The world system, South America, Africa, and “Emerging Powers”*

Abstract
This paper sets out some central ideas about the dynamics of the world system and the international conjuncture, analysing Brazil’s position in this context and its relations with the “emerging powers”. The point of departure is a long-term historical hypothesis regarding the genesis of the “capitalist inter-State system”, from its formation in Europe during the “long 18th century” through to the start of the 21st century. From the same theoretical perspective, the paper also analyses the new placement of South America (and Brazil) and of Africa in that world system, as well as relations among Brazil, South Africa, China and India. It argues that the present “world political-economic system” was neither a spontaneous nor a diplomatic creation and much less constructed exclusively by the market. It has resulted from the action of a veritable *machine for the accumulation of power and wealth* – the national economy-states – set up by the Europeans, which then, nurtured by wars over the centuries, universalised throughout the world. The paper concludes that any discussion about the future of this world system must take account of this simultaneously destructive and creative dynamics, whose constitutive premises are non-stability and the permanent drive for more and more power and wealth. It also acknowledges a return of the “social issue”, together with the “national issue”, and greater material and political density in South-South relations, which may reshape the political economy of the world system.

Keywords
world system; international conjuncture; emerging powers; South America; Africa; Brazil-China-India-South Africa

In the closing decades of the 20th century, it became commonplace to hear the same liberal arguments repeated in practically all academic or political discussion of the world system and international politics. The Cold War had ended and for some years there was a revival of the 18th-century liberal utopia. The vision was idyllic and sounded convincing: economic globalisation and market forces would produce a homogenisation of wealth and development and these economic changes would contribute to the disappearance of “national egoisms” and to the construction of a global democratic government, responsible for peace on the markets and among peoples. That dream was short-lived, however, and, by the start of the 21st century, political and intellectual circles were already witnessing the very rapid return of war and geopolitical calculus to the heart of the world system. Nonetheless, perhaps by force of habit or ideological conviction, many academic papers and strategic analyses still repeat those same ideas, like a litany, even when addressing specific subjects. This is the case in the contemporary discussion by various national and international organisations of what they are calling “global health”. In my opinion, it is therefore urgent to return to the theoretical discussion about our world system and about the premises that frame most analyses of the contemporary international

*This paper brings together some ideas and theses about the world system and the international conjuncture, which the author has already put forward in a number of articles and books published over recent years, prominent among which are “Sistema mundial: império e pauperização”, in the book by J.L. Fiori & C. Medeiros (org.), *Polarização Mundial e Crescimento*, Editora Vozes, Petrópolis, 1999; “Formação, Expansão e Limites do Poder Global”, in the book by J.L. Fiori (org) *O Poder Americano*, also published by Editora Vozes, Petrópolis, 2004; and the more recent book by J.L. Fiori, C. Medeiros & F. Serrano, *O mito do colapso do poder americano*, published in Rio de Janeiro, by Record, 2008, with the review is presented in this journal.
conjuncture, including the discussion of current foreign policy in South America and Brazil, which demands an urgent return to the theoretical debate that vanished from the continent during the 1990s.

In the 19th century, European social thought devoted very little attention to the American continent. Even the socialists and Marxists who discussed the "colonial question" at the end of the century were concerned only with Asia and Africa. They never had any theoretical or political interest in the new American states, which achieved their independence, but remained under the diplomatic and financial tutelage of Great Britain. It was not until the start of the 20th century that the Manist theory of imperialism applied itself to studying specifically the internationalisation of capital and its role in capitalist development on a world scale. Even so, its object continued to be competition and war among Europeans, while most Manist authors still shared Marx's evolutionist outlook on the economic future of backward countries, in the certainty that "the most industrially developed countries show the less-developed the image of their own future".

It was not until after the 1920s that the 3rd Communist International turned imperialism into a strategic adversary and an obstacle to the development of productive forces in "colonial and semi-colonial" countries. In any case, the analyses and revolutionary proposals always centred on India, China, Egypt and Indonesia, much more than Latin America. In the first half of the 20th century, the United States had already become a major imperialist power and, after 1940, the 3rd International included the rest of Latin America in the same overall strategy of "national revolutions" or the "bourgeois democratic revolution" against the alliance between imperialist forces and feudal agrarian oligarchies and in favour of national industrialisation in peripheral countries.

Shortly afterwards, in the 1950s, the thesis of the "bourgeois democratic revolution" and its advocacy of industrial development was reinforced by the "political economy of ECLAC" (Economic Commission for Latin America and the Caribbean), which analysed the Latin American economy in the context of an international division of labour between "central" and "peripheral" countries. The ECLAC criticised the "comparative advantages" thesis of David Ricardo's theory of international trade and argued that trade relations between the two "slices" of the world economic system prejudiced the peripheral countries' industrial development. This was heterodox economic criticism on a Keynesian approach, but in practical terms ended up converging with the "national developmentalist" proposals that prevailed on the continent following World War II.

In the 1960s, however, the Cuban Revolution, economic crisis and the proliferation of military coups all across Latin America caused widespread disenchantment with the "bourgeois democratic" strategy and with ECLAC-type proposals for "import substitution industrialisation". The resulting intellectual criticism gave rise to three major currents of "dependency theory", which was probably the last attempt at theorisation on Latin America in the 20th century.

The first of these lines of thought was Marxist-inspired and regarded the central countries' development and imperialism as insurmountable obstacles to capitalist development in peripheral countries. It thus spoke of a "development of underdevelopment" and advocated immediate socialist revolution as, among other things, a necessary economic development strategy. The second – ECLAC-related – approach also saw obstacles to industrialisation on the continent, but considered that these could be overcome by a series of "structural reforms" which became the central theme of the Latin American policy agenda throughout the 1960s. In fact, the ECLAC theory of the relationship between centre and periphery no longer accounted for the United States' relationship with its "supranational economic territory", which was different from what had been the case with Great Britain.

Lastly, the third current of dependency theory – drawing on both Marxist and ECLAC thinking – was the longest-lived and had the most surprising effects, for three basic reasons: firstly, because it endorsed the feasibility of Latin American capitalism; secondly, because it advocated a strategy of development "dependent on and associated with" the central countries; and thirdly, because it threw up some of the most important political and intellectual leaders of the "neoliberal restoration" of the 1990s. As if suffering some kind of mental blackout, former Marxists, nationalists and developmentalists abandoned their Latin Americanist theories to embrace the view of the world system and capitalism held by 18th-century European liberalism.

For all these reasons, it is high time to return to the historical and theoretical roots of the debate over the capitalist inter-State system, which spread from Europe and was not entirely "globalised" until the late 20th century.

The world system in expansion: power, capital and wars

The view of the international conjuncture taken in this paper stems from a long-term hypothesis as to the history of the "capitalist inter-State system", since its formation in Europe during the "long 18th century", through to the start of the 21st century. This hypothesis centres on the argument set out here
about the relations among power, capital and wars within the world system and makes it possible to understand and diagnose the international conjuncture the world has been living in since the 1970s. From that standpoint, it is possible, over this long span in the history of the world system, to identify four moments when a kind of “explosive expansion” took place within the system itself. At these “historic moments” there was first an increase in “competitive pressure” within the “universe” and then a major “explosion” or extension of its internal and external frontiers. The mounting “competitive pressure”, caused – nearly always – by the expansionism of one or more leading “powers”, also involved an upsurge in the number and intensity of conflicts among the other political and economic units in the system. The “expansive explosion” that followed projected the might of these more competitive units or “powers” out beyond themselves, pushing back the frontiers of the “universe” as a whole.

