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State Transformation in Globalizing Asia: New Geopolitics or the Restructuring of Social Power Relations?

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Geopolitics refers to the competition between great powers and aspiring powers over territory and resources. In recent years a wide variety of mainstream studies and media reports have focused on geopolitical competition in Asia (with a brewing trade war between the U.S. and China, tensions over the South China Sea, potential conflict between Pakistan and India, and so on). But what do such approaches leave out in our understanding of the state? How might we reconsider contemporary events by looking at the state as a social power relation? Furthermore, how might we reconsider the role of the state through the major shifts occurring through globalization?

From a Weberian approach the state exists through a “human community that (successfully) claims the monopoly of the legitimate use of physical force within a given territory” (Skocpol, 1985, p. 7). States are then reduced to their apparatus and cadre, where states have “interests” and compete with one another. The modern nation-state is seen as being able to support its polity, through “infrastructural capacity, technical capacity, policy efficiency and durable institutional structures, combined with legitimation and cooperation from civil society” (Grugel, 2004). The breakup of the Soviet Union and undermining of many statist projects in the post-cold war period has led though to a remaking of the world’s geopolitical landscape, a process described often as the “new geopolitics”. For many international relations (IR) and international political economy (IPE) scholars this focus on geopolitics or the “new geopolitics” is the central factor for understanding our contemporary world.

In my view, the state-centric approach of many IPE and IR scholars is limited by prioritizing politics for the latter, and economics for the former, rather than examining them as mutually constitutive. It fails to recognize, as Gramsci understood that the state is “the entire complex of practical and theoretical activities with which the ruling class not only justifies and maintains its dominance, but manages to win the active consent of those over

whom it rules" (Gramsci, 1971, p. 244). As Robinson adds "the state becomes the "integral" or "extended" state, in Gramsci's formula, encompassing political plus civil society, a conception aimed at overcoming the illusory dualism of the political and the economic" (2005, p. 4). Rather than a cold lifeless state we need to consider the state as a social power relation. We need to understand how hegemonic consent formation and coercive domination play out with regards to this social power relation and in regions, such as Asia, with so many changes occurring through globalization.

In this paper, I take up a global capitalism school (GCS) approach, which espouses two major tenets: (1) the conceptualization of a new epoch (a globalization era) in the history of world capitalism during the later quarter of the 20th century and into the 21st century, and (2) an analysis of the structure of global capitalism that goes beyond state-centric views of international relations, political economy, or orthodox Marxist understanding of nation-state imperialism. World capitalism has passed through different phases—from mercantilism to national formation to international monopoly capitalism to today's transnational/global capitalism.

While state-centric perspectives can shed light on important dynamics, I argue that the focus on geopolitics, separate political and economic spheres, and surface layer descriptions ignores the emerging new social (and material) reality that is at the core of the changes taking place. The rationale for this paper is that much analysis and theorizing on contemporary political economic processes remains deeply impoverished, reflecting the stale zombie language of Westphalian state-centrism. With global circuits of capital accumulation intertwining the Earth's population through transnational processes, it is all the more important to emphasize the role of social formation and social reproduction as most determinant (of causal priority) in understanding our material world. "Transnational processes" differ from international processes in the sense that different components or agents jointly-operate across borders thus creating a diverse array of structural, institutional, and organizational phenomena that functionally link regions and nations globally. In the aftermath of the Great Depression and the Second World War, Keynesian-Fordist policies became a necessity to maintain the stability of the capitalist powers. During the post-War period, the U.S. provided special advantages to some of its closest Cold War allies, including West Germany, South Korea, and Japan. This helped to facilitate unique labor-capital compromises within these countries, which in turn influenced the way they engaged with the world economy. The plan was that "state capacities would be an asset for capital" (Panitch and Gindin, 72) through an "internationalizing of the New Deal" (Ibid, 122).

