

BRICS

An Anti-Capitalist Critique

edited by
Patrick Bond and Ana Garcia



First published in southern Africa by Jacana Media (Pty) Ltd in 2015

10 Orange Street
Sunnyside
Auckland Park 2092
South Africa
+2711 628 3200
www.jacana.co.za

© Individual contributors, 2015

All rights reserved.

ISBN 978-1-4314-2146-6

Cover design by publicide
Set in Stempel Garamond 10/14pt
Printed and bound by Creda Communications
Job no. 002467

Also available as an e-book:
d-PDF 978-1-4314-2287-6
ePUB 978-1-4314-2288-3
mobi file 978-1-4314-2289-0

See a complete list of Jacana titles at www.jacana.co.za

Contents

| | |
|--|------|
| List of contributors | vii |
| List of abbreviations | xiii |
| 1. Introduction | |
| <i>Ana Garcia and Patrick Bond</i> | 1 |
| Part 1: Sub-imperial, inter-imperial or capitalist-imperial? | |
| 2. BRICS and the sub-imperial location | |
| <i>Patrick Bond</i> | 15 |
| 3. Sub-imperialism, the highest stage of dependent capitalism | |
| <i>Mathias Luce</i> | 27 |
| 4. BRICS, capitalist-imperialism and new contradictions | |
| <i>Virginia Fontes</i> | 45 |
| 5. BRICS, the G20 and the American Empire | |
| <i>Leo Panitch</i> | 61 |
| 6. Capitalist mutations in emerging, intermediate and peripheral neoliberalism | |
| <i>Claudio Katz</i> | 70 |
| Part 2: BRICS 'develop' Africa, Latin America and Eastern Europe | |
| 7. BRICS corporate snapshots during African extractivism | |
| <i>Baruti Amisi, Patrick Bond, Richard Kamidza, Farai Maguwu and Bobby Peek</i> | 97 |
| 8. The story of the hunter or the hunted? Brazil's role in Angola and Mozambique | |
| <i>Ana Garcia and Karina Kato</i> | 117 |

Sub-imperialism, the highest stage of dependent capitalism

MATHIAS LUCE

Based on Ruy Mauro Marini's theses developed within the Marxist Dependency Theory school of thought, this chapter uncovers the foundations for a global theory of sub-imperialism by tackling each level of abstraction that makes up the total phenomenon.¹ Sub-imperialism is considered the result of the laws of dependent capitalism in combination with the world economic system configured by post-World War II capital movements. The arrival of a few socio-economic formations at the highest stage of dependent capitalism along with the rise of intermediate links in the imperialist chain made room for a new hierarchical level in the global order. In this way these formations turn into countries that do not just transfer surplus value to imperialist centres but also succeed in appropriating weaker countries' surplus value by displacing some of the contradictions specific to dependent capitalism. And they develop a policy of antagonistic cooperation with the dominant imperialism.

Ever since imperialism's advent as the highest stage of capitalism, Marxist theorists have sought to define the nature of distinct socio-economic formations in a hierarchically differentiated world system. After the Third International's debates, Marxist vocabulary classified countries as imperialist, colonial and semi-colonial. With the transformations that capitalism underwent in the crisis brought on by the world wars and the decolonisation process, the theory of imperialism had to address the new reality. Terms such as *neo-colonialism* (Nkrumah 1966) and *imperialism without colonies* (Magdoff 1978) were used to express the new type of domination exercised by imperialist powers.

At another level of analysis – that of the historic-concrete formations subject to imperialist relations – the word *dependency*, devised by Marxist Dependency Theorists (MDTs), gained currency as an analytical category. It was thought of as a necessary complement to the theory of imperialism. Laying the bases for the study of Latin American capitalism, the Marxist dependency theorists revealed the laws of operation of this *sui generis* capitalism and shared in the effort of establishing Marxism on the continent (Ferreira and Luce 2012). Among them was Ruy Mauro Marini who, by analysing the changes in the capitalist world system during the 1960s and 1970s, identified the emergence of sub-imperialism as a new stage of dependent capitalism by means of the coming-of-age of a new type of socio-economic formation that, in Latin America, took shape in Brazil.

Today it is commonplace to use the word ‘sub-imperialism’ to characterise ‘emerging’ sub-powers’ economic and political expansion into other historical and geographical contexts, for example the relationship of South Africa with its neighbours, that of India in its region, Brazil in South America and even that of China (which is beyond the category of sub-imperialism) on the African continent. The few translations of Marini’s original work into other languages have difficulty amplifying and deepening the studies of the category sub-imperialism.²

Our purpose in this chapter is not to evaluate or review studies of the BRICS group but rather to discuss Marini’s category by reflecting upon his proposal within the Marxist tradition. At the same time, it is hoped, by means of Marini’s category of sub-imperialism, to introduce elements that will confer greater rigour on the analyses, which frequently erase the required differentiation between such very disparate economies and socio-economic formations as those under the umbrella of the BRICS acronym.³ The argument is that the foundations of a global theory of sub-imperialism are discernible in Marini’s books and dozens of articles on Brazilian and Latin American capitalism. If, on the one hand, these elements are dispersed in the totality of Marini’s writings with no text where the author’s final word on the category’s significance can be found, on the other hand its systematisation can be accomplished with rigour, provided that one respects the categorial connection tying his propositions on sub-imperialism to MDT theoretical works. These include the laws of dependent capitalism (over-exploitation of the workforce, value transfer, rifts between the phases of the capital reproduction cycle) and other notions and categories developed by him and other MDT exponents, especially those of the capital reproduction pattern and antagonistic cooperation and the typology of socio-economic formations within dependent industrialisation.