The first time this occurred was in the “long 13th century”, between 1150 and 1350. Mounting “competitive pressure” within Europe was produced by the Mongol invasions, the expansionism of the Crusades and the intensifying “internal” wars on the Iberian peninsula, in northern France and in Italy. The “expansive explosion” that followed built up into a kind of “big bang” of the “universe” considered here, the moment that marked the birth of the first European system of “wars and trades”, with its competing sovereign territorial units, each with its currencies and tributes. The second time this occurred was during the “long 16th century”, between 1450 and 1650. Rising “competitive pressure” was generated by the expansionism of the Ottoman and Habsburg empires and by Spain’s wars with France, the Low Countries and England. This was the point when the first European States came into being with their national economies and a war capability far greater than the sovereign units of the preceding period. This embryonic European inter-state system went into “expansive explosion” – outward from Europe — giving rise to the “modern world system”, led initially by the Iberian powers and later by Holland, France and England. The third time this process occurred was during the “long 19th century”, between 1790 and 1914. “Competitive pressure” was boosted by French and English expansionism, inside and outside Europe, by the birth of the American states and by the ascendancy, after 1860, of three political and economic powers — the United States, Germany and Japan – which grew very quickly and revolutionised the capitalist economy and the “central core” of major powers. Soon afterwards, there was a third “expansive explosion”, taking the form of an “imperialist race” among the major powers, which drew Africa and Asia within the colonial frontiers of the “modern world system”. Lastly, a fourth “expansive explosion” has been underway in the world system since the 1970s. The hypothesis offered here is that — this time — the increase in pressure within the world system is being caused by the United States’ expansionist imperial strategy since the 1970s, by the proliferation of sovereign states in the system (there are now some 200) and lastly by the dizzying growth in the power and wealth of the Asian states and very particularly China (FIORI, 2008, p. 22-3).

My research into relations between the geopolitics and geo-economics of the world system began more than 20 years ago, with a study of the “1970s crisis” and the “liberal-conservative restoration” of the 1980s, and continued by monitoring international changes over the decades that followed. The impossibility of comprehending this conjuncture in terms of itself led me on a long journey through time back to the origins of the “capitalist inter-State system”, in order to understand the long-term trends involved. I began with the “wars of conquest” and the “commercial revolution”, which took place in Europe in the 12th and 13th centuries, in order to arrive at the formation of Europe’s States and national economies and the beginnings of their triumphant world expansion from the 16th century onwards. In Europe, unlike what happened in the Asian empires, the breakup of the Roman Empire and later the empire of Charlemagne is known to have led, between the 9th and 11th centuries, to a fragmentation of territorial power and the almost complete disappearance of currencies and the market economy. In the two following centuries, however — between 1150 and 1350 — the great revolution took place which changed the history of Europe and the world: it was during this period that an inseparable and expansionary association was forged on the European continent between the “need for conquest” and the “need to produce (ever greater) surpluses”. This replicated in the same form in various competitive sovereign territorial units, which were obliged to develop systems of taxation and to coin their own currencies in order to finance their wars of conquest. Wars and tributes, currencies and trade had always existed at all times and places; the great European innovation lay in these combined, added up and proliferated as a whole within small, highly competitive territories in a state of permanent war-readiness. Preparations for war and war itself became the main activity of all Europe’s princes, and the need to finance their wars drove public debt and taxation relentlessly upwards. As a result, surpluses and trade and also the markets in currencies and debt bonds grew and multiplied in turn, producing and feeding — within Europe — an absolutely original circuit of accumulation of power and wealth.
The emergence of Europe’s need to accumulate power and surplus production cannot be explained solely on the basis of the “world market” or the “wheels of commerce”. Even if men have a natural “propensity to truck, barter and exchange” – as Adam Smith thought – that does not necessarily entail their also having a natural propensity to accumulate profit, wealth and capital. There is no factor intrinsic to trade and the market that explains the compulsive need to produce and accumulate surpluses. That is, the expansive force that accelerated market growth and produced the early forms of capitalist accumulation cannot have come from the “wheels of commerce” nor from the market itself, nor at this early point from the transformation of the labour force into wage earners. It came from the realm of power and conquest, from the impulse generated by the “accumulation of power”, even in the case of the great Italian mercantile republics, such as Venice and Genoa.

Now, in my view, the concept of political power has to be more one of flow than of stock. The exercise of power requires material and ideological instruments, but what is essential is that power is a permanently binding, asymmetric social relationship, which only exists when power is exercised; and in order to be exercised, it needs to be constantly reproduced and accumulated. “Conquest”, as Machiavelli wrote, is the founding act by which power is instituted and accumulated, and no-one can conquer anything without having power (and more power than whatever is to be conquered). In a world where all had the same power, there would be no power. That is why power exerts a “competitive pressure” on itself and why there is no social relation prior to power itself. Also, as war is ultimately the instrument of conquest and the accumulation of power, it has become a co-constitutive element of this system of territorial powers that grew up in Europe and later expanded around the world. That is why the historical origin of capital and the European capitalist system is inseparable from political power and wars, and the theory of the formation of this “European universe” has to start with power and its wars, with taxation and with surplus, and with their transformation into money and capital, under the rod of power of the sovereigns. The endogenous factor or first principle that moves this universe is exactly this force of systemic, competitive compulsion that leads to endless accumulation of power and capital. On this point of view then, power has logical precedence within this symbiotic relationship even though the accumulation of capital has acquired a quite considerable and increasingly complex “relative autonomy” over the centuries.

Later, after the “long 16th century” and once Europe had formed into its first nation-States, the same fundamental rules and alliances established in the preceding period were maintained. The difference was that, in the new system of competition, the units involved were large territories and economies articulated into a single national bloc and with the same expansionary, imperialist ambitions. The aim of conquest was no longer to destroy another State or occupy its territory; it could be merely to subjugate it economically. Conquest and the monopolisation of new positions of political and economic power continued to be the mainspring of the new system. In the new inter-State system, each country’s production of surplus and capitals came to be an indispensable condition for its international power. The “regime of capitalist production” was forged within these expansionary territorial units and internationalised hand-in-hand with these new global empires created by the conquests of the first European states. After the 16th century, it was always these expansionary, winner states that also led capital accumulation on a world scale. Moreover, the “international currency” was always the currency of these States and these more powerful national economies, and came to be one of the main strategic instruments in the struggle for global power.

Competitive expansion by European “national economy-States” created colonial empires and internationalised the capitalist economy, but neither the empires nor international capital eliminated the national States and economies. In this new inter-state system, the States that expanded and conquered or subjected new territories also expanded their monetary territory and internationalised their capital. At the same time, however, their capital could only internationalise to the extent that they maintained their ties with some national currency, their own or that of a more powerful national State. It can thus be said that economic globalisation has always existed and never was the work of “capital in general”, nor would ever lead to the end of national economies. Indeed, globalisation itself is the outcome of the triumphant expansion of the “national economy-States”, which managed to impose their power of command – together with their currency, their public debt, their credit system, their financial capital and their various forms of indirect taxation – on an ever more extensive supranational territory.