Beginning in the late 1970s, faced with declining rates of profit and accumulation as well as rising international competition, capital needed to break free from the national constraints that had been put on it during the Keynesian-Fordist New Deal era. One of these "constraints" was the responsibility of ensuring the social reproduction of its national labor force. "Going global" allowed capitalists to do away with this concern by tapping into an ever-growing global pool of marginalized workers. Promoting economic liberalization and state austerity as a solution, U.S. state apparatuses were increasingly used to pressure the lifting of capital controls around the world. Simultaneously, the internationalization of capital operated through ramped up foreign direct investment (FDI) and nontraditional exports worldwide. Many of the reforms achieved through earlier labor-capital compromises were rolled back, as labor unions and political alternatives were crushed. With capital taking back the gains labor had made during the post-war boom, a "restoration of class power" (as David Harvey (2007) has also described it) came about as a result. Meanwhile,

“capitalist-roaders” had taken power in China in the late 1970s and 1980s (Ibid). This helped bring about the *extensive* spread of capitalism across the planet. Throughout the 1980s and -90s, circuits of production advanced, becoming more sectorial and mobile, with concomitant increases in productivity and major technological and organizational achievements. Over recent decades, new chains of transnational finance and production have evolved worldwide, with major policy and institutional changes being implemented in states around the world, leading to an *intensive* spread of capitalism with the logic of capitalism increasingly seeping into every crevice.

It is my argument that earlier indicative (development) planning (with a view to foment nationally oriented economic development) continues to fragment, as markets integrate into new circuits of transnational accumulation. This has a concrete impact, for example, with massive sums of transnational capital flowing into China and other sites in different regions (with huge rises in FDI, cross-border mergers and acquisitions, and other changes taking place), transforming the character and content of the capitalist-class composition and the role of the state. New consuming middle strata have come about, and vast pools of labor are now compelled to integrate their labor power into transnational value chains. Such processes take on numerous regional and local particularities. What has been the role of and the changes undergone by the state in this process (and specifically with regard to nations in Asia)?

The transnational capitalist class and the state apparatus

From a Gramscian approach, we see how during various time periods and societies there has arisen a historic bloc— an alliance of different class forces politically organized around a set of dominant ideas that provide coherence and a planned direction. Moreover, this ‘historic bloc’ operates under one dominant social class that has established its intellectual and moral leadership (Gramsci, 1971, p. 215). Hegemony is developed through the construction of consent (through culture, ideology, the political scene, and so on). Yet, at the same time, depending upon the shifting balance of forces, the ruling class (and its historic bloc) relies upon the domination achieved through direct coercion through police, the judiciary, military or paramilitary forces (Budd, 2007).

Rather than individuals of the capitalist class serving directly in the state, it is governing political groups that normally do this. As relatively autonomous entities, these political groups and state elites maintain legitimacy in the eyes of the electorate, even as they overwhelmingly operate in the “collective” interests of capital. This relative autonomy is conditioned by a number of dynamics, such as prevailing socioeconomic conditions, the balance and struggle of social forces, and the position or character of the state. The power of the state does not simply derive from the state itself but also through “structural ties between the state and its encompassing political system, the strategic links among state managers and other political forces, and the complex web of interdependencies and social networks linking the state to its broader environment” (Jessop, 1990, p. 367).

The reproduction of state apparatuses (as a social power relation) is thus constantly being determined through socio-political conflict, which is shaped by broader structural constraints. Consider, for example, the struggles occurring between contending forces within a resource-starved state or a city municipality, the historical and spatial dynamics that institutional agents operate from, or the role of wealthy and powerful interests that seek to

influence public opinion and the policymakers of a powerful state. From this perspective, the:

“...state is a social power relation, expressing the agency, interests, and ideologies of specific socio-political forces, particularly classes and class fractions, in given historical contexts. Political outcomes, including governance outcomes, are thus understood as the contingent products of struggles between contending forces. State *transformation* thus refers not merely to changes in states’ institutional architecture, but also to a broader institutionalized and/or routinized transition in the distribution and (re)production of political power within particular states, which is always partial among different social-political groups”. (Hameiri and Jones, 2015, p. 52)

While political economists have long theorized the role of nationally rooted capitalist classes or various business communities, over recent decades, scholars have documented and theorized the rise of a transnational capitalist class (TCC), associated with the spread of transnational corporations and the rise of a globally integrated production and financial system. Many studies have looked at transnational capitalist networks (Sklair, 2002; Carroll, 2013; Sprague, 2017), in regards to Asia (Sprague, Ed., 2016) and with the rise of a statist fractions of the TCC in China, Russia, and the Persian Gulf (Harris, 2016). Others have looked at what they describe as the formation of global power elites (Phillips, 2018). From a Gramscian perspective: to promote its hegemony over a crisis-prone global system, the TCC has required a *new* broad alliance of social forces, a *global historic bloc*. This new historic bloc (with the TCC as its hegemonic class) is made up of transnational corporations (TNCs) and transnational financial institutions, elites that manage the supranational economic planning agencies, major forces in the dominant political parties, media conglomerates and technocratic elites and state managers in both North and South (Robinson and Sprague, 2018). Over recent decades, many powerful dominant national groups have transitioned (or begun to transition) toward a transnational orientation, undergoing an insertion into this insipient global historic bloc. Yet this bloc remains riven by competition, with a TCC that is fractionated into many divisions and historical differences.