The highest stage of dependent capitalism

Marini's writings on sub-imperialism will be discussed through the prism of each of the MDT levels of abstraction to which they belong. As we will put it, they are the distinct instances or components of the totality.⁴ The phenomenon is not equal to the sum of its parts. As a totality, sub-imperialism only exists in the dialectic that arises out of the articulation of the historical determinations that constitute its essence. Lack of theoretical clarity for understanding this totality and its essence causes confusion about Marini's category not only among rival theoreticians who praise the Brazilian bourgeoisie but also other critics, including contemporary Marxist ones.

What is sub-imperialism? As we hope to show, sub-imperialism has to be understood as a hierarchical level of the world system and at the same time as a stage of dependent capitalism (its highest stage) out of which some socio-economic formations are transformed into new links in the imperialist chain without ever leaving the condition of economic dependency. Besides transferring value to imperialist centres, they also move into appropriating the surplus value of weaker nations for themselves. The socio-economic formations that ascend to the sub-imperialist condition succeed in displacing the very conditions of dependent capitalism in a way that ensures expanded reproduction and mitigates the effects of dependency through forms that are specific to the pattern of capital reproduction and a policy of antagonistic cooperation with dominant imperialism in different situations; they claim relative autonomy for the sub-imperialist state without, however, questioning the framework of dependency.

A hierarchical level of the world system

The worldwide appearance of imperialism and sub-imperialism constitutes global capitalism's coming-of-age with passage to the phase of monopoly and finance capital – a process that occurs first in the centre and then in the periphery. For this reason its examination must begin at the level of abstraction of the capitalist system framed by the entrance of capitalism into a new stage as a world system. If the historical advent of imperialism dates back to the turn of the 19th century, sub-imperialism dates from the new integrationist tendency of world capitalism that arises out of post-World War II capital movements.

The expansion and acceleration not only of the circulation of productive capital but also of money have been shaping a new capitalist world economy that rests upon a structure of international division of labour distinct from that which ruled before the world crisis ... The era of the simple centre-periphery model characterised by the exchange of manufactures

for comestibles and raw materials has passed. We find ourselves facing an economic reality in which industry assumes an ever more decisive role ... The result has been a repositioning, a hierarchic arrangement of capitalist countries in the form of a pyramid and, consequently, the rise of intermediate centres of accumulation – that are also middle capitalist powers – which brought us to speak about the emergence of a sub-imperialism (Marini 1977a:25. Author's translation).

Both imperialism and sub-imperialism occur in a capitalist system organised into centres and peripheries, in an historical relationship that is modified over time and based on international divisions of labour that also change over time (with adjustments of the use-values that each produces, with new forms of value extraction and with the integration of production systems). At the root of sub-imperialism as a new link in the imperialist chain:

One thus observes the rise of a new international division of labour, which relocates stages of industrial production – it is worth remembering, unequally – to dependent countries while advanced countries specialise in higher stages; at the same time, financial control mechanisms and technology over the whole system are perfected. Capital's circulation on the world scale is intensified and deepened at the same time as accumulation is diversified. Meanwhile tendencies of capital accumulation concentrate and centralise progress even though now also in the interests of nations of an intermediate organic composition. *From a strictly economic perspective*, this is consistent with sub-imperialism (Marini 2012:40. Emphasis in the original).

At system level and, in strictly economic terms, the historical foundation of sub-imperialism came about in the 1960s and 1970s when a few social formations arrived at the phase of monopoly and finance capitalism and at an intermediate level of the organic composition of capital: 'Sub-imperialism corresponds with, on the one hand, the rise of intermediate points in global capitalism's organic composition as the integration of production systems intensifies – and, on the other hand, the arrival of a dependent economy at the monopoly and finance capital phase' (Marini 2012:41). This transformation at the same time explains the change in the imperialist dynamic *tout court* and the rise of sub-imperialist formations in the context of the expansion of world capital accumulation. This is a dialectical movement whereby the external (capital export) is internalised

(upgrade of the level of capital's organic composition) and, as a new synthesis of many determinations is again externalised (sub-imperialist expansion), alters the way world capitalism operates.