In the same way, from the point of view expressed here, any form of “world government” is always an expression of the might of the leading power or powers in the capitalist inter-State system. Many authors talk about “hegemony” to refer to the stabilising function of such a leader at the core
of the system. However, these authors generally do not see that the existence of such leadership or hegemony does not interrupt the expansionism of the other States, and much less the expansionism of the leader or hegemon itself. For this reason, all hegemonic power is also and at the same time self-destructive, because ultimately, in order to continue accumulating its own power, the hegemon itself fails to abide by the rules and institutions it helped put in place, as can be seen in the case of the United States after the end of the Cold War. It is thus logically impossible for any "hegemonic" country to stabilise the world system as a number of international analysts believe. In this expanding universe born in Europe during the "long 18th century", there has never been "perpetual peace" nor stable international political systems. This is because this "universe" needs war preparations and crises in order to organise and "stabilise" itself. Down through history, it has practically always been these wars and these crises that have opened up avenues to innovation and "progress" in this system invented by Europeans.

This view of the world system warrants thinking that the United States' political and military failures of the early 21st century and the current world economic crisis do not signal the end of the "regime of capitalist production" nor a "Chinese succession" in world leadership, which will continue in the hands of the United States. This does not, of course, mean to say that the United States' leadership is definitive or that the world system is not undergoing massive change. Indeed, a great "expansive explosion" of the capitalist inter-State system is ongoing and a new "imperialist race" among the major powers is under way and should intensify in years to come.

**South America in the world system**

In South America, national states and economies formed somewhat differently, because there was never any dispute for hegemony among its nation-States themselves. First it was a colony and then, after independence, remained under Anglo-Saxon tutelage: by Great Britain until the end of the 19th century, then the United States until the beginning of the 21st.¹ In these two centuries of independent existence, political and territorial struggles in South America never have attained the intensity nor had the same effects as in Europe. Neither did an integrated, competitive system of national states and economies form on the continent, as was to happen in Asia after decolonisation. As a result, Latin American states never occupied an important position in the great geopolitical disputes of the world system, but rather functioned throughout the 19th century as a kind of experimental laboratory for "free trade imperialism".

After World War II and during the Cold War, South American governments – with the exception of Cuba from 1959 onwards – aligned with the United States.² Once again, during the 1990s, after the Cold War, most of the region's governments adhered to the neoliberal policies and reforms sponsored by the United States.

Starting in 2001, however, the political situation on the continent changed with victories – in almost all the countries of South America – of nationalist, developmentalist and socialist political forces, together with a new cycle of growth in the world economy at the start of this century.¹ In this new cycle of growth in South America the major change is the decisive influence of demand and pressure from Asia on the continent's economy. China in particular has been the leading buyer of South American mineral, energy and grain exports. In turn, the new international commodity prices are strengthening South American States' fiscal capability and are financing policies to integrate energy and transport infrastructure on the continent. South America has renewable and non-renewable energy resources, major mineral reserves, vast wellsprings of water, enormous food production potential and extremely rich biodiversity, along with a population of 370 million and a GDP of some US$ 1.5 trillion. In the coming decade, Brazil in particular will be the world's largest food producer and one of its leading oil producers and exporters, in addition to controlling most of the Amazon territory.

From all points of view then, the South American region today is essential to the functioning and expansion of the world system and will therefore come under increasing economic and political pressure from outside and from inside the region itself. In this respect, everything indicates that China will be an increasingly important presence in the South American economy, but is unlikely to involve itself directly in regional geopolitics in the next few years. What is more likely is that this swelling competitive pressure produced by the new geopolitics and the new growth cycle in the world economy will produce an increase in conflicts among the region's states themselves, and between them and the United States. Already pointing in this direction are the new military agreement between the United States and Colombia and the reactivation of the United States' 4th Naval Fleet to operate in the South Atlantic, as well as the intensifying border conflicts between Venezuela, Colombia and Ecuador, regardless of their immediate causes. In the opposite direction, are the founding
of the Union of South American Nations (Unión de las Naciones Sud-Americanas, UNASUR) and the plan to set up a South American Defence Council, without the participation of either the United States, Mexico or Central America, in addition to plans for physical and energy integration on the continent, which are ongoing with support and financing from the region’s governments and private capital. These political and economic measures represent a revolution in continental relations and face opposition from within the continent itself, from countries and political forces in favour of maintaining South America within the hegemonic space and “supranational economic territory” of the United States. It is no longer possible to escape from world competitive pressure and this is accelerating the inevitable, objective formation of a State sub-system on the South American continent, to leverage the internal and external power of its States. In any case, South America’s long “assisted adolescence” is over. In the medium term, that change is most likely to produce increasingly intense competition between Brazil and the United States for supremacy in South America.

Brazil and South America: the present conjuncture

After a decade veering to the left, South America is entering a zone of strong turbulence. As 2009 drew to a close, Uruguay elected a man of the people and former Tupamaro guerrilla, José Mujica, as President of the Republic; while in January, 2010, Chile elected Sebastián Piñera, a rightwing billionaire reminiscent of Italian prime minister, Silvio Berlusconi. Also in 2009, Bolivia and Ecuador re-elected governments disposed to change the structure of the state and property in their countries radically, but without any revolutionary rupture in the classical sense. In 2010, there will be elections in Colombia and Brazil and, in 2011, in Peru and Argentina. During this first decade of the century, change on the continent has been helped by world economic expansion, which also spurred acceleration in the South American integration project. However, the financial crisis of 2008 slowed both growth and the economic integration project. The political integration project was hit hard by the military agreement between Colombia and the United States, which authorises United States military forces to use Colombian territory from where they can control the airspace of Venezuela and all of South America. That is why it is no exaggeration to say that the future of South America, in the first half of the 21st century, is being decided at this very moment. Already it is possible to map the major disjunctures and options looming on the South American continent’s horizon.

In the first place, in economic terms, what can be expected after the crisis is a rise in pressure on international markets and a worsening of the peripheral and commodity-exporting status of most South American countries – even as their purchasing markets are broadening and diversifying towards Asia, and particularly China. In this new conjuncture, only cohesive, ongoing political resolve will be able to keep the South American integration project on its feet. This calls for a decision of state and a collective capability to keep local conflicts under control independently of changes in government. It also entails a joint policy to strengthen South America’s internal market and reduce the region’s dependence on international crises and price fluctuations. On this point, there is no compromise solution, because otherwise countries dependent on commodity exports, even oil, will never manage to command their own macro-economic policy, much less their role in the world economy. In the second place, politically, the economic crisis has laid bare even more starkly the national and social asymmetries and inequalities which underlie the region’s political heterogeneity and explain in part the lack of interest or enthusiasm for the South American integration project in certain countries on the continent. Lastly, in terms of continental security, the growing United States military presence in Colombia serves as a reminder that South America will continue – even if unwillingly – under the protection of United States space, air and naval power for quite a long time yet. It will also take enormous persistence and tenacity to build an autonomous regional security system without triggering an arms race within the region itself.

All the same, one thing is certain: the future of the South American project will depend increasingly on choices made by Brazil and on how Brazil develops its relations with the United States. In economic terms, the pressure of international markets and the new discoveries of pre-salt layer oil are also offering Brazil the opportunity to turn into a high-intensity exporting economy, a kind of “de luxe periphery” to the world’s great purchasing powers, just as Australia, Argentina and others were in their time. However, there is also the possibility that Brazil will choose another route, combining its export potential with an industrial production structure associated with and led by a more dynamic economy, as currently the case with Canada, for example. In addition, there is a third option open to Brazil at the moment, one which is absolutely new to the country and would head
it towards a reproduction of the industrial structure of the United States economy: industry with high added value and enormous capacity to produce and export foods and other high-productivity commodities including, in Brazil’s case, oil.