Under these changing circumstances, we can see the ways in which state authorities face legitimacy crises and have sought to undertake adjustments. To create political conditions beneficial to transnational capital and toward undermining alternatives, what we see being constructed, euphemistically advertised as “democracy” in nations in many regions worldwide, should be more appropriately described as “polyarchy” in its application. Polyarchy, a term introduced by Robert Dahl and advocated by Joseph Schumpeter, is an institutional understanding of “democracy” as only the “process, method, and procedure” in choosing a government. Hence in practice, “democracy” often becomes the activity of masses choosing between two or more competing elites in elections (Robinson, 1996). In many parts of Asia we see that this polyarchy dynamic has been solidified over recent years, such as in South Korea, Taiwan, and many other countries. This was influenced by the discourse on “democratization” that became popularized in the late 20th century, as part of U.S. and EU foreign policy establishments, as did a particular understanding of human rights. “they have been able to shape the parameters of the debate, with the result that human rights are understood principally as liberal freedoms, not collective rights” (Grugel, 2004, p. 31).

Even in countries in which polyarchy has its deepest roots such as in the U.S. we see crises of legitimacy in the globalization era. The U.S. political scene, for instance, has been undergoing a facelift in an effort to restore the decreasing legitimacy of the transnationally-oriented capitalist class and its allies. This transformation has been characterized by a rightwing that has sought to portray itself as economically nationalistic in an attempt to expand support among the working class (primarily, among working class whites) whose economic stability has dwindled during the neoliberal era. However, Trump's election has not come to represent a rupture but rather a continuation of strategies deployed by the TCC and its allies, with a different guise.

In apparent contradiction with the trend toward trans-nationalization, Trump's strategy of rejecting the TPP (Trans-Pacific Partnership), has helped to varnish himself as an "economic nationalist", a fighter for U.S. workers. This was key for his winning the "Rust Belt" states, where so many manufacturing jobs have been lost over recent decades, many that had been held by white workers. The TPP symbolized the most unconstrained attempt by transnationally oriented elites to impose policies on an array of countries (including the U.S.) where the major beneficiaries are transnational corporations. Does Trump's opposing the TPP mean that he opposes transnational capital? Quite to the contrary, it represents an alternative strategy: while a partial pump on the breaks, he extends at the same time many other factors beneficial to the TCC (lowering taxes, gutting of regulations and environmental protections, expanding military-industrial-prison contracts, while promoting a host of new bilateral agreements that can aid cross-border accumulation and weapons sales). All of this entails reproducing the dominant order, and under a refurbished conservative ideology. Relying upon recycled mantras of xenophobia and chauvinism, the Trumpian right seeks to head off the legitimacy crisis of transnational capital. However rather than propose an alternative to transnational capital, they propose an alternative strategy for reproducing it.

Ultimately, the TCC to promote and ensure its power requires a concomitant political project. Such a political project would involve, for example: (1) promoting investor confidence in the global economy, (2) setting up mechanisms and institutions for responding to economic, political, and military crises that threaten the stability necessary for global markets, and (3) establishing a degree of macroeconomic policy uniformity across borders. What is clear though is that any parallel political project connected to the class power of the TCC is only nascent and is contradictory in many ways. It is open-ended and crisis prone.

This project is not just taking shape through national state apparatuses, but also through supranational forums and agencies that have been created to promote what is described as "global governance". The institutional arrangements of global governance though do not play out on a neutral playing field or in ways just meant to promote efficiency, but rather through ways that have sought to limit democratic contestation and promote the interests of the TCC. As Murphy (2000, p. 794) argues it has been "global private authorities", such as bond-rating agencies, self-regulating organizations and business groups that have most succeeded in the space of global governance, whereas groups such as the ILO and broader attempts to empower labor or small stake holders have been less successful. A financialization of workers lives has occurred making political counter mobilization more difficult, even as wages and job security has declined (Crouch, 2011; Martin et al, 2008).