Sub-imperialism corresponds to the perverse manifestation of world differentiation as a result of capitalist internationalisation, which counterpoises a much more complex system of relationships to the simple structure of a division of labour – crystallised in the centre-periphery relationship that preoccupied ECLA. In it, the spread of manufacturing elevating the average national organic composition of capital, that is, the relationship existing between the means of production and the working class gives way to economic (and political) sub-centres endowed with relative autonomy even though they remain subordinated to the global dynamic imposed by the great centres (Marini 1992:137–8).

The perverse sense to which Marini refers is the fact that relative autonomy cannot escape the global dynamic imposed by the great centres. When one or more dependent economies ascend to a new level in the world capitalist hierarchy, they take on a new character of dependency and are also converted into extractors of surplus value, appropriating a portion of the value produced in the peripheries – but without raising the general standard of living of their working class.⁵ As already stated: 'capital accumulation's tendency to concentrate and centralise progresses even though now also in the interests of nations of an intermediate organic composition.' In summary, the general tendencies of the world economy and system are crystallised and take the form of certain specific social formations as much to breathe life into imperialism as into sub-imperialism.

A stage of dependent capitalism

In the same way Lenin described imperialism as the highest stage of capitalism, sub-imperialism for Marini consisted of 'the form that dependent capitalism takes when it reaches the monopoly and finance capitalism stage' (Marini 1977a:31). It is a superior level of development in which, 'due to its dependent and subordinate manner, Brazil would enter the capital-exporting stage as well as in the pillage of external energy sources such as petroleum, iron and natural gas' (Marini 1977a:32).

In this sense, a dependent country's arrival at the sub-imperialist stage establishes a sub-regional division benefiting sub-imperialist capital visible by the appropriation of the surplus value of weaker nations. These nations are

shaped into the sphere of influence that serves the sub-imperialist country's capital reproduction (whether the property of the internal bourgeoisie or that of the great imperialist centres, being common to their relationship).⁶ Under these conditions as part of the diversified industrial pattern of capital reproduction, Brazil's ascent to the status of manufactured goods exporter distinguishes it from other Latin American nations who witness their productive specialisation being embedded in the market of the regional division of labour that sub-imperialism engenders. According to what has been explained:

All this influences Latin America's integration process, which develops on two planes: the renewed linking of the Latin American economy as a whole with the world economy on the basis of the development of an industrial-type exporting economy, and the re-definition of the economic relations among the very countries of the zone. Overspecialisation becomes, in this way, the counterpart of an intensification of dependency and is realised on the basis of what up until now was thought to be the key for Latin American economic emancipation: industrialisation (Marini 1976. Author's translation).

As a particular form of industrial economy liable to be adopted by the development of dependent capitalism's industrial process, Marini understood sub-imperialism as a phenomenon beyond the Brazilian political regime ruling in the years of technocratic-military dictatorship and over and above a reality that had taken place or that could only take place in Brazil.⁷

In the broadest sense, sub-imperialism is not an essentially Brazilian phenomenon nor does it correspond to an anomaly in the evolution of dependent capitalism. Certainly the very conditions of the Brazilian economy are what allows it to carry forward its industrialisation and also to create heavy industry ... but it is no less certain that this sub-imperialism is nothing more than a particular formation, which presumes an industrial economy that develops within the framework of dependent capitalism (Marini 2005:179-180).

In other words, a country's maturing to the sub-imperialist condition is beyond a specific conjuncture as well as a country narrowly considered. In truth, it corresponds to dependent capital's reaching the monopoly and finance capitalist stage, which engenders new tendencies imparted by this level of accumulation.

A type of social formation

The projection in political terms of the economic conditions presented above (development of monopolies and finance capital, and the rise of the organic composition of capital) so that they progress into engendering sub-imperialism requires other elements, such as a strong state, and a bourgeoisie with its own ambitions that converts these projects of political and economic expansion into national ones – which implies persuading or controlling other bourgeois fractions or persuading and subordinating other social classes domestically as well as internationally. As Marini argues:

Sub-imperialism implies two basic components: on the one hand, an intermediate organic composition of national productive systems on the world scale and, on the other hand, the exercise of a relatively autonomous expansionist policy not only accompanied by a greater integration in the imperialist productive system but also maintained within the hegemonic framework exercised by imperialism on the international scene. Put in these terms, it seems to us that, independently of the efforts of Argentina and other countries to reach the sub-imperialist rank, in Latin America only Brazil fully manifests a phenomenon of this kind (Marini 1977a:31).

What does the exercise of a relatively autonomous expansionist policy within the framework of the global imperialist productive system and hegemony imply? Why is it that, in Latin America, Brazil – and not Mexico or Argentina – achieves this position? This obeys the dialectical principle that governs reality. Not all the new economic sub-centres that achieve an intermediate organic composition and also attain the status of exporter of manufactured goods and, to a lesser extent, of capital are in a condition to impose a sub-regional division of labour in the interest of their domestic bourgeoisie. In other words, in the whole of Latin American capitalism, only Brazil became a sub-imperialist social formation.

This is where the concrete conditions of socio-economic formations and the role of national states are important for sub-imperialism. Studied at the analytic level of socio-economic formations, the trajectory of different state formations reveals that in some societies the national state matures into a sub-imperialist formation.