In the political field, meanwhile, the hegemony of neoliberal and privatising ideas is a thing of the past, as is the coalition of party power that assured “subservient cosmopolitanism” in international affairs. Now, a new democratic, grassroots, developmentalist consensus is consolidating in Brazil, one that increasingly rises above any party political identification. The future prospects for this new coalition, however, will depend on the international strategies of future Brazilian governments. Brazil may become a “strategic ally” of the United States, Great Britain and France, entitled to access part of their advanced technology, as is the case with Japan or even Israel, which built up its nuclear arsenal with the help of France. Then again, Brazil may also choose its own path to international standing. However, should Brazil wish to change position and strategy within the “rules” of the world system, it will have the extremely complex task of continuously administering relations of complementation and competition with the United States and with the other major powers, according to its own economic and geopolitical interests — in a draw-out contest for hegemony in South America, as if it were an “oriental combat” with the United States, walking a very narrow path for a period that may extend to several decades. In addition, in order to lead South American integration in the “world system”, Brazil will have to invent a new form of continental and world economic and political expansion, with no “manifest destiny” or missionary calling, and without the war-mongering imperialism of the two major Anglo-Saxon powers.

Brazil, South Africa, China, and India

In the geopolitics of nations there is no place for alliances based solely on statistical averages, sociological similarities or historical analogies. Ideological correspondences, meanwhile, operate effectively only when they coincide with the countries’ development and security needs. In this light, the formation of an economic sphere with major trade and financial flows among China, India, Brazil and South Africa is a new fact and may come to provide the material basis for some localised and sector partnering among all or some of these four countries. Nonetheless, this simple economic nexus is highly unlikely to sustain or warrant any long-term, geopolitical, strategic alliance among them. For that reason, construction of a common agenda among China, India, Brazil and South Africa must start from a recognition of the differences among their diverse positions, roles and interests within the world system. By virtue of their territorial size, populations and economies these four countries occupy prominent places in their respective regions. That similarity, nonetheless, belies very great differences in their interests, strategic outlooks and abilities to implement their decisions autonomously in the international field.4

Brazil and South Africa

Brazil and South Africa share with China and India a position as the most important states and economies in their respective regions, and account for a considerable part of the population, product and internal and external trade of South America and Africa. However, they share no common borders, have no territorial disputes with their neighbours, face no internal or external threats to their security and are not prominent military powers, particularly since South Africa abandoned its nuclear programme in 1991. South Africa’s history since independence falls into two important periods — before and after the end of apartheid in 1991 and the election of Nelson Mandela in 1994 — with two corresponding and completely different international presences. After World War II and during the apartheid period (from 1948 to 1991), South Africa faced almost permanent internal social and political rebellion and in the 1980s waged a regional war with the countries of the Southern African Development Coordination Conference (SADCC), also known as the “frontline countries”.5 After the end of apartheid and the election of Mandela, South Africa’s domestic security concerns and international presence changed radically, particularly with regard to “Black Africa” and the Southern African Development Community (SADC) set up in 1992, which brought South Africa together with its former enemies.6 Outside this immediate “zone of influence” South Africa has engaged in nearly all peace initiatives and negotiations on the black continent in the 1990s and early 21st century, but without displaying any expansionary inclination or appetite for disputing hegemony in Africa. On the contrary, it has moved with enormous caution, perhaps for the very reason of its racial, war-mongering past. On the other hand, since the first Mandela government, South Africa has set itself to play a “Cape of Good Hope” role, connecting the countries of Asia and Latin America and endeavouring to occupy an important place within this new economic geometry. In 1997, with India, it signed the “Red Fort Declaration”, proposing joint action for closer links with Latin America, which contributed decisively to the establishment in 2003 of the India-Brazil-
South Africa Dialogue Forum (IBSA). In 1998, Chancellor Alfred Nzo confirmed these priorities before the South African parliament and defined South Africa’s strategic objective as to establish solid relations with key countries in the Asia-Africa-Latin America connection in order to “strengthen the South’s voice in international forums”. In spite of this, the volume and growth rate of South Africa’s GDP, the size of its population and its limited military capabilities prevent it from holding any aspirations to supremacy outside its immediate region, Southern Africa.

On the other side of the Atlantic, Brazil’s regional and international history has always been less turbulent and more linear. Expansionism was never a characteristic of the Brazilian State, which never disputed hegemony, even on its own continent, with either Great Britain or the United States. After 1850, Brazil experienced no civil wars or threats of internal division and, after the Paraguayan War, in the 1860s, it participated in World War II only once, in Italy, and then occasionally in United Nations and OAS “peacekeeping” forces. Since 1870 relations with its South American neighbours have always been peaceful, with little competition or political or economic integration and, throughout the 20th century, its position within and outside the continent was nearly always that of a supporting partner in United States continental hegemony. Following World War II, Brazil played no major role in the Cold War and, although aligned with the United States, it embarked on a more autonomous and global foreign policy from the 1960s onwards, seeking closer relations with Asia and Africa, the socialist countries, and the Movement of Non-aligned Countries and playing an active part in negotiations to set up the Latin American Free Trade Association (LAFTA), the United Nations Conference on Trade and Development (UNCTAD) and the Group of 77. In the 1970s, particularly under the government of General Ernesto Geisel, the international role Brazil set itself was as an “intermediate power”: it intensified its developmentalist economic strategy, ended its military agreement with the United States, expanded its relations with Africa and Asia and signed a nuclear agreement with Germany. However, that project was interrupted by economic crisis in the 1980s and the end of the military regime and was definitively shelved in the 1990s when Brazil once again aligned with the United States and its plan to set up the Free Trade Area of the Americas (FTAA), which had been a US dream ever since the 19th century. More recently, however, after 2002, Brazilian foreign policy changed course once again, setting its new priorities as South American integration, the Mercosur and the South American Community of Nations, and a more strategic relationship with the key countries of Africa and Asia, particularly South Africa, India and China.

The South America integration project goes back to the ideas of Simon Bolivar in the first half of the 19th century. The regional common market began to be constructed in the 1960s, however, with the creation of the Latin America Free Trade Association (LAFTA), and was marked by two decisive events: creation of the Andean Community, in 1969, and the Mercosur, in 1991. Finally, on 8 December 2004, the countries of the Andean Pact and the Mercosur signed the Cusco Declaration, laying the bases for the Union of South American Nations (UNASUR), formerly known as the South American Community of Nations. In recent years, Brazil has been encouraging this integration project to be carried forward, but faces a number of constraints because today – unlike China and India in Southeast and Southern Asia – it is not considered a successful “development model” to be followed by the other countries of the continent. In addition, it has shown little ability to meet its neighbours’ needs due to its slow economic growth, low public and private investment capacity, but particularly due to the Brazilian State’s poor strategic coordination capability since the crisis of the 1980s and the neoliberal “downsizing” of the 1990s.

