Globalization and National Development
The Perspective of the Chinese Revolution

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I will take up a problem here that is elided in most discussions of globalization: the problem of national development under the regime of globalization. The juxtaposition of the terms globalization and national development points to a deep contradiction in contemporary thinking, or a nostalgic longing for an aspiration that may no longer be relevant, but is powerful enough still to disturb the very forces at work in relegating it to the past.

There is a suggestion in arguments for globalization that national development may be achieved through globalization, which in turn would be expected to contribute to further globalization, and so on and so forth into the future, which goes against the tendency of these same arguments to set the global against the national as a negation of the latter. While it may not be a zero-sum relationship, the relationship between globalization and national development is nevertheless a highly disturbed one. Understood as the persistence of commitments to autonomy and sovereignty, most importantly in the realm of the economy, the national obstructs globalization just as globalization erodes the national, at the same time rendering irrelevant
any idea of development that takes such autonomy and sovereignty as its premise. If we are to take globalization seriously, in other words, the very idea of national development becomes meaningless. On the other hand, if national development as an idea is to be taken seriously, as it was for most of the past century, then globalization appears as little more than an ideological assault on the national, to rid the present of the legacies of that past. I suggest below that we take this contradiction seriously, inquire into some of its implications, and consider resolutions that avoid entrapment between the past and the present, or an ideological erasure of the past by the present, and instead seek out ways to direct the forces of globalization in directions that do not erase but rather presume the central importance of the local in globalization.

I am concerned here most importantly with Third-World circumstances in globalization. That term itself is a reminder of the distance between the present and the past, but it still enables a convenient way of mapping shifts in global power and inequality. The Third World itself may not point to any entity identifiable on a geographical or a cultural map, but it is arguable that there was, only about three or four decades ago, a shared Third-World response to questions of national development, identifiable with some kind of national liberation socialism.

I will sketch out below the outlines of these strategies of national development. I will proceed from that to outline what some influential analysts see as the defining characteristics of a mapping of the global political economy under the regime of globalization. I draw extensively on the Chinese experience, which offers a paradigmatic case on both counts: first, as a foremost example of a revolutionary agrarian society challenging the globalizing forces of capital, and subsequently, as a successful case—at least so far—of post-socialist development through incorporation in global capitalism.

The differences between the two mappings of political economy and economic development, I suggest by way of conclusion, should be the point of departure for any consideration of a political economy that aims to get past political slogans to address concrete economic, social, and political problems. This requires close attention not just to technical questions of the economy, but to questions of class interest and power in the organization of
I use as the title for this section the title of the first article I ever published, nearly three decades ago.¹ I do so because it expresses cogently an ideal of national development that was expressed by Chinese Marxists of various stripes in the 1920s. Similar ideas would subsequently become quite prevalent in Third-World ideals of development, as well as in efforts to explain Third-World difficulties with development in such alternatives to modernization discourse as dependency theory and world-system analysis.

Despite internal differences in their diagnoses of the problems of national development, Chinese Marxist analyses were uniformly inspired by V. I. Lenin’s analysis of the contradictory role imperialism (understood as “the highest stage of capitalism”) played in colonial and semicolonial societies: that while imperialism was responsible for introducing into these societies the progressive forces of capitalism, it also created structural impediments to the realization of capitalist development, as in Europe and North America.²

There were two major aspects to these impediments. One was economic. Development in these societies did not result from the logic of the national economy, responding to internal demand and needs, but rather followed the logic of a globalizing capitalist economy—the search of imperialist powers for markets for commodities and capital, as well as the conflict generated by the competition among them in this search. As imperialists had little or no interest in the national development of these societies, what development there was contributed not to national economic integration and an economic structure that answered the various needs of the national economy, including subsistence needs of the population, but to a bifurcated economy, with a modern capitalist sector increasingly integrated into a global capitalist economy, and a much larger sector that remained mired in premodern economic practices and was subject to the exploitative forces of the modern
sector just as the national economy as a whole was subject to the exploita-
tive forces of global capitalism. Spatially speaking in the case of the Chinese
economy, this meant the lopsided development of coastal areas and a few
coastal cities such as Shanghai, and the increasing “underdevelopment” of
vast areas of the interior and the populations therein. Economic bifurcation,
needless to say, also undermined efforts to achieve integration at the politi-
cal level.

The other aspect was social: the creation of a new class structure. As
capitalism was introduced into China from the outside, the emergent
Chinese bourgeoisie was itself a foreign product, aligned in its interests with
the outside forces that produced it, and with little commitment to the inter-
est of the nation as a whole. True, there was some distinction between an
overtly “comprador” bourgeoisie and a “national” bourgeoisie that strove for
autonomy within the structural context of imperialism. But even the latter
were more closely integrated structurally with the forces of global capitalism
than with the national economy, and were condemned in their very activi-
ties, so to speak, to contribute to the deepening of the almost inevitable
structural bifurcation of the economy. This was the major reason that any
hope for national development had to be preceded by a social revolution
that would transfer power to social forces that had an investment in the cre-
ation of a national economy—represented most importantly by the working
class and the peasantry. Ultimately, as we are quite aware, this meant the
creation of an autonomous state that could use political means to establish
boundaries around the national economy, and the basis for national eco-
nomic integration—an autonomous economy that answered to internal
needs, in other words.

This analysis led to demands not merely for autonomy, however, but for
economic autarky, as during the Cultural Revolution. In hindsight, it is clear
that only through the institutionalization of state control and coercion
could such autarky be achieved, which opened the way easily to the substi-
tution of state interests in development for popular needs and aspirations.
There is an additional complication, perhaps less evident in the case of a
well-established society such as China than in many other Third-World soci-
eties: the assumption that there already was in place a nation whose eco-
nomic integrity had to be safeguarded, when the creation of an integrated national entity was itself one of the goals of economic development.