From the viewpoint of the conditions necessary for dependent industrialisation to bring sub-imperialism into being, it is possible to identify five determining elements that make sub-imperialism's relatively autonomous expansionist policy possible through state action. The first is a dependent country's accession

(among which are those of Type A in Vania Bambirra's typology of dependent industrialisation (Bambirra 2012)) to regional sub-centre status in response to global accumulation patterns through its transformation into a sub-centre of heavy industry with a certain domestic level of production and financial capitalist operation. The second element is bourgeois unity through displacing internal contradictions. The third is the formulation of a national sub-imperialist plan while the fourth involves formation of national capitalist trusts that tie the dependent economy to imperialism via state intermediation. The fifth element is the dependent economic condition that not only transfers value to imperialist economies but also appropriates the surplus value of weaker nations.

Despite having reached the monopoly and finance capitalist stage and having led in South America before Brazil ascended to industrial production, Argentina has historical characteristics that impede it from becoming a sub-imperialist formation. As seen, rifts in the heart of the Argentinian bourgeoisie stopped it from taking on a national expansionist project abroad with sufficient force. Thus the existing division between big agro-capital and big industrial capital obstructs unified projects, state enhancement and the consolidation of dominant classes.

In Mexico, economic and political subservience to the ambitions of great US imperialism blocks national capital from having its own ventures. The degree of US imperialist penetration in Mexico hampers the state from putting into practice a relatively autonomous expansionist policy. In this manner, a subordinate formation in both Argentina and Mexico has matured but not as a relatively autonomous sub-imperialism.

In Latin America, only Brazil has reunited the conditions to bring sub-imperialism into being, including national capital trusts that set into motion a new pattern of unequal exchange in which the dependent sub-imperialist economy not only transfers value but also appropriates it. Among the already enumerated conditions, domestic capitalist trusts received Marini's major analytical treatment within the sub-imperialist category.

In his article 'World capitalist accumulation and sub-imperialism', Marini incorporated aspects of Bukharin's conglomeration theory in order to examine the state's role in the sub-imperialist dynamic via the process of capital-state agglomeration, mustering capitalist trusts within the context of global capitalism's integrationist tendency. In Bukharin's work, *World Economy and Imperialism* (1986), the Russian theorist highlighted the fact that capital internationalisation cannot be achieved without its internalisation. 'By effecting greater capitalist development in subordinate regions like Latin America, integration made it possible for its counter-trends to manifest themselves with greater force also

in them, in particular, the one that works towards reinforcing national states' (Marini 1977a:33. Author's translation).

In this regard, a dialectical process of internationalisation–internalisation is established in which state consolidation in sub-imperialist states acts in a way that is contradictory to the internationalisation process, as an element guaranteeing the integration of productive systems. 'If the export of capital coming from national imperialism marks the moment when the tendency for capital to expand internationally is revealed in a pure form, then its decisive transformation into productive capital within a domestic economy represents the moment of its negation when this capital begins to depend upon the capacity of this economy – and, therefore, of the state that governs it – to guarantee its reproduction' (Marini 1977a:33. Author's translation).

Given the dimension of the disadvantages existing between the imperialist bourgeoisie and that of dependent countries, the latter find themselves lacking the conditions to negotiate directly with imperialism, a position beneficial to their decision to associate with the integrationist tendency imposed by imperialist centres. Because of this they 'opt for consolidating the national state as an intermediary'. That option allows them to focus on organising their forces. This intermediation, when combined with emphasis on the capital concentration and centralisation process that has now reached dependent economies, facilitates 'the reproduction in these countries of the phenomenon of agglomeration of capital with the national state, to which Bukharin alludes, involving as much national as well as foreign capital'. The result of this agglomeration 'is not the simple and pure submission of the state to capital'. On the contrary:

Although if it is evident that the state is transformed into what Bukharin calls a 'national capitalist trust,' the very fact that it is obliged to order and arbitrate economic life (as far as its arbitration is compatible with its subordination to imperialist states) places it in a situation in which its relative autonomy in the face of distinct capitalist groups is highlighted ... It was in relation to this that the Brazilian state was able to formulate a plan that was not one with a sub-imperialist structure but was a sub-imperialist policy with a much greater degree of rationality than that which the national and foreign capital operating in Brazil could give it (Marini 1977a:34. Author's translation).

In this way, the state is there both to ensure the better reproduction of imperial capitalist investment and to preserve a relative autonomy in front of foreign

capitalist groups, providing the local bourgeoisie with the means they lack to have a relatively more favourable status within the development process associated and integrated with imperialism. The formation of these 'national capitalist trusts' on the basis of the agglomeration of state and private capital was the deciding factor for the expansionist impetus that transformed Brazil into an exporter of manufactured goods and capital. In this way, the state was the basic means for these same conglomerations achieving a scale of production, just as it was the source for elaborating the national sub-imperialist project (the Brazilian Superior War College, the Foreign Ministry, etc.) and the guardian of unity among different bourgeois fractions.