Importantly, militarized accumulation is at the core of transnational capitalist accumulation (especially among those fractions that are powerful in the United States) and this

weighs heavily upon many powerful state policymakers. To justify militarized accumulation, new enemies are always required. As of 2010, US expenditures accounted for 48% of the world's military spending, amounting to more than \$700 billion (Golby, 2015, p. 57). The threat of war thus remains frighteningly present in our hi-tech and nuclear age. Even as transnational capitalists are highly integrated across the U.S. and China, documentarian John Pilger (2017) has shown how the United States continues its militaristic policies in the Pacific. These are aimed overwhelmingly at China, a consistent target for NATO policy-makers (see for example: Norton, 2018).

The rise of transnational capital and the new coordinative and shifting orientation of many state officials does not mean there is an absence of conflict and geopolitical tensions. "Conflict is prone to occur at multiple levels: between transnationally oriented elites and those with a more local, national or regional orientation; between agents of global capitalism and popular forces; among competing groups within the globalist bloc who may foment inter-state conflicts in pursuit of their particular interests; and so on" (Robinson, 2005). Robinson elaborates also on the regionalization and fractionation aspects of the process, and in regards to Asia:

"global investment patterns by TNCs suggest each bloc is interpenetrated by the other two and form an increasingly integrated global 'triad' based on the expanding interpenetration of capital among the world's top TNCs. As these capitalists integrate they draw in local networks and production chains into complex cross-national webs, making it difficult to box political relations among states and competition among economic groups into the old nation-state geopolitical framework...Even if the argument could be made that leading national states protect the interests of investors within determined national borders - even if there still exists a territorial dimension to capital and a geopolitical content to world politics - the fact remains that those investors originate from many countries... regional accumulation patterns reflect certain spatial distinctions complementary to an increasingly integrated global capitalist configuration. We do not see so much a recentring of the global economy in East Asia, as Arrighi and Silver (1999: 219) claim, as much as a decentering of the global economy; its fragmentation and the rise of several zones of intense global accumulation. These may not be territorially-bounded rivals for hegemony as much as sites of intensive accumulation within a global economy that bring together transnational capitalists and elites in diverse locations around the world, precisely what we would expect from a supranational and decentered transnational configuration." (Robinson, 2005, p. 8-9)

A new kind of politics is taking shape, what Harris has described as "translateral politics", a deepening "cross-border process in which majority consensus is reached among TCC elites through discussions held within global economic and political institutions" (Harris, 2013, p. 737), yet where at the same time deep fissures and tensions remain. As new multilateral frameworks have evolved, so too their remains uneven built environments and unilateral policy initiatives clearly exist, especially in regards to political establishments connected to major military-industrial-intelligence capacity. As the world power, interventionist activities by the U.S. have consistently entailed breaking international law. Many of these officials hold subjective framings tied to the old international order, nestled within bloated military and security budgets that need reasons to exist (Harris, 2013, p. 739).

The U.S. plays the leading role of any state in influencing global political economic dynamics, which we could call “translateral imperialism” as it promotes conditions not just beneficial to U.S. fractions of the TCC (which have the largest influence on U.S. policymakers) (van Apeldoorn, 2016) but also it regularly promotes conditions beneficial for transnational capitalists from many others part of the world (Baker, 2014; Robinson, 2016), and over the interests of more nationally rooted groups.

A lot of the discussion by political economists and IR scholars focuses on revived Great Power rivalry, competing geopolitical regions, or renewed US drive for world hegemony. The US national state, for evident reasons, is the most powerful state worldwide and in earth’s history. It holds a key role globally, and especially as “transnational capital may, under certain circumstances, prefer dealing with a ‘stronger’, and more bureaucratically capable state apparatus” (Dent, 227). Yet, as in the example of the illegal U.S. occupation of Iraq, U.S. policymakers rather than promote a nation-state imperial project, promoted a broader agenda to secure geo-political conditions that were “propitious to the region’s deeper integration into the global economy” (Baker, 2014). Transnational capitalists from around the world came to Iraq to feed on the bonanza of post-war contracts and mass privatization that was carried out. As Yousef Baker elaborates:

“The rebuilding of the Iraqi state was an at-large investment in the future. The war was a long-term investment, aimed at integrating Iraq into the global economy. Through neoliberal policies and market-oriented reconstruction, the occupation attempted to build a transnationally oriented state in Iraq. This was part of the broader agenda to open up more fully the Middle East to transnational capital and secure geo-political conditions in the Middle East propitious to the region’s deeper integration into the global economy...this sweeping panorama...legally opened Iraq to transnational businesses without prejudice and without favoring businesses from countries that led the invasion. Iraq’s neoliberal transition supervised by the CPA was welcomed by all of the major powers and the TCC despite earlier disagreement around the invasion.” (Baker, 2014)

The US strategy proved effective in promoting globalization that moved us beyond classical imperialism. The US has sought then an elusive, absolute global hegemony that is compromised by the need to form alliances with many, bearing in mind that hegemony is never absolute. This kind of relationship though is different than a so-called global empire. Often we don’t consider that ruling classes around the world are clear that they benefit immensely from having the US help to direct and facilitate the global economy, while being compelled to subordinate itself to global norms and institutions while never ceding its dominant role in the process. Historically, neither imperialism nor hegemony is absolute, and the two have been mutually constitutive. Dialectically, transformation always entails degrees of preservation.