The Cultural Revolution was a response to concerns that were as old as the history of the Chinese Revolution—not just the Communist but the nationalist revolution. The experience of agrarian revolution which in the end brought the Communist Party to power was also an important force in shaping the course of post-revolutionary development policies, which found their clearest articulation in the Great Leap Forward of the late 1950s and the Cultural Revolution of the 1960s, two events that were dynamically interlinked and represented, in their day, paradigmatic expressions of Third-World encounters with development.

The Cultural Revolution dramatized within Marxism a new conception of the relationship between culture and a new mode of production, and by extension, politics and the mode of production. Marxism presupposes some correspondence between a new mode of production and a new culture, but there is some ambiguity in the theory as to whether the new mode of production produces a new culture, or whether there is some autonomy in the realm of culture in facilitating the new mode of production. Not satisfied with the cultural consequences of the new relations of production that had been established by 1956, and bent upon deepening the revolution, radicals in the Communist Party (led by Mao Zedong) had no choice but to settle on culture as the next realm of revolutionary activity. In the process, they were to allow to the realm of culture an unprecedented measure of autonomy (in Marxist terms), so that culture would come to bear the burden for the transition to socialism. It matters little in this context whether this autonomy allowed to culture was a product of China’s historical legacy, the legacy of a guerilla revolution in which ideological struggle played a central part, or the logic of theory confronting the consequences of a socialist revolution legitimized by the same theory itself (the material transformation of social relations, in other words, failing to create a new culture automatically). The consequences are clearer: cultural transformation, rather than being a function of socialist transformation, must play a key role in producing a socialist society. This autonomy of the cultural vis-à-vis the economic or the social resonated with changes under way globally in the sixties, to which I will
return below. Suffice it to say here that it also underlined the importance of the political and ideological aspects of the revolution, as opposed to mechanical transformations in the mode of production understood in economic or technological terms, which pointed in new directions of action that broke with earlier assumptions of modernization in either its capitalist or socialist guises.

To view the Cultural Revolution simply in its relationship to the history of Marxism-inspired revolutions, or in terms of a struggle between the First and Second Worlds of post–World War II sociology, is insufficient, because what imbued the Cultural Revolution with its concrete historical characteristics may be the ambiguous status of Chinese society in the twentieth century, even after the victory of the Communist Party: as a society that belonged in the Second World by virtue of its socialist revolutionary history, but also in the Third World by virtue of its political, economic, and cultural relationships to the world of capitalism in Europe-America. It is important to recall that the Cultural Revolution coincided historically with decolonization in the Third World, and that until the advent of the geopolitically inspired Maoist Three Worlds theory of the 1970s, the Cultural Revolution identified ideologically with the colonial world against both the Euro-American world of capitalism and Soviet-style “social imperialism.” The juxtaposition of the rural Third World against the metropolitan First and Second Worlds was important, I think, both to the new departures in Cultural Revolution socialism, and to its ideological claims on the procedures of revolution.

Especially for its anachronism with the present, Lin Biao’s “Long Live the Victory of People’s War” must be viewed as one of the most important documents of the Cultural Revolution because it crystallized both the hostilities and the aspirations against the worlds of industrial capitalism and socialism of the newly emerging nations around the globe, and resonated with the ideology of national liberation struggles, of which the Chinese had been the most successful to date. It matters little whether or not it was ideologically justifiable from a Marxist perspective on socialism or revolution, which was its presumed theoretical basis—though it is arguable that it carried to its logical conclusions a Third-Worldist socialism that had appeared first in the
second congress of the Communist International in 1920. What is relevant is that Lin applied globally a paradigm of the Chinese Revolution itself, which had captured the cities from the countryside and brought to the fore the fundamental meaning of that revolutionary experience: the primacy to any consideration of the world of agrarian against industrial societies. The hostility, unfortunately, would overshadow the more meaningful message: that a resolution of global problems would require the resolution of the problems of agrarian societies, just as the resolution of economic problems in individual nations, especially Third-World nations, called for the resolution of the economic problems of the majority population of peasants.3

The significance of this piece for the purposes here was not that it called for war on industrialized societies, or that it stressed emphasis on agrarian societies, but that the call itself expressed the sense of empowerment in Third-World societies that accompanied decolonization. This same sense of empowerment is visible in the articulation at the time of different notions of development than those that prevailed under either capitalist or Soviet-style socialist strategies of development. The Maoist paradigm of development was possibly the most powerful of the alternative notions of development that came to the fore as the new National Liberation struggles sought for ways to bolster economically their newfound political sovereignty. This paradigm proposed (a) that development policies take as their point of departure the necessity of all-round development nationally, and (b) that this could be realized only by “delinking” from the capitalist world system.