A set of forms of the capital reproduction pattern

Next, as we shall see, due to the level of the capital reproduction pattern, 'the axis of the sub-imperialist structure is organised around the market problem' (Marini 2012:256). At the intermediate level of abstraction, the reproduction pattern is the synthesis of two interlocked determinations, which are: the dialectic between the world economy and dependent capitalism, which determines social formations; and the dialectic between the social-economic formations and the real motion controlling dependent capitalism in various historical conjunctures. Thus, the 'external' is internalised and the 'internal' is externalised. In this regard, the investigation of sub-imperialism as a set of forms of the reproduction pattern⁸ takes the history of the succession of different patterns into account, having as its analytical benchmark the forms capital has assumed (cyclical regularities and changes considered from the point of view of the use-value produced and of the value process itself) in a socio-economic formation in which both economic and political conditions had matured, transforming it into a sub-imperialist country.

Just as in imperialism where the expansion of capitalist power and of imperialist states exercises the effect of countervailing the law of the tendency for the rate of profit to fall and other contradictions that emanate from the logic of value and class struggle, in sub-imperialism the contradictions inherent in dependent capitalism are displaced. Hence, under the angle of the reproduction pattern, sub-imperialism is located in the juxtaposition of the laws of the dependent economy and the international division of labour governing every period of the world economy. In Marini's words, sub-imperialism originates in and is defined by

- (a) the restructuring of the world capitalist system that derives from the new international division of labour; (b) the very laws of the dependent economy, essentially: the super-exploitation of labour; the disjuncture

between capitalist cycles; the extreme monopolisation favouring the luxury goods industry; the integration of national with foreign capital or, which is the same, the integration of production systems (and not simply the internationalisation of the domestic market as some authors state) (Marini 2012:40).⁹

The post-World War II integration of production systems into the international division of labour converted the heavy goods industry into the dynamic sector of the Brazilian economy. 'Although many products directly or indirectly derived from this, it consisted frankly of luxury goods within Latin American conditions; it was due to these goods that the productive structure was altered for the convenience of foreign capital' (Marini 1977a:27. Author's translation). Under the aegis of the diversified industrial model, Brazil thus became the leading Latin American automobile producer and the ninth in world ranking. It was the locus of the rise of a military-industrial complex that raised the country to the position of the second armaments producer in the Third World, only after Israel. The average level of capital organic composition showed the importance of the processing industry, especially heavy industry. As one of the sub-centres of the processing industry in the dependent world, the Brazilian state set about adapting a sub-regional division of labour for the export of manufactured goods and the supply of cheap raw materials in order to realise the production of commodity-capital and cheapen constant capital.

To state, as Marini does, that sub-imperialism 'is constituted by the market problem' means that, from the perspective of the capital reproduction pattern, the sub-imperialist country succeeds in reuniting the conditions to displace, through expansion, that which engenders realisation problems for the dependent economy in the second phase of circulation (C – M). It also signifies succeeding to reunite conditions that mitigate some of dependency's structural effects in the first phase of circulation (M – C) and in the accumulation process on a broader scale: finance capital operating in the country and the productive enterprises dedicated to its logic, which form national capitalist trusts – never disconnected from foreign capital, it should be noted. These trusts get to appropriate extraordinary profit either by being domestic leaders in their respective sectors or by operating in other economies that submit to sub-imperialist expansion, where they appropriate the weaker countries' surplus value. And one part of this mass of surplus value – the other is drained away through relations with imperialism – is absorbed, making possible, within the limits of a dependent economy, a certain development with some technological control in production and some presence even if subordinated

in the circuits of financial appreciation. The cases of Petrobras, Embraer, Banco do Brasil, BNDES (the National Social and Economic Development Bank) and the private bank Itaú are examples of the above.

Still, what permits a dependent country to differentiate itself within the group of other countries to which it belongs and to displace, in the capital cycle, contradictions coming from the operational laws of dependent capitalism, turning itself into an economy that does not simply transfer surplus value but which appropriates a part of that value within the international division of labour? Marini attributed this role to the state. During the phase of the diversified industrial pattern, the state was responsible for 60% of gross fixed investment (Marini 1977b). This was accompanied by international monetary capital investment, which promoted the merger of banking with industrial capital through the money market (the rise of financial instruments, partnership laws and so on). This process leveraged the standard dynamic business sectors then underway and strengthened the domain of high consumption (automobiles, domestic appliances) through purchases on credit. In the second stage of circulation, luxury consumption and the external market appear as factors of realisation, both counting on state procurement: regressive income distribution increases high levels of consumption, and state incentives and subsidies stimulate the exports of manufactured goods – just as the capture of Latin American markets and those of the rest of the dependent world through foreign policy guarantees sales of produced consumption goods.