Chinese officials and statist transnational capitalists are also playing a growing role worldwide, and promote conditions beneficial to transnational capital, yet also engage in some policies that compete with other fractions of transnational capital, and multipolar strategies that can conflict with initiatives of U.S. policymakers. Officials in China also face crises of legitimacy, reflected by recent state-led crackdowns on dissident voices in social media.

We can look at different examples to see how this contradictory reality plays out. Take for instance the expansion of supranational forums, promoted in the Asian and Pacific regions, such as the RCEP, the OBOR, and the TPP. These and other mechanisms are being facilitated by transnationally oriented state officials, allowing for political economic restructuring at the regional level, and reflecting competition between different transnational capitalist fractions and aligned state strata. Yet while increasingly integrated in many ways these elites continue to have differences among themselves—most importantly represented by the US militarist establishment and its projection across the region, and the growing role of Chinese statist fractions of transnational capital. Look for example at the role of neo-conservative U.S. officials in seeking to economically undermine Iran and Venezuela (costing the Venezuelan economy an estimated six billion dollars between August of 2017 and 2018 (see: Emersberger, 2018), whereas China has sought to deepen its support for these countries. Chacko and Jayasuriya argue that “uneven and combined development of global capitalism restructures state forms and patterns of class relationships, and that this process shapes foreign policy strategies”, and we can see numerous tensions in how this decentering process plays out at the regional level (2018, p. 84), and with the continued role of powerful states carrying out interventionist policies abroad.

Examples of state restructuring in Asia

Transnationally oriented elites operating through various state apparatuses (often aligned with different fractions of the TCC) have become the dominant actors in many governments and major political institutions. Scholars have pointed out how some specific state forms or subunits within states have come to incubate or be penetrated by transnational interests, emphasizing that particular mechanisms of statecraft and regulatory regimes have become sites of political contestation and transnational conflict (Cannon and Jayasuriya, 2016; Bieler and Morton, 2013/2014). Cannon and Jayasuriya (2016) identify the transformation of what they call subnational state institutions, where transnational interests and processes have become embedded within governmental bodies (such as the heightening impact of transnational Chinese mining capital on Australian governing institutions).

Over recent decades, state elites operating through different national and supranational state apparatuses have worked to congeal the political project of transnational capital by way of state reforms and policies that promote the interests of transnational capitalist fractions. Robinson has examined in particular the relationship between the TCC and the BRICS association, observing how state apparatuses within the BRICS association have become transnationally oriented. While recognizing the possibility that the BRICS could help lead toward a more multipolar interstate system, Robinson (2016) argues that BRICS do not represent a liberatory alternative for the global system’s class society. This is because the BRICS are deeply integrated within the highly unequal class relation of capitalist globalization. He observes, for instance, that the China National Petroleum Corporation (CNPC) now has “co-investments and joint ventures around the world with virtually all the major private transnational oil companies” and rather than being shut out of US-occupied Iraq, it was ushered into the Iraqi petroleum market with the assistance of US policymakers. In another example, he points out “agribusiness interests in Brazil ... bring together Brazilian capitalists and land barons with the giant TNCs that drive global agribusiness, and that themselves in their ownership and cross-investment structures bring together individual and institutional investors from around the world, such as Monsanto, ADM, Cargill, and so

forth". He adds, "simply put, 'Brazilian' agricultural exports are transnational capital agricultural exports." Brazilian state elites who promote the dropping of US agricultural subsidies in fact advance the interests of certain TCC fractions, not Brazilian national capital. The same can be said of many state elites operating through their national state institutions in Oceania and Asia, where their social reproduction has become dependent upon the investment and accumulation of global capital.