The first premise was enunciated clearly in Mao’s classic 1956 essay, “On the Ten Great Relationships,” which called for attention to contradictions created by “uneven development” nationally.4 The second premise was enunciated throughout the Cultural Revolution years by the stress on national self-reliance, and the avoidance of material or ideological dependence on the outside world. It followed logically from the first premise in its analytical assumption that involvement in the capitalist world system would inevitably substitute the economic demands of this world system for the needs of a national economy. It may be worth emphasizing here that these “Maoist” premises had deep roots in the Chinese Revolution, in the intense attention
of Chinese Marxists in the 1920s to the implications for the national economy of involvement in a capitalist world economy. As these premises were re-enunciated in the 1960s, they exerted immense influence in thinking on Third-World development, of which the work of the distinguished development economist Samir Amin may be exemplary.5

As important as the structural implications of this new paradigm of development were, equally important were the substantive issues it raised, with profound social implications, that resonated with contemporary concerns in both advanced capitalist or socialist and Third-World societies. A slogan such as “self-reliance,” which was central to Maoist developmental ideology, implied not just avoidance of dependency, but also called for active participation on the part of the people in the process of development. Its social implications were profound. Against their marginalization in earlier conceptualizations of development (capitalist or Soviet-socialist), self-reliance recognized the “people” as both the motive force and the end of development. No longer to be left in the hands of experts, development conceived along these lines brought the “people” into the center stage of the developmental process. In order for such a process to work, it was necessary also to prioritize collective values over private ones, for cooperation and everyday negotiation were crucial to the achievement of social goals. Politically, the process required participation in collective decision making on a daily basis, creating unprecedented possibilities for grassroots democratic participation in social life. The laboring population—that is to say the majority of the people—would be responsible also for managing its own productive life. At the most fundamental level, the insistence on self-reliance was premised on a recognition of the subjectivity of the people, and their ability to manage their subjectivities in accordance with social goals.

In its idealistic reading, “putting politics in command”—a condition of self-reliance—implied the priority of public over private values. The type of individual who could live up to this absolute priority of the public over the private was obviously one who had overcome internally the force of social divisions that generated individualism—be it class and gender divisions, the division of labor, hierarchies of experts and non-experts, or at a most fundamental level, the division between mental and manual labor. Creating
such individuals required the appropriate social settings, but it also required individual effort at cultural self-transformation because of a dialectic between social and cultural transformation. It required social institutions that would promote the welfare of the people and enable their loyalty to collective institutions; but it would also require individuals who, rather than take advantage of such institutions, would devote themselves to fulfilling their promises.

I would like to stress here one aspect of the Maoist institutional vision that has received much criticism from the perspective of economic efficiency, but was nevertheless quite significant in its consequences for social and political organization. This was a conviction of the necessity of integrating agriculture and industry so as to overcome the structural division between agriculture and industry, or rural and urban societies, that seemed to characterize modern societies. This was one of the institutional innovations of the disastrous Great Leap Forward in 1958, but like other aspects of Maoist developmental thinking, its origins lie in the history of the Chinese Revolution. While the Communists had sought such integration out of necessity in revolutionary Yan’an years, when they had no choice but to produce for themselves, the idea itself was one that first appeared in Chinese radicalism in anarchist writings in the first decade of the twentieth century (inspired by the writings of Peter Kropotkin). In anarchist writing, it is also important to note, the idea of integrating industry and agriculture to create self-sufficient local communities found a parallel in the creation of well-rounded individuals, who combined mental and manual labor, and thus overcame the class divisions that grew out of the division of labor. Needless to say, for anarchists, who eschewed nationalism, the primary goal was to avoid the alienation of modern industrial society in a reaffirmation of community. As it was appropriated into Maoist ideologies of development, these anarchist ideals were also linked to strategies of national autonomy and development.6

Even so, however, the anarchist juxtaposition of nation and community may have something to tell us about Maoist conceptualizations of society and the contradictions that they contained. The idea of self-reliance, of which these institutional innovations may be viewed as expressions, is a
multilayered idea. It did not aim just at national autonomy through self-reliance, but autonomy at every level of society, down to the locality (which is what is disturbing from an economistic perspective that stresses “comparative advantage”); so that local societies themselves had to seek to be self-reliant, without relying on the outside, symbolized in Cultural Revolution years by the accomplishments of the Dazhai Brigade in Shanxi. Here, too, there is a conflict between the vision of autonomous communities and the existence of a hierarchical Party bureaucracy, with the power to dispose of resources according to its own notion of political, social, and national good. But the distinction is important. Self-reliance was a means not just to national economic autonomy, but also to community formation. Its utopian aspirations could attract even those who otherwise did not share in the goals of a Chinese nationalism.

There was a downside to all of these promises, especially under conditions of unequal power, which the Cultural Revolution in the end would exacerbate rather than eliminate; but that is not the question I wish to pursue in this context, where I am more concerned with the appeals of these Maoist ideas globally. The paradigm of development offered by Cultural Revolution Maoism seemed not only to answer the needs for simultaneous economic development and social cohesion in emergent postcolonial societies, but also the widespread alienation produced by development in economically advanced capitalist and socialist societies. It is not surprising that the Cultural Revolution should have spawned a new radical literature on development that rejected economic efficiency in the name of participatory development and democratic management. Neither is it very surprising that it should have proven to be appealing even to those who had little reason to be favorable to its revolutionary goals: conservatives who saw in the social achievements of the Cultural Revolution the promise of new kinds of social cohesion and commitment to social goals.

What I would like to stress here is the underlying spatial assumption of this argument: that the nation is comprised of a space, defined by a bounded surface, with little tolerance in that space for uneven development, for such unevenness calls into question not just economic integrity, but the political existence of the nation. If the search for autarky carried the logic of national
integration to its extreme, its very extremeness is nevertheless a reminder that the anxiety over unevenness in the national economy was not just a characteristic of extremist revolutionary regimes, but all political economic thinking that took the nation as the unit of analysis. After all, Marxist revolutionary regimes did not invent so much as inherit the use of state power to regulate economic relationships and, until the 1960s and the 1970s, import substitution seemed to be the preferred route to development against export-oriented development.

