not the only actors in the restructuring process. Secondary imperialist powers—e.g., Germany, Japan, France, South Korea—found themselves caught within a structural dilemma: align with the U.S. and sacrifice economic gains tied to the Chinese market, or maintain ties with China and risk exclusion from U.S.-dominated technological, military, and financial networks. The result has been a fragmented imperialist camp, with each state attempting to maximize its own autonomy while avoiding total dependence on either of the two leading powers. Some comment on the role of Russia during this period is also merited, given the dimensions of the conflict over Ukraine.
- 56 c.f. Quincy Institute for Responsible Statecraft, "Profits of War: Top Beneficiaries of Pentagon Spending, 2020 – 2024."
- 57 "Interview with Chairman Gonzalo." *El Diario*.
- 58 Heinz Dietrich, "Sólo un radical cambio del modelo económico y del gabinete, salvará al gobierno venezolano." *aporrea*. October 2013. Our translation.
- 59 PCV (Tribune of the People), "US capital in the Venezuelan economy: Where should an anti-imperialist strategy be directed?" November 2025. We note that despite their split from a Maduro-aligned faction in 2022-23, the PCV (Tribune of the People) remain a decisively revisionist organization aligned with the Khrushchevite KKE-led international; this inflects their account of the crisis, since they underplay the role of Chinese and Russian capital penetration as a matter of course.
- 60 Geo Ciccariello-Maher, "Venezuela: ¡Comuna o Nada! Chavismo at the Crossroads." *Roar Mag* #1. 2016.
- 61 "Venezuela economy grew over 9% in 2024, president says." Reuters. January 2025.
- 62 Kayla Epstein, "Trump claims US oil firms could be 'up and running' in Venezuela within 18 months." BBC News. 6 January 2026.
- 63 c.f. S&P Global, "Venezuela awards two Chinese companies oil production JV contracts." July 2024.
- 64 c.f. Mayela Armas, "Venezuela approves 15-year extension of Russia-linked oil joint ventures." Reuters. November 2025.
- 65 c.f., Reuters, "China says Venezuela can 'appropriately' handle debt load." November 2017. At the time, China owned \$23b in Venezuelan debt.
- 66 c.f. Reuters, "Putin and Venezuela's Maduro sign strategic partnership agreement in Moscow." May 2025. See also plans for the construction of an industrial facility owned by Kalashnikov in Venezuela.
- 67 UOCmlm, "Crisis in Venezuela: Neither Chavismo nor the Opposition—Revolution Is the Only Solution!" September 2017.
- 68 "Imperialists and reactionaries out of Venezuela!" March 2019.