China and India

China and India – unlike Brazil and South Africa – are countries with millenarian civilisations and one third of the world’s population. More important, however, is the fact that these two Asian giants share 3,200 kilometres of common borders, besides their borders with Pakistan, Nepal, Bhutan and Burma. In addition, there are territorial disputes between China and India, they have gone to war in recent decades and they are nuclear powers. On this geopolitical chessboard, the Indians feel that China’s friendly relations with Pakistan, Bangladesh and Sri Lanka form part of a Chinese strategy to surround India and expand into Southern Asia, India’s immediate “zone of influence”. The Chinese, for their part, regard the recent approximation between the United States and India and their new strategic and nuclear partnership as part of a strategy to “ring-fence” China. These facts, expectations and developments characterise a very close relationship of warfare and territorial competition for supremacy in South and Southeast Asia involving the United States, China and India. Not only that, but – as already described – China and India are also competing at the moment in Central Asia, the Middle East and Africa, in the struggle to assure “energy security”. Today China is investing heavily in modernising its armed
forces and weaponry, such as its simultaneously diesel- and nuclear-powered submarine fleet, reflecting a clear concern with maritime control of the South Pacific. The same can be said of China’s recent development of a satellite hunter-killer system – technology formerly restricted to the United States and Russia – which puts China in a position to destroy the basic control link in the United States’ new war technology. Meanwhile, it is no secret that China occupies a central place in United States strategic planning as the potential adversary necessary to the organisation and expansion of US power. After all, China played a decisive role in the Korean and Vietnam wars and displays practically all the features of the great powers that have developed within the world system since its 16th-century European origins. The difference – as we have seen – is that thus far Chinese expansionism outside of Asia has been almost strictly diplomatic and economic. Within Asia, however, China’s plan is clearly hegemonic and competitive, including in military terms.

India, on the other hand, does not yet show the characteristics of an expansionary power and is behaving strategically as a State that has been obliged to arm itself in order to protect and ensure its security in a highly unstable region where it faces a territorial dispute and nuclear competition with its neighbour, Pakistan. All the same, it has developed leading-edge military technology (its sophisticated ballistic system and even its nuclear arsenal) and it has one of the best-trained armies in all of Asia. Even so, it was not until its military defeat by China in 1962 and the first Chinese nuclear explosion in 1964, right before its 1965 war with Pakistan, that India abandoned the “practical idealism” of Nehru’s foreign policy and adopted the realpolitik of prime minister Bahadur Shastri, who authorised the start-up of India’s nuclear programme in the 1960s. That was when Indian foreign policy shifted and it began to put into place its new nuclear national defence strategy, which reached maturity with the nuclear explosions in 1998 and successful launch of the India’s Agni II ballistic missile in 1999. At that point, right at the height of the “globalisation utopia”, that India fully assumed its position as a nuclear power and came to define its regional and international strategy on the basis of its growing economic and military might. With this new strategic outlook, India is working to gain access to, and control over, energy resources in Africa and the Middle East, but also in Central Asia – although China has already taken the lead in the region and now heads the Shanghai Cooperation Organisation (SCO), set up on its initiative in 1996, together with Russia, Kazakhstan, Kirghistan, Tajikstan and Uzbekistan. Meanwhile, since 2002, India has established a “Global Partnership for the 21st century” with Japan and is pursuing closer relations with Russia on longer-term energy and strategic issues.

The “good hope” route

As can be seen, the dynamic differences among China, India, Brazil and South Africa are enormous. Since the 1990s, China and India have projected themselves into the world system as economic and military powers, have clear hegemonic purposes in their respective regions and today occupy a position in global geopolitics that is completely asymmetrical with that of Brazil and South Africa. In spite of that, Brazil, South Africa and India – and even China, although not for much longer – still occupy a common position as “rising countries”, which have always called for changes in the world system’s “rules of management” and in its hierarchical and unequal distribution of power and wealth. Therefore, at the moment, they share a reformist agenda in relation to the United Nations System and the composition of its Security Council, just as they share liberalising, multilateral positions in international trade, in the Doha Round, in forming the G20 and in the World Trade Organisation. China, however, can be expected to take its distance progressively on these political and economic issues: already at times its actions reflect the stance of one who shares in – rather than who questions – the present configuration of world power. From here on, its conduct will increasingly be that of a great power, like all those who form – or have formed – part of the world system’s “ruling circle”. For that very reason greater convergence can be expected among the positions of India, South Africa and Brazil, than between them and China. Even in relation to India, though, the political convergences are likely to be topical, because Brazil and South Africa should hold faithful to the “pragmatic idealism” of their present foreign policies. At the moment, neither of the two shows a disposition – nor has the tools of power or faces the indispensable challenges – to exercise the realpolitik proper to great powers. Both should hold to their present position as peaceful spokespersons for the “wronged” of the world and for “universal ethical good sense”. From the economic standpoint, however, the new geography of trade and investments should intensify the material links among these four countries and their regions and, in that light, South Africa will become a new “Cape of Good Hope” between the “Indias” and Americas: the two points from which European expansionism gave rise to the present world system.
Facts, theory and conjunctural analysis

All analysis of the world system presupposes a theoretical vision of time, place and the movement of its “historical mass”. Without the theory it is impossible to interpret the conjuncture and identify cyclic movements and structural “long durations” that are concealed and revealed, at the same time, by the immediate happenings in the world system. It only makes sense to talk about “major crises”, “turning points” and “trends” on the basis of a theory that relates and hierarchises local, regional and global facts and conflicts within a single system of interpretation.

It is also the theory that defines the “central focus” of the analysis and its “timeline”. For example, in relation to world changes of recent decades, it is very common to hear talk of a “crisis in United States hegemony” in the 1970s and an acknowledgement that two very important historical turning points subsequently ensued in 1991 and 2001. This apparent consensus may conceal completely different interpretations, however, depending on each analyst’s theoretical point of departure. That is why this analysis of the international conjuncture begins by summarising its underlying focus, central thesis and main theoretical premises, only then to go on to analyse recent changes in the world system and discuss the new situations of South America and Africa, and specifically of China, India, Brazil and South Africa.

Behind the hypothesis of this paper lies a theory and certain historical generalisations as to the formation, expansion and changes of the world system that, starting from Europe, formed in the 16th century and consolidated in the 17th and 18th centuries. Here, once again, briefly, are the key theoretical premises:

i) The present “world political system”, which grew up in Europe in the 16th century and has universalised over the past 500 years, was not a work of spontaneous chance, nor of diplomacy. It was a creation of the conquering power of certain European territories, which defined their national borders at the same time as they expanded – simultaneously – beyond Europe and became global empires.

ii) In the same way, the “world economic system”, which was also set up from Europe over this same period, was not exclusively the work of “markets” or of “capital in general”. It was a by-product of the system of competitive conquest by certain European national economies that internationalised together with their respective “economy-States”, which immediately became colonial empires.

iii) Two characteristics distinguish the originality and explain the victorious force of these European powers: first, the way these territorial States set up, and interrelated with, their national economies to produce an absolutely new and explosive “machine for accumulation” of power and wealth — the “national economy-States”; and, secondly, the way these “national economy-States” came into being as a whole in a situation of permanent competition and war, among themselves and with the non-European imperial powers.

iv) From the outset, according to the German sociologist, Norbert Elias, in this system of permanent competition, “those who do not rise, fall”. That is why wars became the main occupation of Europe’s first territorial powers and later continued to be the basic activity of nation-States.

From this point of view then, any discussion of the present world system’s future and the prospects of its emerging States or “emerging powers”, must start from three preliminary convictions: a) in the “expanding universe” of “national economy-States” there is no logical possibility of “perpetual peace”, nor of balanced, stable markets; b) there is no possibility that the great powers can pursue a permanent policy directed solely to preserving the status quo, i.e., they will always be expansionist, even when they have conquered and secured their place at the apex of the world system’s hierarchies of power and wealth; c) for that reason, the leader or hegemon is always a de-stabiliser of its own hegemonic situation, because, in this world system, “those who do not rise [permanently], fall”; and, lastly, d) there is not the slightest possibility that leadership of capitalist economic expansion will ever leave the hands of the expansionary, conquering “national economy-States”.