The difference here may be not so much a difference between liberal nationalism and a revolutionary fundamentalism, but a difference in power that is embedded in the very structure of the capitalist world economy as it has taken shape over the last few centuries: that the powerless have very few options in their struggle for national economic and political integrity other than shutting out the world economy and, with it, the promise of development that comes at a very high social and political price. It may not be very surprising that radical social scientists through the 1970s (and up to the present) have concurred that national economic development might not be possible, except through some measure of delinking from the global capitalist economy dominated by nations of the First World. But shutting out the world has proven to be an impossible task. It has been made even more impossible as the controlling powers in the world economy have been prepared to use all the coercive means at their disposal to force open economies that sought to shut out a globalizing capitalism, or whenever it seemed that they might be vulnerable to dependency on others—most notoriously in the case of energy dependency, which continues to serve as an important factor in the First World’s seemingly endless war against the Third. This has become even clearer in the post–Cold War period. With Communist states become history, there is something seemingly puzzling about the perpetuation by the United States and Great Britain of what used to be viewed as Cold War–era politics of continuous war. The puzzle, however, may be a consequence of the exceptional significance attributed to Communism as a factor in this war. It may be more proper, in contemporary hindsight, to view the war against Communism of the Cold War years as only one phase of a much longer history that has been shaped by efforts to remove all obstacles
to a capitalism headquartered in Great Britain and the United States in their successive hegemonies. The “Opening of China,” first in 1842 and again in 1978, carries a symbolism that overflows the boundaries of the Cold War.

It is a symbolism that also relegates to the past the Cultural Revolution of the 1960s that, for a brief moment, appeared as a harbinger of the future. A genuinely critical evaluation of the Cultural Revolution, which is a rarity these days, must proceed by recognizing its historicity—by which I mean both a recognition of its significance under its historical circumstances, and a recognition that with the transformation of those historical circumstances, the Cultural Revolution appears as a remote historical event that left behind little but memories of misdeeds and oppressions. It is not necessary, in order to understand the Cultural Revolution critically, to erase memories of what it meant to contemporaries. Such erasure, in fact, obviates the need for critical understanding not just of the Cultural Revolution, but of past and present ways of thinking about it. In the case of those who were victimized by the Cultural Revolution, it would be asking too much to expect them to think of it critically; but surely that is only part of the reason for the contemporary urge to degrade memories of it totally. While there was never any shortage of those who would condemn the Cultural Revolution on moral or political grounds, they have been joined over the last two decades by Chinese participants in the Cultural Revolution who were complicitous not only in its ideology but its misdeeds, foreigners who would forget their earlier admiration for the Cultural Revolution, and many others who seem to perceive in the vulgarization of its memories the means to producing bestsellers for the U.S. market. Ideology and a consumptive voyeurism have come together in curious ways to obviate the need to speak about this event with any degree of intelligence, let alone critical intelligence.

**The Two Cultural Revolutions**

If the Cultural Revolution seems irrelevant today, it is because the problems it addressed are no longer significant problems. The Cultural Revolution appeared significant in its day as a breakthrough in the history of socialist revolutions, or revolutions in general, in defiance of the inevitability of
“deradicalization.” At a time when socialism, and the whole idea of revolutionary politics, have been relegated to the past, a breakthrough in revolutionary politics carries little meaning, let alone historical significance. Much the same could be said with regard to the Cultural Revolution as an expression of resurgent Third-World politics. In the immediate circumstances of the Cultural Revolution in the 1960s, the idea of a Third World carried significant weight in global political discourse. In our day, when it is hardly possible to speak of the Third World as a coherent idea, let alone a promise, it makes little sense to speak of a revolutionary Third-World alternative to accepted paradigms of development.10 Third Worlders, including Chinese in the People’s Republic, are anxious to remake themselves in the image of the First World, pretending all the time that they are creating “alternative modernities” that build on ancient traditions. Where they have not made it already into the ranks of developing economies, Third-World societies are in shambles, apparently in need of renewed colonial aid for their sustenance.

These changes are not changes on an ideological plane, but are products of transformations within global relations. I have suggested elsewhere that the whole history of socialism as we have known it, no less than the history of the Third World, needs to be comprehended in its relationship to transformations within capitalism.11 Colonialism, and socialism as a response to it—especially in the Third World—were products of one phase within capitalism. While capitalism as a mode of production persists, contemporary capitalism is quite different in the global relations that it calls for than the capitalism that produced the Third World, or sought to contain the socialism that was its own product. This new phase in capitalism, whether it is called Global Capitalism, Late Capitalism, post-Fordism, or Flexible Production or Accumulation, has made irrelevant earlier conceptualizations of global relations, as well as of the relations of exploitation and oppression informed by those conceptualizations. Euro-American transnational corporations may still be dominant globally, but they have been joined by others, some of them originating in the former Third World. There may still be dominant nations, but it makes less sense than before to speak of imperialism or colonialism when the nation-state has lost much of its power to corporations that are transnational, both in personnel and culture. And, most
importantly in the context of this discussion, it makes little sense to speak of national economic autonomy when the paradigm of development based on the national market has been replaced by a paradigm of development that calls for export economies and porous national boundaries as a condition of development. The nation-state, indispensable to the economic operations of capital in an earlier stage, now finds itself under attack as an obstacle to the same operations. Capital still rules, but under a different regime, one that seeks to be inclusive rather than exclusive.