At present, under the new export model of specialised production, the extractive industries have replaced manufacturing industry in the forefront of industrial composition. And raw materials emerge again as a sector that dynamises the reproduction pattern, altering the historical form of dependency. These sectors, together with financial appreciation per se along with some few branches of the previous reproduction pattern (especially the automobile industry), are the touchstone of Brazilian capitalism at the beginning of this century. If the automobile, household appliance and armaments industry were, before, factors of realisation of use-value production in foreign, state and luxury consumption markets, today mainly agro-business exports and mineral extraction sectors mobilise foreign markets in the second phase of circulation while the automobile industry continues to find channels of realisation in luxury consumption and in the state (via tax exemptions on industrial products).

At the same time, old and new national capitalist trusts expanded their businesses with BNDES financial support and offerings on the stock exchange (the merger of banking and industrial capital). In any case, Brazilian sub-

imperialism did not disappear with the end of the diversified industrial model; it only assumed new forms under the new specialised productive export pattern.¹⁰ Why did privatisation and the de-nationalisation of export enterprises and of the banking system not make Brazil and the other countries in the region equal? Why were the local bourgeoisie and the Brazilian state not simply absorbed by foreign capital, as in other countries, but instead acted in an integrated manner as assistants – and even as protagonists – of the process of de-nationalisation on the continent? The condition of the sub-imperialist country is the key to explaining these peculiarities.

Antagonistic cooperation with imperialism through conjunctures

The category used to express state action in different conjunctures in a sub-imperialist socio-economic formation is antagonistic cooperation. It has been defined as a search for relative autonomy within the dependency framework: 'The relations between the Brazilian bourgeoisie and imperialism have to be viewed within the laws of antagonistic co-operation which is established in the course of international capitalist integration.' Antagonistic cooperation means that a sub-imperialist country never leaves the state of a dependent economy. It is not an imperialist country: 'Without being able to question imperialist dominion itself (otherwise it would mean questioning capitalism itself) the national bourgeoisie can only bargain for better relations within its subordinate status – better prices, better agreements, the appropriate areas for exploitation, etc.' (Martins, nd).

As proposed, in sub-imperialism antagonistic cooperation with centre imperialism expresses a search for relative autonomy in international politics and for control over a part of surplus value, so that the economy not only transmits but also appropriates surplus value. Not every dependent country that enters the monopoly and finance capital stage unites the conditions to practise an antagonistic cooperation policy. Besides, 'such relations [in terms of antagonistic cooperation] depend upon power relations in each situation: the economic conjuncture nationally and internationally, the political situation, the periods of détente and escalation with revolutionary forces, etc.' (Martins, nd).

Where this was not possible, the new nature of dependency reinforced subordination. Where, on the contrary, relations with dominant centres were of the antagonistic cooperation type, it was because the conditions for relative autonomy had been created, developing the sub-imperialist formation. This is the sense of Marini's weighty deliberation: 'As in Brazil, countries such as Argentina, Israel, Iran, Iraq and South Africa take on – or took on, in some moment of their recent evolution – the sub-imperialistic character along with other sub-

centres in which this tendency has not manifested itself fully or has only just insinuated itself' (Marini 1992:138). 'Sub-imperialism's historical materialisation is not merely a question of economics. The existence of the right conditions for its development is not guaranteed only by the transformation of a country into a sub-imperialist centre ... In this sense, in our days [it] is Brazil [that] can be identified as the purest manifestation of sub-imperialism' (Marini 2012:41).

Conclusion

As we have tried to sustain in our analysis, Marini's category of sub-imperialism conveys a totality formed by different levels of abstraction. Confusion about these different levels of analysis or abstraction – taking the historical determinations of only one or some of them – is at the origin of many incorrect interpretations of his proposed category. As an historical phenomenon, sub-imperialism undergoes varied forms while conserving its very essence. Ignoring these two premises has given rise to many of the mistaken interpretations surrounding the concept developed by Marini.

Obviously it is much easier to point to the gaps in an analysis that is embryonic than to follow the path Marini inaugurated and to further his investigation. But selecting the first option can mean pushing a theory backwards. By contrast our option has been to show that in Marini there are the basic elements for a global theory of sub-imperialism and that it is from them that we are able to explain with due rigour the present expansionist trend of Brazilian capitalism and its foreign policy; for example, the mergers and acquisitions involving multinationals with Brazilian capital, the control over other Latin American or African countries' raw materials and energy sources, or the military occupation of Haiti.

Analyses that overestimate capitalism's and the Brazilian state's autonomy as well as those that neglect its relative autonomy within the boundaries of sub-imperialism misunderstand the significance of sub-imperialism. For the former, sub-imperialism does not make sense because it is supposed to be a mere channel of communication for the dominant imperialism. For those who adhere to the latter perspective, the category is not sustainable because it implies the notion of a second-rank imperialism. Neither connotation corresponds to the concept of sub-imperialism whose true meaning we hope to have helped restore in the course of this chapter.

Accordingly it is possible to affirm that Brazil in Latin America, South Africa in Southern Africa, Israel in the Middle East and India in Southeast Asia are examples, today, of sub-imperialist countries, whose power structures and logic demand a rigorous analysis without forgoing their complex categorial network.