Accordingly, between 1495 and 1975, the great powers were at war for 75% of the time, starting a new war every seven or eight years. Even in the most peaceful years of this period, between 1816 and 1913, these powers waged some 100 colonial wars. Contrary to expectations, with each new century, the wars have been more intense and violent than in the preceding century. War can thus be said to have been European nation-States’ main activity throughout their five centuries of existence and, once again, it is armed conflict that has set the tone at the start of the 21st century. Nonetheless, it is still taboo to talk objectively about wars or analyse their role in the formation, evolution and future of the capitalist inter-State system, which was “invented” by the Europeans in the 16th and 17th centuries and did not become a universal phenomenon until the 20th century. Perhaps it is too painful to accept that wars are neither an exceptional phenomenon, nor do they result from “economic necessity”. Perhaps it is too hard to understand that wars will continue to exist, even though there may be no nuclear confrontations between the
great powers, because they do not need to be waged in order to fulfill their “role” in the inter-State system. It is enough for them to be planned complementarily and competitively.

At first sight, this all seems rather absurd and paradoxical, but everything becomes clearer when one looks at the origin of this history and understands that the world system we live in was achieved progressively by the first European nation-States. Also, from the outset, “led” by the competitive, imperial growth of its great powers, which struggle permanently to maintain or advance their relative positions within the system, it never ceased to expand. Accordingly, United States political scientist John Mearsheimer is right to say that “Great powers behave aggressively not because they want to, but because they have to seek more power if they want to maximize their odds of survival, because the international system creates powerful incentives for states to look for opportunities to gain power at the expense of rivals...”.

In this competitive process, war or the threat of war has been the main strategy tool used by nation-States to accumulate power and define the world hierarchy. The winning powers — who became the “leaders” of the system — are those who have managed to conquer and maintain monopoly control of “sensitive technologies” for military use. In turn, this competition for leading-edge technology and for monopoly control of the other resources of warfare has given rise to an automatic, progressive dynamics of continual preparation for war. This dispute points, the whole time, towards one single, universal empire, but paradoxically this empire can never be achieved without the world system losing its overall ability to continue expanding. Why not? Because victory and the constitution of a world empire would always be the triumph of one specific nation-State, whichever State were capable of imposing its will and achieving a monopoly of power to the point where its competitors disappear. If that were to happen, however, competition among States would cease and there would be no way for States continue increasing their power. That is, in this inter-State system invented by the Europeans, it is indispensable that adversaries exist in order for there to be expansion and accumulation of power, and continual preparation for war is the factor that orders the system itself. Accordingly, as the “leading power” also needs to go on accumulating power in order to maintain its relative position, it too will end up overturning the institutions and international agreements that it earlier helped put in place. It has most relative power within the system and thus eventually it nearly always comes to be the major de-stabiliser of any established international order.

Now, preparation for war, and war itself, have never been an impediment to economic complementarity, or to trade and financial integration, among all the States involved in the conflicts. On the contrary, mutual economic dependence has always been an essential part of competition itself. Sometimes conflict predominates; at other times, complementarity, but it is this “dialectic” that has become the true political and economic driving force of the capitalist inter-State system — and the great secret to Europe’s ascendancy over the rest of the world since the 17th century.

Between 1650 and 1950, England took part in approximately 110 wars, inside and outside Europe, i.e., an average of one every three years. Between 1783 and 1991, the United States took part in about 80 wars, inside and outside its own territory, i.e., also averaging one every three years. As a result, at the start of the 21st century, the United States have military accords with about 130 countries around the world and maintain more than 700 military bases outside US territory. Nonetheless, they must continue expanding — regardless of who is in government — without necessarily needing to breach International Law and without owing anyone an explanation. That is why any attempt to justify the United States’ new military bases in Colombia, as being necessary to combat drug-trafficking and the local guerilla, sounds absolutely comical and unnecessary, as do arguments that associate the United States’ installing a missile shield on the Russian border with controlling and blockading Iranian rockets. In the same way, it is ridiculous in this context to evoke the “basic principle of non-intervention” in order to defend Colombian, Polish or Czech decisions. There are no limits to this “game” and, however regrettable it may be, the “neutrals” are either irrelevant or they succumb and, to those who refuse to ally or submit to the expansionary power, only two options remain: to the weaker, protest, and to the rest, self-defence.

Meanwhile, there is no doubt that geopolitics and the economy go almost hand in hand when one considers competition and the struggle for scarce strategic resources, both among States and among private capitals. In this field, the most violent dispute has always been for monopoly control of the energy sources indispensable to the functioning of the world system economic, and of all its national economies, particularly those of its great powers.

Thus, once again, the most important economic competition and geopolitical dispute is taking place over territories and regions that hold the energy surpluses necessary to drive the new “locomotive” of world growth, pulled by the United States and China, with immediate effects on India. It is enough to look at the two extremes of this new axis – Asia
and the USA — and at their present and future energy needs in order to visualise the map of the disputes and their positive synergies around the world.11

It is this situation of collective and competitive scarcity that explains the recent approximation between all these Asian countries and Iran, despite strong opposition from the United States. It also explains the diplomatic and economic offensive by China and India in Central Asia, Africa and Latin America, and also in Vietnam and Russia, as well as the joint participation by China and India in disputing Caspian Sea oil with the United States and Russia, as well as alternative oil pipeline outlets of their own. The strategy of competition and expansion is also pursued by large Chinese and Indian capitalist corporations, which have already ventured beyond their traditional zone of activities and are now operating in Iran, Russia and even in the United States. This has had almost immediate military impacts, as diagnosed by the International Institute for Strategic Studies, in London, which attributes this energy dispute to recent restructuring of China’s and India’s navies and their growing presence in the Indian Ocean and the Middle East.

At the other end of this dynamic axis in the world economy is the United States, which continues to be the world’s largest energy consumer and moreover is engaged in diversifying its energy sources so as to reduce dependence on Middle East oil. Today Saudi Arabia meets only 16% of the United States domestic demand; the US has managed to displace most of its energy sourcing to Mexico and Canada, which lie within its immediate strategic security zone, followed by Venezuela, its fourth most important oil supplier. In addition, the United States is working actively to secure a long-term strategic accord with Russia and has moved aggressively and competitively into the new oil territories in Sub-Saharan Africa, Central Asia and the Caspian Sea region. The United States is thus disputing with China and with India all the territories with actual or potential energy surpluses — and that competition is becoming a new economic triangle that is at once complementary and competitive and which is performing the function of organising and galvanising a number of regions and national economies all around the world, including South America and Africa.

In the case of South America, the early 21st century is also seeing a reversal of pessimistic economic expectations. The forecast was for a period of “lean cattle” with low growth and external imbalances, particularly after the crises in Argentina and Venezuela in 2001 and 2003. After 2002, however, growth resumed in all countries on the continent, led — paradoxically — by the economies of Argentina and Venezuela, which surmounted the crisis and have now returned to pre-crisis levels of activity, growing at average rates of between 7% and 9% over the past four years, while the rest of the continent is growing at average rates ranging from 3.5% to 5.5% — the most notable exception being Brazil, which for more than 20 years has been growing at an average rate of approximately 2.5%.

As at other times in the international economy, now once again, the exporting economies of South America are accompanying the world economy’s expansion cycle led by the United States and China. However, there is something very new about this new South American growth cycle: that is the decisive influence on the continent of exports, imports and investments by Asian countries (and particularly China, which has been most responsible for the increase in South American mineral, energy and grain exports). Beyond just trade, however, China is occupying an increasingly important role as an investor in the region, competing with South America’s traditional sources of investment capital.