These structural transformations within capitalism would produce their own “cultural revolution.” As theorists such as Fredric Jameson and David Harvey were the first to point out, the new phase in capitalism was to demand and produce its own culture, which may be encapsulated conveniently by the term “postmodernism.” This other cultural revolution, a cultural revolution of capitalism, coincided with the Chinese Cultural Revolution, although few were aware at the time of its eventual significance. It may be interesting to recall, in historical hindsight, that the launching of the Cultural Revolution in China, with the developmental policies it promoted, coincided almost to the year with the establishment of the export zones in Kao-hsiung in Taiwan and Masan in South Korea. It might not have occurred to radical critics of modernization and capitalism at the time that the future lay with the latter rather than the former. But that is exactly what has happened. And national autonomy in economic development has receded before the onslaught of export-oriented economies symbolized by these zones. The success of these economic zones, needless to say, would be made possible ultimately by new technologies that made possible the transnationalization of production. It was these same technologies that would make possible the new cultural revolution in capitalism, central to which is its self-representation as producer of images and information, rather than of commodities (which still need to be produced, albeit in Third-World locations, while the First World takes over as the “brain-center” in the designing of the world). What the capitalist “cultural revolution” produced ideologically was culture commodified and rendered into an end in itself, infinitely malleable and marketable, rather than culture as a means to something else, such as community.
Viewed in this perspective, what is striking about the Cultural Revolution in China was that it was directed at the problems of a world that was already being replaced by another world dictated by the transformative powers of contemporary capitalism, that was far ahead of what its critics imagined—whether they were located in the First, Second, or the Third Worlds. The Cultural Revolution, as a product of the revolution against imperialism, or First-World domination of the Third World, spoke to problems inherited from the past, when the First World of capitalism was already in the process of creating new global relations, and corresponding social and cultural relations, that made those problems irrelevant. The contradictions between modernism and antimodernism in Mao Zedong Thought, at the moment of their enunciation, were already incorporated in postmodernist conceptualizations of the world that, since then, have proven to be of immense capacity in their ability to contain contradictions; so that business can utilize Maoist strategies in planning for the market, while radicals continue to argue about appropriate responses to cliché-ridden conceptions of capitalism.

Whatever its failings as ideology and practice, the demise of Maoism as it appeared during the Cultural Revolution was a result not just of its own failings as a revolutionary ideology, but of its increasing irrelevance to an emergent world of capitalism that was radically different from the one that had produced Maoism. Cultural Revolution Maoism represented not a solution for the future, as it was taken to be at the time, but a last gasp of a past that was already irrelevant to a present that had overtaken it.

This, I think, is what we call globalization—the naturalization into inevitable historical process of conscious policies designed to overcome the obstruction presented by national boundaries to the spatial prerogatives of capital. Globalization as some kind of historical process, a contemporary version of diffusionism, is not particularly new. Much more interesting is globalization as an ideology that came to the fore in tandem with efforts to overcome contradictions generated by processes of capitalist development and resistance to it—that negates the viability not only of nations as units of analysis and development, but also of political internationalism that had characterized earlier radical analyses. Globalization discourse provides its
own mapping of the process of development which, in its contrast with earlier mappings of national development, points not so much to the failure of the latter as to the contradictions they presented. The resolution of these contradictions that finds expression in the discourse of globalization, it needs to be underlined, does not represent the only resolution possible, but rather the most preferred resolution—that sustains the structure of power under the capitalist world system while containing the very oppositional forces generated by the system itself.

**THE NETWORK SOCIETY**

In the first of an ambitious three-volume study of contemporary global transformations, *The Rise of the Network Society*, Manuel Castells has offered a most revealing analysis of the re-spatialization of the political economy of development, both as concept and as practice. His theorization of the new situation of globality is important not because what he has to say is particularly unusual, but because he is able through the metaphor of the “network society” to synthesize much that has been written on the question of globalization. His work is particularly relevant to my argument here because a spatialization of the global capitalist economy around nodes in a network provides a cogent contrast to the spatialization around bounded surfaces that I discussed above. It may or may not describe accurately the processes at work in the contemporary world economy; but it has much to say about a shift in ways of thinking about the world economy that has taken place over the last two decades, and does so without an apparent ideological commitment to globalization.

One of the most impressive aspects of Castells’s analysis is its ability to account for an intensified mobility of capital while retaining a strong sense of the persistence of structural relationships in power. Castells’s metaphor of networks in the description of contemporary capitalism is derived from the central importance he assigns to information technologies, which then serve as the paradigm for the reconfiguration of global relations. The metaphor of “network” offers ways of envisaging the new global capitalism in both its unities and disunities, in its pervasiveness as well as in the huge
gaps that are systemic products of the global economy. The metaphor of network shifts attention from surfaces to “highways” that link nodes in the global economy. A network has no boundaries of any permanence, but may expand or contract at a moment’s notice, and shift in its internal configurations as its nodes move from one location to another. Marginality to the global economy may mean being outside of the network, as well as in the many spaces within its many gaps. Marginality does not imply being untouched by the networks, as the inductive effects of network flows affect even those who are not direct participants in its many flows. Finally, the network metaphor offers new ways of accounting for power. It is possible to state that the most powerful nodes in the global economy—for example, Saskia Sassen’s “global cities”\textsuperscript{14}—may be those locations where nodes of economic, political, and cultural power coincide. The network militates against neat spatialities, but it also allows for their inclusion in considerations of power; while any location may be included in the network, the most powerful, and controlling, nodes are still located in the national spaces of commanding global presence.