Across Asia, state transformations through neoliberal mechanisms are clearly impacting poor and working people in very concrete ways. Take for example India where over the last decade under the nation's rightwing authorities there has been a growing privatization of social welfare programs. India's corporate responsibility act, requiring corporations to put 3% of their profits into so-called "social responsibility", has been channeled toward boosting public-private partnerships that fit into broader neoliberal strategies for the country. From the 1950s and into the 1970s India had experimented various social welfare and socialist oriented mixed economy policies. Yet in recent years, alongside neoliberal policies targeting the country's public health centers (PHC) and public distribution system (PDS), the country's integrated child development services (ICDS), also known as the *anganwadhis*, are undergoing growing privatization and neoliberal reforms (Sreerexha, 2017). There has been a slow privatization of certain sectors of the ICDS, such as its food distribution, its appointment agency, and with Indian corporations often renting out for small sums of money the land where the centers are located and in turn the center's will add the name of the corporation to their center's name. The state then at the very local level plays an important role in restructuring social programs in a manner conducive for transnational capital.

Examining the Philippines, Magalit Rodriguez (2010) looks at the growing coordination and similar interests of Philippine state officials with officials of other nation-states. Philippine officials work closely with governments in their region such as Indonesia, Thailand, Vietnam, and China, as well as with supra-national institutions and government ministries in labor-receiving countries in Europe, the Persian Gulf and North America. Philippine state officials explained to Rodriguez how memoranda of agreement to ensure exchange of information had been developed with other countries; some Philippine officials were even going to work for other governments to aid the development of their migration programs. Supra-national institutions like the WTO and ASEAN meanwhile facilitate and lay out standards, working toward "greater mobility of labor both regionally and globally" (146). She adds that: "Philippine migration officials and bureaucrats have increasingly become experts in the global field of 'migration management,' working as consultants to other labor-sending countries or playing host to delegations from other countries because of the Philippines' highly developed migration bureaucracy" (145).

State transformation can be seen in the history of policies geared toward urban redevelopment, such as has been examined in regards to Korea and Taiwan (Hsu and Hsu, 2013). For many decades the focus of these countries' leadership was on industrialization, however, since the 1980s there has been a transition from more authoritarian systems to the solidification of polyarchy (where voters can choose between competing elites). This has occurred alongside a global process under which leading elites and state officials have become oriented towards global competitiveness and transnational engagement. One aspect of this has been the spread of urban renewal policies that promote gentrification as a profitable form of capitalist development.

A “gentrification blueprint” is “being mass-produced, mass marketed, and mass-consumed around the world,” (Davidson and Lees, 2005) where it has become “widely observable in the leading cities of the new global order,” reflecting “the ambitions of particular cities to function as cynosures of the world system and as destinations for incoming flows of capital and skilled workers (Scott, 2011, p. 856–857).” Vital for this has been governing authorities who help to ease, facilitate, and incubate gentrification. Hsu and Hsu, looking at how this has played out on a local level in Taiwan, in a hybrid fashion, they add that:

“Local political processes of policy diffusion and the resulting institutional changes are more complicated. Institutional change is a process of reshuffling of interests, in which divergent actors try to achieve advantage by interpreting or redirecting imported policies in pursuit of their goals, or by subverting or circumventing rules that clash with their interests. Divergent strategies pursued by actors lead to hybrid forms of institutional change, which are embodied in spatial restructuring processes.” (Hsu & Hsu, 2013, p. 680)

The common factor though has been that state sponsored gentrification policies promoting “urban regeneration” have led to higher land rents, “which are pocketed by individual land developers in the property-led regeneration process” (Hsu & Hsu, 2013). This displacement process, or class cleansing, has resulted often in the moving of poor away from city centers and cast out into peripheral areas. Hsu and Hsu look at this process in Taipei showing how in earlier eras the more authoritarian oriented states directly evicted in mass squares, carried out the demolition of inner-city squatter areas and would then invest in public works, with more liberal officials promoting instead an expansion of urban areas. Urban renewal became massively expanded in the 1990s when Taiwanese officials identified it as one of their three major national agendas, and as they entered new supra-national and regional initiatives which sought to turn Taipei into a hub of finance, telecommunications, media, transportation, and manufacturing. This restructuring process required the selling off of state assets, and new private-public partnerships (where state officials have been advised by counterparts in Japan and the UK), and the encouragement of private capital participation in the construction of public infrastructure. (Hsu & Hsu, p. 686). Hsu and Hsu explain how while in the 2000 presidential election a surprising victory of the opposition party, the DPP, ended fifty years of KMT rule, that the economic policies of the DPP “mostly copied the KMT in liberalization and privatization policies” (Hsu & Hsu, 2013, p. 686). “The state was actively involved in land appropriation, incentive amplification, and, more importantly, protest containment by the use of police forces.” (Hsu & Hsu, 2013, p. 686).