Thus, among the BRICS countries, Brazil, South Africa and India are economies that demonstrate the tendencies that Marini examined on the basis of the sub-imperialist category. It is not possible to characterise China as sub-imperialist but rather as a *sui generis* imperialism of a new kind, even supplanting the United States and the European Union as the principal market for Latin American exports and as the primary investor in the region. Russia, in turn, is also not a sub-imperialist socio-economic formation but an ancient empire that until 1917 participated in inter-imperialist competition and contradictions when capitalism had reached its highest stage. The restoration of Russian capitalism with the fall of the Soviet Union reinstated it in the concert of imperialist powers. However, the comparison of the context and the nature of each of the BRICS' ascent to sub-imperialism or imperialism and their exercise of power is the theme of another essay. For now, we will underline that neither China nor Russia partakes in dependent capitalism but Brazil, South Africa and India do.

With this we are not suggesting that there are no interests and common ties among the BRICS members, among the states, classes and fractions of classes to which they respond. Nevertheless, theory and concrete social reality suggest to us a set of necessary problematisations, at the risk of obscuring global economic and political relationships and the real and present configuration of imperialist relations in which the internal contradictions and new forms of antagonistic cooperation between the dominant and subordinate links in the imperialist chain are balanced.

Concerning Brazil, we can draw attention to old and new capitalist trusts increasing their businesses in the last 15 years with BNDES financial support and share offerings (merging banking with industrial capital) that absorb neighbouring countries' wealth, just as has happened with the Vale and Votorantim mining companies, the Marfrig and JBS Friboi meat companies, Petrobras, the Odebrecht and OAS construction companies, the Gerdau group and so on. The sub-imperialist Mercosur contrasts with the large imperialist ALCA. So, too, Unasul, when it reduces itself to a forum for IIRSA implementation, plays the role that imperialism reserves for us in the international division of labour in the name of regional integration, with the difference that it seeks its own sphere of influence and the relative autonomy for a dependent bourgeoisie in terms of an antagonistic cooperation with imperialist centres and at a cost for its brother neighbouring countries. Substituting China for the United States or the European Union as the principal market for exports in no way alters imperialist logic, in our view; it still plants its roots in our societies and continues to despoil the peoples of the continent with the active participation of the Brazilian governments of

Lula and Dilma, as demonstrated by the struggles over Tipnis, Bolivia, those in the Peruvian and Ecuadorian Amazon, in Uruguayan and Paraguayan lands, in African countries and so on, while the most essential conditions of life and work are denied the Brazilian working class.

If dependency means economies dedicated to responding to the needs of other economies and sub-imperialism means a dependent economy that not only transmits value but appropriates that of weaker countries, today as before Brazilian sub-imperialism plunders the working class subordinate to it in order to reproduce in an expanded form the plunder of its own working class. The biggest meat company in the world belongs to the bourgeoisie of a country that denies food to its people. One of the largest development banks in the world belongs to a country where half of the federal budget is intended for payment to the high finance bourgeoisie. Some of the world's biggest construction companies are part of the political class of a country where the working class lacks sanitation, good public transport and has to spend up to four hours a day going between their jobs and homes in metropolitan areas. All this validates the relevance of Marini's concluding remarks in *Subdesarrollo y revolución [Underdevelopment and Revolution]*, which are: the sub-imperialist nature that the dependent bourgeoisie tries to imprint upon its domination should make continental anti-imperialist resistance team up with the class struggle that moves (and should move) the Brazilian working class.

Notes

1. This chapter is an amended and expanded version of the text by the same name published in *Crítica Marxista*, 36, 2013, pp 129–141.
2. See Luce 2011. A work that has Marini as a reference point for examining South African sub-imperialism is Coles and Cohen 1977.
3. In this chapter we present theoretical advances to the discussion found in my doctoral dissertation (Luce 2011) on Marini's category of sub-imperialism. I thank Jaime Osorio for his valuable comments on the ideas presented here.
4. They are: the capitalist mode of production, the capitalist world system, the pattern of capital reproduction, the socio-economic formation and the conjuncture (Osorio 2012a). See Cardoso and Serra 1979 and Marini's reply (2000).
5. For a discussion of its validity and even the increase of the working class's over-exploitation under other forms of contemporary Brazilian capitalism, see my article 'Brasil: nova classe média ou novas formas de superexploração da classe trabalhadora?' (Luce 2013).
6. There is no space in this chapter for an analysis of the differences between Marini's category of sub-imperialism and Wallerstein's semi-periphery. For now, very briefly and abstracting the theoretical and political differences between MDT and world system analyses, one can say that every sub-imperialist country is part of what used to be called the semi-periphery but not every semi-peripheral country is a sub-imperialist socio-economic formation.
7. Besides Brazil, Marini also considered South Africa and Israel among the countries that take on the condition of sub-imperialist socio-economic formations.
8. Marini laid the foundations for the category *capital reproduction pattern* that were taken

The highest stage of dependent capitalism

forward by Jaime Osorio, his disciple, who arrived at its definitive theoretical formulation. See Osorio 2012a.