Castells identifies North America, Europe, and East Asia as the locations of such commanding power that determine “the basic architecture” of global relations. “Within this visible architecture,” however, “there are dynamic processes of competition and change that infuse a variable geometry into the global system of economic processes.” As he explains it,

What I call the newest international division of labor is constructed around four different positions in the informational/global economy: the producers of high value, based on informational labor; the producers of high volume, based on lower cost labor; the producers of raw materials, based on natural endowments; and the redundant producers, reduced to devalued labor. . . . The critical matter is that these different positions do not coincide with countries. They are organized in networks and flows, using the technological infrastructure of the informational economy. They feature geographic concentrations in some areas of the planet, so that the global economy is not geographically undifferentiated. . . . Yet the newest international division of labor does not take place between countries but between economic agents
placed in the four positions that I have indicated along a global structure of networks and flows. . . . [A]11 countries are penetrated by the four positions. . . . Even marginalized economies have a small segment of their directional functions connected to a high-value producers network. . . . And certainly, the most powerful economies have marginal segments of their population[s] placed in a position of devalued labor. . . . The newest international division of labor is organized on the basis of labor and technology, but is enacted and modified by governments and entrepreneurs.15

What is pertinent to the discussion here is Castells’s observation that while nation-states are by no means irrelevant to the functioning of the new global economy, national spaces no longer serve as meaningful economic units, criss-crossed as they are by economic activities of various sorts between nodes that are as much parts of a variety of global structurations (subject to chaos though they may be) as they are of the national space in which they are located. As he is focused almost exclusively on labor and technologies, Castells has less to say about the organizational aspects of such structurations: on the alternative spatializations produced, for instance, by transnational corporations as well as a host of transnational organizations from nongovernmental organizations (NGOs) to universities. His analysis is nevertheless in accord with most other analyses of globalization that are premised on the insufficiency of the nation as a unit of analysis in the analysis of the contemporary global economy.

While to an analyst such as Castells this may present a problem where the social, political, and cultural implications of globalization are concerned, ideologues of global capitalism perceive in it the end of the nation-state, and a need to re-spatialize politics to conform to the essential “borderlessness” of a globalized economy. One such analyst is Kenichi Ohmae, who suggests that “the nation-state has become an unnatural—even a dysfunctional—organizational unit for thinking about economic activity.”16 The alternative is to rethink political units in terms of “region-states” that correspond to the “regional economies” that are emerging simultaneously with globalization (and that also correspond, we might note, to the more stable nodes in the global networks). What Ohmae proposes for China, which plays a large part
in his analysis, provides a sharp contrast to the economic thinking of Chinese Marxists that I described above:

. . . the people of Guangzhou [in Southern China] know that they cannot deny a significant, ongoing relationship with the rest of mainland China. That connection is real—and is part of their strength and appeal. What they cannot afford is to be victims of tight, centralized control. But they can productively be—in fact, they would do well to be—part of a loose grouping of Chinese regional states, a kind of Chinese federation or commonwealth. 17

Unfortunately, Ohmae has little to say on what the mutual responsibility would be of the “region-states” in such a federation, or what role a central government would play in enforcing those responsibilities. We may glean what he has in mind, however, from his discussion of “the civil minimum,” the provision of equal services, including those that entail subsistence needs, to all the citizens of the nation-state, which in his view is inconsistent with the efficient allocation of resources. As he puts it,

. . . alignment of government power with domestic special interests and have-not regions makes it virtually impossible for those at the center to adopt responsible policies for a nation as a whole, let alone for its participation in the wider borderless economy. . . . No matter how understandable the political or even social pressures behind these alignments, they make no sense economically. Investing money inefficiently never does. In a borderless world, where economic interdependence creates ever-higher degrees of sensitivity to other economies, it is inherently unsustainable. 18

Ohmae does not tell the reader what a “an explicit commitment to heightened regional autonomy within a ‘commonwealth’ of China” might leave of a “commonwealth of China” when the regional economy acts or aspires to act “as a local outpost of the global economy.” 19 The message, however, is clear. Globalization means the supremacy of the market in shaping all relations, social and political, and the nation-state in its social and political concerns is an impediment to the efficient functioning of the market. The nation-
state must allow the regional autonomy that permits successful regions to participate in the global economy, unhampered by obligations to other parts or constituencies of the nation guaranteed earlier by the state. What he does not say is why the nation-state might be needed at all under the circumstances, except to guarantee the success of its global “nodes” in the global economy—and perhaps to suppress the dissent that might result from its own participation in the “bifurcation” of the economy. The state here becomes something more than a mere promoter of economic development; it appears as an enforcer of the interests of the “local outposts of the global economy” and, we might add, of those in charge of the “local outposts.” This is the state of global capitalism.

It is interesting that for all their vaunted internationalism, socialist states, in their real or imagined responsibility to their popular constituencies, produced a totalistic empowerment of the nation-state. It is equally interesting that capitalism, which experienced its embryonic growth within the womb of the nation-state, would return the nation-state to an earlier alliance between capital and the state, where the state is no longer responsible to constituencies other than those who manage the global economy, rendering the nation into more or less an empty shell, or a mere geographic or cartographic expression. The contrast provides a clue to the predicament that faces us all at the present.