“Searching for private participation has been a major factor for urban renewal policies” (688), and it has been at the core of new rounds of urban renewal projects (690). As Hsu and Hsu observe: “Trans-border policy mobility shapes local urban policies in cities, such as Taipei, through relations with other places, such as London, which are constituted by visits and seminars. But, policy transferred from abroad becomes “localized” by a learning process, which in the case of Taipei means the prioritization of public lands in urban areas for regeneration”, and is furthermore impacted by local struggles that local officials have sought to confront or placate (692-693). “As Peck and Theodore (2010) argue, policy rarely travels as a complete package, but rather mutates and is modified by power struggles and feedback processes in the receiving social field. The case of the TUDC demonstrates that domestic politics matter for the validity and metamorphose of policy

learning processes" (693). Today, "[o]nly those who own shares of landed property in the city are recognized as citizens who have the right to stay put and decide on the use of urban spaces. Consequently, the central districts are speculatively regenerated, while the dilapidated areas are sidelined. The urban area has become a discontinuous space constituted by the collusion of the liberalized state and private landowner groups." (695) China's integration with transnational capitalism, given its different state form and history, has occurred through, as So (2009, p. 52-53) explains: decollectivization and proletarianization of peasants; marketization policy to expand market; fiscal decentralization and weakening of the central state management; opening up of spatial differentiation (with the coast becoming much more highly invested in than other areas); privatization and corporatization policy; commodification of social services; and deepening of liberalization. This transition has not led to a weakening of the state but rather has "considerably strengthened its managerial and fiscal capacity since the 1990s." Officials have pioneered new forms of evaluation and monitoring of managerial and fiscal capacities, the performance of contracts, tax collection, social order, family planning, agricultural and industrial development and so on (54).

Chinese state officials have experimented with an unusual amount of different strategies, a capability allowed because of the "asymmetrical power relationship between the state and other classes has given the state a free hand to try different developmental policies during the past few decades" (So, 2009, p. 14). This has created a unique situation in which "the state could selectively introduce different types of developmental policies, vary the speed of market reforms, expand/limit the space of opening up to transnational capital, and most important, still have the freedom of adjusting (or even reversing) its policies if they did not work" (So, 2009, p. 14).

In another study, Zhao (2003) has examined the ways in which transnational and local social forces in China have intersected structurally to reshape China's mass media and communication industry. She points out how Chinese government bureaucrats hold unique rationalizations for the neoliberal reforms that have been undertaken, which over time have helped ease China into the global system, as with its ascension into the World Trade Organization (WTO). As part of this, Chinese media has been reorganized under global market logic, and developed business ties with western based global media conglomerates. Yet at the same time these media outlets have remained connected with the country's statist political model.

In looking at Singapore, Taiwan, and South Korea – the so-called "east Asian tigers", Dent (2008) explains "in different ways, their respective state governments have all worked closely alongside various forms of transnational capital in sustained, and yet evolving, adaptive partnerships" (244). Dent (2008) adds, "a developmental state's ability to cultivate links with both home-originating and foreign TNCs is very much based on their own capacities to adapt within a fast-changing, globalizing world economy, and to meet the economic and technocratic challenges arising therein" (244).

The authors adds that these states "preside over various adaptive-cum-transformative economic projects that increasingly involve a partnering with transnationalized capital" (227). Dent explains how going back to the 1980s "The Indonesia-Malaysia-Singapore Growth Triangle (IMSGT) project laid the cornerstone of this strategy from the late 1980s onwards, whereby state-initiated moves aimed to foster development of a localized transnational economy, with Singapore at its commercial hub." "New transnational linkages in finance, in the division of labor...the basis for interdependence cooperation on natural gas

and freshwater and security initiatives against piracy in the Malacca Straits all evolved.” Even in poorer areas in the region, such as in Laos, massive new transnational investments have arisen, with the local state taking an important role in promoting the dispossession of marginalized populations in order to make way for new capitalist developmental projects (Sims, 2016).