Now, from the standpoint of South America’s economy, the new international mineral and energy prices have strengthened producer states’ fiscal capabilities and are helping to finance some ambitious projects for physical and energy integration within the continent itself. In addition, Venezuela’s sizeable reserves in strong currency have already enabled it to act on two occasions as a “lender of last resort” to Argentina and Paraguay, forging a new type of relationship and integration absolutely unprecedented in the history of South America.

From all points of view then, China is playing a fundamental new role in the South American economy. The United States continues to be the hegemonic power in South America, and the Chinese are unlikely to involve themselves politically in the region. There is no doubt, however, that this international “bonanza” led by the United States and China has contributed to the emergence of a new economic triangle, which should help to intensify South-South material and political relations and to make South American foreign policy more autonomous of its traditional centres of economic and political power.

With Africa the case is somewhat analogous. In the 1990s, after the Cold War, and at the height of financial globalisation, the African continent was practically sidelined by trade and investment flows, reinforcing the very widespread image of an unviable continent. With “failed States”, “civil wars”, “genocides” and major epidemics, but also only 1% of world GDP, 2% of global trade transactions and less than 2% of world foreign direct investment. Nonetheless, in the early decades after independence, some of the new African
states enjoyed economic growth comparable with the most successful developmentalist states of Asia and Latin America. That initial success, however, was overtaken by the economic crisis of the 1970s and by the change in direction by the world economic system. From the 1970s and 80s onwards, the African economy went into continuous decline until reaching the very low levels of the 1990s. In the long term, however, as in Latin America, most African economies depend on their commodity exports and their economic performance accompanies the cycles of the international economy. And that is what is happening, all over again. Since the end of the 1990s, at least, a new change is underway in the African economic panorama, particularly in Sub-Saharan Africa. Mean economic growth, which was 2.4% in 1990, rose to 4.5% between 2000 and 2005, and reached 5.3% in 2006, with forecasts that it would rise again to 5.5% in 2007 and 2008. Since the mid-1990s, 16 countries in the region, where are home to 35% of Africa’s population, have been growing at rates in excess of 5.5%, with “exorbitant” growth rates in some oil producing countries, such as Angola (16.9%), Sudan (11.8%) and Mauritania (17.9%).

Behind this African transformation – once again, as with South America – lies the enormous growth of the Asian giants, China and India. In 2000, China and India accounted for 14% of Africa’s exports; today they consume 27%, the same as Europe and the United States. Meanwhile, Asian exports to Africa are growing at 18% per year, and the same is happening with Chinese and Indian direct investments in Black Africa, which are concentrated in energy, minerals and infrastructure. Suffice it to say that China now has more than 800 companies, with 900 investment projects and 80,000 Chinese workers, on the African continent. This veritable “economic beachhead” led by state enterprises is being followed, although on a smaller scale, by India’s government and private capitals, which are creating an analogous movement of massive investment and intensifying their political, economic and cultural relations with Africa.

From this standpoint, all the signs point in the same direction: Subsaharan Africa is becoming the major frontier of economic – and perhaps political and demographic – expansion for China and India in the early decades of the 21st century. In this regard, a new geo-economic triangle is forming among China, India and Black Africa. However, the United States is unlikely to abandon its positions in the region, particularly in its struggle for “energy security”. But there is nothing to stop Africa also becoming a prime setting for negotiation and fusion among Asian and United States economic interests.

To conclude

The Chinese- and Indian-led shift in economic relations among Asia, Africa and Latin America is a fact of enormous importance to the economic redesign of the world system. For the first time in this system’s history, “South-South” relations have gained substantial and expansive material density with the capability to generate concrete interests in the world of capital and power – in almost exactly the same space where “Third World” ideologies and the movement of “non-aligned countries” flourished in the 20th century.

Shifting to a broader perspective, it can also be seen that, at the turn of the 21st century, the new geopolitics of nations has brought with it major social and political mobilisation in favour of social changes towards greater equality in the societies most affected by the changes in the world system. The world went through a period of liberal euphoria after 1990, but now seems to have entered a new period of convergence between national self-protection movements that question the international status quo and social movements that are working against inequality within each of these countries and regions. The end of apartheid and the democratisation of South Africa were emblematic of that reversal, even though after 1994 the government of President Mandela maintained the same orthodox, neoliberal type of economic policy as its predecessor. On a long-term view, however, the change in South Africa represented the end of European colonialism and the peak of the liberation struggle in Black Africa. In South America and in Brazil, since 2001, new leftwing governments are proposing to react against neoliberal policy and are wanting to pursue more egalitarian policies for social change. All the international studies acknowledge that economic growth in China and India has reduced extreme poverty there, even though social inequalities continue to be very great.

This return to the “social issue” in recent years, along with the “national issue”, recalls the classic thesis of Austrian economist, Karl Polanyi, about the origins of the egalitarian “great transformation” of the more developed societies following World War I and the crisis of the 1930s. He argues that this great change in “liberal civilisation”, which had been victorious and incontestable in the 19th century, took place as a result of the tendency for all liberal economies and societies to be moved, simultaneously, by two contradictory material and social forces. The first of these is “liberal and internationalising” and pushes national economies and societies towards globalisation, the universalisation of “self-regulated” markets and social inequality. The second, acting in the opposite direction, tends towards “self-protection of
societies and nations” against the destructive effects of self-regulated markets, which he called “satanic mills”. In the case of the European countries, particularly in the 20th century, these two – national and social – self-protection movements converged under the external pressure of the two World Wars, the economic crisis of the 1930s and later the Cold War itself to create a great social consensus in favour of the policy of economic growth, full employment and social welfare, which until then liberals had considered heresy. Outside of Europe and the United States, however, this “dual movement” of national and social self-protection rarely occurred in a convergent manner, at least until the late 20th century, perhaps because these countries and regions had not faced the external challenges which eventually forged solidarity between elites and national populations, out of mutual need if nothing else.

Karl Polanyi did not foresee the “liberal-conservative restoration” of self-regulated markets, which happened after 1980. Nor, therefore, could he have foreseen the increasingly widespread reaction in the early 21st century against the destructive and unjust effects of the neoliberal policies of the preceding two decades. Even so, the evidence is mounting that an increasingly broad and universal movement in favour of democracy and social equality is under way, a kind of return of the world of labour and of the excluded after two decades of incontestable supremacy of the world of capital. The great novelty, however, is that at the dawn of this new century the “national and social self-protection” movement is starting from the periphery of the world system and is taking place without being preceded by war and mass destruction. That is why, if this trend is confirmed, it is not impossible that the civil societies and governments of China, India, Brazil and South Africa will converge to lead a major project for more equal redistribution of the power and wealth oligopolised by the great powers in this world system set up by the Europeans exactly at the time they conquered, subjected and connected Asia, Africa and America from the 16th century onwards.

Notes

1. In August 1823 the British foreign secretary, George Canning, proposed to the United States ambassador in London, Richard Rush, that they issue a joint declaration against any “external intervention” in Latin America. President James Monroe, supported by his secretary of state, John Quincy Adams, declined the British invitation. Three months later, however, Monroe himself proposed to the US Congress a national strategy doctrine nearly identical to the British proposal. Thus the “Monroe Doctrine” was born on 2 December 1823. As was to be expected, the Europeans considered Monroe’s proposal impertinent and unimportant, raising as it had from a state as yet lacking in international stature. And they were right: it is enough to remember that the United States only recognised the first Latin American independent states after receiving the approval of Great Britain, France and Russia. Even after Monroe’s discourse, they refused requests for intervention from the independent governments of Argentina, Brazil, Chile, Colombia and Mexico. As a result, the Europeans and the Latin Americans themselves quickly realised that the Monroe Doctrine had been conceived, and would be upheld throughout nearly the entire 19th century, by the power of Britain’s navy and capital.