PUBLIC RESPONSIBILITY IN AN AGE OF GLOBALIZATION

At a time when the nation no longer serves as an exclusive or even a viable unit of economic activity, when the ties between the state and the nation are once again being blurred, what is in question is not merely the viability of the nation-state, yearning for which may simply be the product of nostalgia for the past, but the more substantial question of the relationship between forms of political governance and public welfare. Delinking from the world economy no longer seems to be an option, unless it is accompanied by a fervent anti-modernism, as in the case, for instance, of the recent Taliban regime. Neither are revolutions understood totalistically, as total systemic
transformations; revolutions as we have known them have been products themselves of the project of modernity, with nation-states as their premise. The question of governance presently has to take as its point of departure contemporary political configurations that are increasingly difficult to grasp in terms of these earlier paradigms of politics.20

This question inevitably invites thinking about the relationship between corporate activity and public welfare, as the behavior of corporations in a context of global economic competition has much to do with the erosion of the power of the state to be responsive to its constituencies at large. The transnationalization of corporate activity is not novel, but is now subject to a new political consciousness of globality—which demands that corporate responsibility is not restricted to constituencies in the country of affiliation, but wherever corporate activity is conducted. Should a U.S.-based corporation, for example, be responsible for the welfare of populations in India, where the corporation may be active? If claims to globalization are to be taken seriously, globalization should not mean just the globalization of activity, but a globalization of responsibility as well. The question is how such responsibility may be enforced, which raises further questions about the unevenness of power that is often elided in discussions of globalization. It has become painfully evident over the past decade, following the fall of socialism, that such unevenness of power has assumed even greater sharpness than before with the expansion of the coercive power of the United States, to the point where globalization appears to be little more than the universalization of United States sovereignty (and suzerainty) globally.

The problem with an analysis such as Ohmae’s is its obliviousness to the different consequences of marketization in different social and political contexts—most importantly, in the differences between those societies who occupy the architectural centers of global power, as Castells puts it, and those who are powerless or marginal. Such unevenness, as is cogently manifested in Ohmae’s analysis, applies not just to political relations between countries, moreover, but to social relations within countries. Paralleling inequality between countries, in other words, are inequalities in class and gender relationships that cut across countries, and are in the process of being globalized as well.
Equally problematic is the rather cavalier dismissal in such an analysis of the surfaces implied by “national development,” which comes into sharp relief when contemporary analyses of globalization are placed against earlier ideas of national development. There is much to support such a position empirically. Back in 1987, then People's Republic of China Premier Zhao Ziyang suggested (contrary to what the socialist revolution had hoped to achieve) that all of coastal China be converted into a special economic zone to encourage foreign investment. While coastal China has not become a special economic zone, it has developed rapidly over the last decade and a half, producing that economic bifurcation that earlier revolutionary nationalists had feared. Indeed, analysts such as Dean Forbes have perceived, in the development of Southeast and East Asian economies, an urban corridor increasingly remote from its hinterland.

The problem is what meaning to assign to this restructuring of national economies into networks that cut across national boundaries. There is a difference between a city-state, such as Singapore, and a continental nation, such as the People's Republic of China (PRC), in judging the consequences of an urban corridor that unites them. The latter has to face the politically divisive consequences of a structural bifurcation in the national economy, which presents questions, not only of national sovereignty but the very viability of the nation, that are not likely to go away so long as nations exist—which is also an empirical fact. The PRC government, with a century of nationalist/socialist revolution behind it, has so far refused to accept the bifurcation of the economy, and has made some effort at least to promote the development of Western China; whether it will be successful in the effort remains to be seen.

The rapidly developing parts of the national economy in the “urban corridor” are not without deep problems either. There is little need here to dwell upon the ecological destructiveness of rapid growth facilitated by foreign investment, by investors who have little interest in the ecological welfare of places where they invest. Likewise, the exploitation of labor has reached levels where slave-like or even slave labor has made a comeback. A recent study by Anita Chan documents the horrendous condition of Chinese labor in the most rapidly developing areas, which not only receives little help from the
state but suffers from the oppressive collaboration between Chinese officials and foreign investors. The situation is obviously worse in the so-called developing economies, but similar phenomena are by no means absent from the most developed economies, such as the United States.

These problems, elided in celebrations of globalization and regional-states, no doubt call for difficult policy decisions on the parts of states, transnational corporations, local businesses, as well as public-interest groups of one kind or another. I would like to suggest here, however, that fundamental to any consideration of solutions is an ideological and cultural transformation of attitudes toward the notion of development. Celebrations of globalization, or a preoccupation with contemporary configurations as a given empirical fact, too often lead to a dismissal of insights to be derived from the past—especially when that past is associated with seemingly failed or discredited attempts to open up alternative paths to the future. Such dismissal may be described properly as ideological because it ignores that while past paradigms may no longer be relevant, the problems that produced them are still with us, even more critically than before, and call not for a cavalier dismissal of those paradigms, but their reexamination so as to produce out of them new paradigms appropriate to the present.

I can only conclude here with a suggestion of the considerations that are crucial to any contemporary cultural transformation, or even a cultural revolution, that should be a point of departure in confronting the seemingly intractable problems we face. First is the ideology of development itself, what we may call developmentalism, that has become something of a “global faith,” driven not only by corporate and government greed, but also a globalized cultural desire to participate in endless cycles of consumption. Second is an attention to places, concrete locations of everyday life, which, rather than meaningless statistics of growth at the national or state level, ought to be the measure of economic health, social welfare, and political democracy—a measure of the claims of states and corporations, in other words, to fulfill the promises of popular welfare off which they thrive. This also requires reconsideration of governance at all levels, beginning with places, and guaranteed public participation, not only in the political process but in corporate decision making as well. Finally, as I noted above in pass-
ing, if globalization is to serve as more than an excuse for intensified and uncontrolled exploitation of labor globally, it must be accompanied by the cultivation of global responsibility on the part of global actors: that a corporation, say, should be responsible not only to its stockholders, or the nation or location from which it hails, but to every location where it conducts its activities.