9. The question of the divorce or rift between the phases of cycle of capital examined by Marini is one that has been misunderstood by different present-day authors. This category is usually confounded with the idea of a permanent realisation crisis or with the domestic market's inability to expand by means of credit or other mechanisms. I refer the reader directly to the texts, *El ciclo del capital en la economía dependiente* [*The Cycle of Capital in the Dependent Economy*] and *Plusvalía extraordinaria y acumulación de capital* [*Extraordinary Surplus Value and Capital Accumulation*], where one will be able to comprehend better the ensemble of determinations expressed in this category. The original texts can be consulted in www.marini-escritos.unam.mx.
10. For an analysis of the present-day specialised productive export pattern, see Osorio 2012b.

References

- Bambirra, Vania (2012) *O capitalismo dependente latino-americano*, Florianópolis, Insular
- Bukharin, Nicolai (1986) *A economia mundial e o imperialismo*, São Paulo, Abril Cultural
- Cardoso, Fernando Henrique and José Serra (1979) As desventuras da dialética da dependência, *Estudos Cebrap*, São Paulo, 23, pp 33–80
- Coles, Jane and Robin Cohen (1977) O sub-imperialismo sul-africano. In Centro de Estudos Da Dependência-Cedep (ed) *A África Austral em perspectiva*. Vol. 2. *A África do Sul e as ex-colônias portuguesas*, Lisboa, Iniciativas Editoriais
- Ferreira, Carla and Mathias Seibel Luce (2012) Introdução. In Carla Ferreira, Jaime Osorio and Mathias Seibel Luce (eds) *Padrão de reprodução do capital: contribuições da teoria marxista da dependência*, São Paulo, Boitempo
- Luce, Mathias Seibel (2011) *A teoria do sub-imperialismo em Ruy Mauro Marini. Contradições do capitalismo dependente e a questão do padrão de reprodução do capital*, Porto Alegre, Programa de Pós-Graduação em História-UFRGS, Tese de Doutorado
- Luce, Mathias Seibel (2013) Brasil: nova classe média ou novas formas de superexploração da classe trabalhadora? *Revista Trabalho, Educação e Saúde*, Rio de Janeiro, Escola Politécnica de Saúde Joaquim Venâncio, 11, 1, pp 169–190
- Magdoff, Harry (1978) Imperialism without colonies. In *Imperialism: From the Colonial Age to the Present*, New York, Monthly Review Press
- Marini, Ruy Mauro (1976) Crisis del Pacto Andino: el fracaso del desarrollismo, *El Sol de México*, Mexico City, 14 October 1976
- Marini, Ruy Mauro (1977a) La acumulación capitalista mundial y el sub-imperialismo, *Cuadernos Políticos*, Mexico City, Ediciones Era, no. 12, pp 21–39, www.marini-escritos.unam.mx/pdf/acumulacion.pdf
- Marini, Ruy Mauro (1977b) Estado y crisis en Brasil, *Cuadernos Políticos*, Mexico City, Ediciones Era, no. 13, pp 76–84, www.marini-escritos.unam.mx/017_estado_crisis_es.htm
- Marini, Ruy Mauro (1992) *América Latina: dependência e integração*, São Paulo, Brasil Urgente
- Marini, Ruy Mauro (1992) As razões do neodesenvolvimentismo: resposta a Cardoso e Serra. In Emir Sader (ed) *Dialética da dependência: uma antologia da obra de Ruy Mauro Marini*, Petrópolis, Vozes
- Marini, Ruy Mauro (2000) *Dialética da dependência: uma antologia da obra de Ruy Mauro Marini*, Petrópolis, Vozes
- Marini, Ruy Mauro (2005) Dialética da dependência. In JP Stédile and R Traspadini (eds) *Ruy Mauro Marini: vida e obra*, São Paulo, Expressão Popular
- Marini, Ruy Mauro (2012) *Subdesenvolvimento e revolução*, Florianópolis, Insular, Coleção Pátria Grande
- Martins, Ernesto (nd) APERJ, Coleção Darf, Documento 545
- Nkrumah, Kwame (1966) *Neocolonialismo: última etapa del imperialismo*, Mexico City, Siglo XXI
- Osorio, Jaime (2012a) Padrão de reprodução do capital: uma proposta teórica. In Carla Ferreira,

BRICS

Jaime Osorio and Mathias Seibel Luce (eds) *Padrão de reprodução do capital: contribuições da teoria Marxista da dependência*, São Paulo, Boitempo

Osorio, Jaime (2012b) América Latina: o novo padrão exportador de especialização produtiva – estudo de cinco economias da região. In Carla Ferreira, Jaime Osorio and Mathias Seibel Luce (eds) *Padrão de reprodução do capital: contribuições da teoria Marxista da dependência*, São Paulo, Boitempo