Scholars in security studies have also looked at state transformation occurring during the globalization era. From one perspective, emerging form of non-traditional security governance “does not seek the usurpation of state power by international organizations, but rather the reconfiguration of state powers, institutions and processes” (Hameiri and Jones, 2015, p. 52). This is geared then toward enacting transnationally oriented plans for containment and management. We can consider for example the role of “dark money” and cryptocurrency, speculative phenomena connected to capitalist over-production and financial networks, but one also connected to money laundering, criminal activities, and even attempts to circumnavigate U.S. sanctions. The kinds of coalitions and policy initiatives that have come about to confront this are being born out every day and outcomes are not just “dictated by the most significant economic actors”. Instead, new security measures are reflecting the “relative strength and capacity to attract necessary support from other powerful actors in business, government or civil society varies considerably depending on the historical development of state-society and class relations.” (Hameiri and Jones, 2015, p. 53) Socio-political conflicts play out as Hameiri and Jones (2015, p. 56-57) observe on different scales and through different institutional forms from the local to the provincial, national, regional, global and so on.

States in Asia have taken on increasingly more of a coordinative and regulatory role in the global era, this even being the case in China where extensive decentralization has taken place. State transformation through the close of the twentieth century and into the twenty first century has thus been associated with the:

“...transnationalization and regionalization of production networks and investment driven by extra-regional firms and by East Asian state and state-linked capitalist interests. State transformation was also promoted by the 1997-8 Asian financial crisis and the associated crisis of the developmental state project, and the need to accommodate political demands from new groups emerging through decades of sustained economic growth”. (Jayasuriya, 2005)

Even with its exploitative and repressive role, the state, as a social power relation, remains the central institution through which progressive policies are enacted and implemented. In this contradictory reality: the major force for coercing populations and vital for the construction of consent in reproducing the dominant order, also includes the apparatuses that can be utilized to alleviate societal crises. Social and political movements, civil society groups, and other grassroots campaigns operate under conditions where power-laden structures embedded within national institutions exist, and where various dynamics inhibit or slow subaltern groups from operating transnationally—especially in comparison to the transnational coordination of many big businesses and political authorities (Fox, 2000). There is also a vast unevenness between the capacities and resources that different states can bring to bare, especially when contrasting post-colonial states to the major powers. While many post-colonial and developmental states “have found their margin for manoeuvre reduced by debt and the demands of global integration”, more powerful

states (many of them in the West) more “generally retain considerable resources to shape global outcomes and global ideas” (2004, p. 31). This gets at the unevenness and historical context of the state as a social power relation.

Conclusion

The capitalist state has always functioned to institutionalize unequal power relations. Yet in the global phase of world capitalism, state elites have increasingly come to see their interests neither in terms of national development, nor in finding strategies that meet the desires and interests of local popular classes or even of national capitalists. Instead they have increasingly seen their interests in terms of global competitiveness, transnational capitalist investment, and that of local dominant groups who are entwined with (or seeking to entwine with) such processes. As this process evolves unevenly, policymakers are increasingly abandoning or are being forced to abandon policies of domestic development and “national goals,” and instead are moving toward policies of elite oriented transnational engagement, where local goals emphasize constructing a climate conducive to transnational capitalist investors. States as political organs, with all of their repressive and ideological forces, are (to different degrees and through particular conditions and forms) being tasked for “reconfiguring sovereignty to meet challenges and demands that stem from relentless global market integration to strengthen and broaden global capital accumulation” (Watson, 2015, p. 10). This does not mean that capitalist globalization is resulting in a “borderless world.” TNCs utilize borders to their advantage. While capitalist production and financial networks operate transnationally, they operate through uneven conditions and, for instance, “take advantage of labor pools and the different built environments in which they exist” (Pereira, 2017, p. 137) and the array of differences that exist between political authorities.

Chaos and anarchy are inevitable under capitalism, and while emphasis on what we see in nations and regions (e.g. Obama’s “Pivot to Asia”, Trumpism, Brexit, China’s belt and road initiative, and so on) need consideration, I argue that the whole (heterogeneous and open-ended as it is) is always greater than the sum of its parts. These particularities in many ways reflect the chaos in global processes and draw attention to the symptoms of these processes, even as they escalate. These symptoms, the various strategies, and the stops and starts do not negate or reverse the core trends. In other words, the world is not going back to the late-nineteenth century or to the economic world order of the Second World War era, or even the early 1970s; however many reversals that might occur are part of the nodal line of history, a non-linear but forward historical motion. We need to see national and regional particularities then, I argue, in the context of the moment, a moment marked by the profound rise of transnational capitalism. Transnational processes signal a recognition and understanding that classes, economies, states, power, nations and sovereignty are not things that are organically tethered to territory, a point that requires spatial and social conceptions rather than a geographical conception of the problem.

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