2. After 1991, with the demise of the USSR and the end of the Cold War, the United States maintained and intensified their offensive against Cuba, despite maintaining friendly relations with Vietnam and China. At the height of the 1989-1993 economic crisis caused by the end of Cuba’s preferential relations with the Soviet Union, the governments of George Bush and Bill Clinton attempted a checkmate by forbidding United States transnational corporations from doing business with Cuba and then, under the 1996 Helms-Burton Law, imposing penalties on foreign companies that did business with the island. This unwavering position by the United States warrants holding no illusions of change in the two countries’ positions at the moment. From the US standpoint, Cuba belongs to them and lies within their “security zone”. Thus the United States’ main goal in any future negotiations will always be to undermine and destroy the hard core of Cuban power.

3. The election of Fernando Lugo as president of Paraguay in 2008 was one in a series of victories by leftist forces, following as it did on the elections of Hugo Chávez (1999, in Venezuela), Luiz Inácio Lula da Silva (2001 and 2005, in Brazil), Michele Bachelet (2006, in Chile), Nestor and Cristina Kirchner (2003 and 2007, in Argentina), Tabaré Vásquez (2004, in Uruguay) and Rafael Correa (2006 and 2009, in Ecuador). That electoral and political sea-change restored some “national popular” and “national developmental” ideas and policies which had been shelved during the neoliberal decade of the 1990s. These ideas and policies can be traced back in a way to the Mexican Revolution and in particular to President Lázaro Cárdenas’ programme of government in the 1930s. Cárdenas was a nationalist and his government implemented a radical agrarian reform, nationalised oil production, set up Latin America’s first state industrial and foreign trade development banks, invested in building up infrastructure, pursued industrialisation and domestic market protection policies, introduced labour legislation and followed an independent and anti-imperialist foreign policy. After Cárdenas, that programme became the common denominator among several Latin American governments, which generally were neither socialist nor even left-wing. All the same, his ideas, policies and positions became an important point of reference for leftwing thinking and political forces in Latin America. One has only to recall the Bolivian peasant revolution of 1952, the democratic leftist government of Jacobo Árbenz in Guatemala, from 1951 to 1954, the first stage of the Cuban Revolution from 1959 to 1962, and the reformist military government of General Velasco Alvarado in Peru, from 1968 to 1975. In 1970, these same ideas also reappeared in the government programme of Salvador Allende’s Unidad Popular, which proposed a radicalisation of the “Mexican model”, accelerating the agrarian
reform and nationalising foreign copper-producing firms, at the same
time as advocating the creation of a State-owned "strategic industrial
core", which was intended to become the embryo of a future socialist
economy.

4. China, India, Brazil and South Africa are all societies with highly
unequal distribution of income, wealth and access to basic social
rights. They face serious problems of urbanisation, infrastructure,
proliferation of shantytowns and extreme poverty, and their rural
regions suffer from low productivity and large contingents of
population with unmet basic needs in sanitation, energy and food.
However, despite the common struggle of the poorest countries to
improve distribution of the world’s power and wealth and despite the
support of international organisations and the occasional solidarity
assistance of the great powers and non-governmental organisations,
the response to the challenge of poverty and inequality continues to
be the responsibility of each of the national states where the “poor
of the world are ‘stocked’ and where the resources capable of altering
the distribution of power and wealth among social groups are generated
and accumulated” (FIORI, J. L., 60 Lições dos anos 90, Editora
Record, Rio de Janeiro, 2001, p. 139). In this regard, the first point on
the social agenda common to China, India, Brazil and South Africa is
to multiply employment and income, and that is strictly unfeasible –
in the case of these four countries – without rapid economic growth.
Only by expanding public and private investment will it be possible
to increase economic growth rates; and only with high growth rates
will social control and bold policy-making be possible to block the
polarisation of wealth which inevitably accompanies capitalist
development when left to market forces. In this respect, in addition
to public investment, active policies are needed to redistribute wealth
by way of wages, but also – and particularly – by cheap provision of
staple foods and universal public health, education, sanitation, energy,
transport and communications facilities and services. The only way to
go beyond transitory welfare policies is to transform social distribution
and inclusion into a permanent, structural conquest by civil societies.
From that standpoint, there is no doubt that today the gap between
social progress in China and in India is widening – as it is between
Brazil and South Africa – and that gap has to do with their economies’
mean growth rates over recent decades and with how concerned
their governments are about social inequalities. China has been
-growing for the past 27 years at a mean rate of 9.6%; Brazil and
South Africa, at approximately 2.5%; and India, has been maintaining
a rate close to 8%, although only since 2003. Annual public and
private investment in China is of the order of 30% and even 40% of
GDP, while such investment in Brazil never exceeds 20% of GDP.
India’s situation today is similar to China’s at the start of the 1980s,
and its economic boom has not yet reached agriculture and rural
areas, while some 60% of the population live and, in 2005, were
growing at 3.9%, well below the national mean of 8.4%. The prospect
for the next few years are for these differences to continue, with Asia
growing at a mean 8 to 9% per year and Brazil and South Africa, at a
mean 3 to 4%. Meanwhile, in recent years, rates of social inequality
have fallen slightly in Brazil, thanks to its raising the minimum wage
above inflation and thanks also to its assistance- or emergency-type
distributive policies.

5. The Southern African Development Coordination Conference
(SADCC) was set up on 1st April 1980, in Lusaka, the capital of
Zambia, as part of the adoption of the Lusaka Declaration – "Southern
Africa: Towards Economic Liberation". This conference and its
declaration are the outcome of an alliance among 9 countries of the
Southern Cone of Africa (Mozambique, Angola, Botswana, Lesotho,
Malawi, Swaziland, Tanzania, Zambia and Zimbabwe) for the purpose
of coordinating political and development strategies to overcome
sub-regional economic dependence on South Africa, then under the
rule of apartheid (which ended in 1991). This alliance was also called
the alliance of the “frontline countries” (against South Africa).

6. In August 1992, the 9 member countries of the SADCC founded
the Southern African Development Community (SADC) in Windhoek,
Namibia. At present, in addition to the 9 founding members, the
SADC comprises the Democratic Republic of Congo, Madagascar,
Republic of Mauritius, Namibia, Seychelles and South Africa. The
organisation’s head offices are in Gaborone, the capital of Botswana.

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11. Taken together, China and India account for one third of the world’s
population and, over the past two decades, have been growing at an
average rate of between 6 and 10% per year. For that very reason,
when the United States National Intelligence Council drew up its
Mapping the Global Future, in 2005, it forecast that if these two
two national economies maintained their present growth rates, by 2020,
China should increase its energy consumption by 150% and India by
100%. However, neither of the two countries is in a position to meet
its needs by increasing its domestic oil or gas production. China was
an oil exporter, but today is the world’s second-largest importer of
oil – and those imports meet only one third of its domestic needs.
India is even more dependent on outside oil supplies: over the past
ten years, that dependence has increased from 70 to 85% of
its domestic consumption. To complicate the situation of economic
and geopolitical competition in Asia still further, Japan and Korea also
depend on imported oil and gas to sustain their domestic economies.