This is a wish list, no doubt. There are seemingly insurmountable ideological and material obstacles to each of these propositions—especially at a time when we seem to be entering a period of endless war; unprecedented imperial arrogance on the part of the United States, with its commanding role in global affairs; and corporate contempt not only for human welfare, but even the welfare of stockholders. But it is precisely the continuous crisis that we seem to be living in that calls forth an insistence on such a wish list. The alternative is hopelessness, and possibly catastrophe for all.

Does the Cultural Revolution, or more precisely, the revolutionary Maoism that the Cultural Revolution drew upon, have anything to say to the present? I think so. The repudiation presently of Maoist alternatives in modernity is part of an overall repudiation of radical alternatives to capitalism. We need to remember that, while transformations in capitalism may have rendered irrelevant earlier socialist challenges to its domination, capitalism is still capitalism, and these very same transformations have produced, and are in the process of producing, problems that await urgent resolution. Some of these problems are as old as the history of capitalism; others are products of new departures in capitalist production and organization. The resolution of these problems must take the present as their point of departure, but that is not to say that the past does not have anything to offer to the present. Recalling earlier revolutionary challenges is necessary to overcoming the ideological hegemony of capital. But it is not only for ideological reasons that the past is important. The revolutionary Maoist vision of society in particular—what I described above as the substantive issues that Maoism raised with regard to local society—may be relevant in surprising ways to confronting problems of contemporary capitalism.

Recent years have witnessed a reorientation of radical activity globally, from an emphasis on the nation-state to an emphasis on local movements.
The disillusionment with the inability of socialist states to resolve social problems is certainly an element in this reorientation. That disillusionment itself is part, however, of a broader loss of faith in the state—in capitalist as well as in formerly socialist societies. While the nation-state is by no means dead, as some would suggest, for the last two decades, states worldwide have been anxious to shed many of the responsibilities they had assumed earlier for the welfare of their populations. This has been accompanied by an increasingly visible alliance between states and transnational capitalism, so that once again, the state appears nakedly as a promoter of the interests of capital, sometimes against the interests of the populations whom it claims to represent. While the “privatization” of the state has been proceeding at different rates in different places, depending on the ability of the populations to resist it, such privatization nevertheless represents a global tendency against an earlier conception of the nation-state as a defender of the public against private interests. This, too, is a product of the new phase of capitalism. In this sense, the fall of socialist states—the most extreme form of the priority of the public over the private—since the late eighties may be viewed as part of a global process that includes the capitalist state as well.

One by-product of this weakening of the “public state” is the weakening of an earlier role that the state played as an intermediary between the transnational forces of capitalism and the needs of local societies—so that local communities face more directly than before the demands of a global economy. The increased stress on local society in recent years, in other words, is a product not just of loss of faith in the state, or in state-oriented solutions to social problems, but of the very operations of transnational capital that draw localities out of their isolation, utilize them to their own ends, and abandon them when such localities no longer serve those ends. The very operations of capital, it may be suggested, produce the local as we know it presently. In response, local societies have to fend for themselves as well as they can, without reliance on the help of the state. This need has been quite important in fostering local movements.

I am not suggesting here that local movements can afford to be merely local. In order to be effective, local movements have to seek translocal alliances—not just nationally, but transnationally—to counter the global
powers of capital. Under the circumstances of global capitalism, the welfare of working people at any particular location—say, in the United States or China—may be much more interdependent than earlier. But the new situation suggests that radical defense of people’s welfare has to take the local as its point of departure.

This is where, I think, memories of the Chinese Revolution in its Maoist guise may have much to offer to the present. As I noted above, the Maoist vision, as articulated during the Cultural Revolution, linked the fate of the local to the national; but that vision was informed in the history of the Chinese Revolution by a prior alternative anarchist vision that disassociated the local and the national, and gave priority to the needs of local society apart from, and against, the nation-state. In its stress on “self-reliance” at the level of local society, the Maoist vision contained this idea of local autonomy. Its products are well-known. Especially important has been the institutionalization of integrating agriculture and industry at the level of local society, which was to produce a unique social configuration, not just in Maoist but also in post-Maoist China, that has accounted in many ways for the ability of Chinese society, in contrast to other formerly socialist societies, to withstand the socially destructive forces of capitalism while opening up to the capitalist world system. This social configuration also owes much of its success to the experience of revolutionary years, which may have created conditions of corruption and the abuse of power (which seem to receive all the attention these days), but which were also to breed habits of self-reliance, collective activity, and cooperation between local political leadership and the population at large.25

What is interesting is that while the corrupt regime in Beijing retains its coercive powers and is quick to claim for itself the developmental successes of Chinese society, much of this success is in fact due to the ability of the many localities in China to fend for themselves. While it would be misleading to state that the Communist regime in Beijing and the development of local society in China should be viewed in isolation from one another, an analytical distinction may nevertheless be useful that points to two conflicting paradigms of development in China. One is that in which the state is central, that guarantees to the Communist regime, and the new managerial
class it cultivates, a position of power in the global economy and politics, but promises little beyond an authoritarian state capitalism. The other is one that is based in local society, that draws on an earlier revolutionary legacy of local development that gives priority to the welfare of the people over the power of the state, and points to a democratic socialism. What is radical politically about the latter alternative is also that, while it obviously does not reject the state, it calls for a reevaluation both of the territorial scope of the state (as expressed in new regionalisms) and the scope of its powers. In other words, it calls for a reconsideration of the boundaries and the responsibilities of the state, against the claims of the present regime to define the nation and claim it for its legitimacy.

Thanks to its revolutionary legacy, rather than the anti-revolutionary authoritarian propensities of the current Communist regime, in other words, Chinese society not only continues to offer a model of modernity that challenges the hegemony of capitalism, but also offers concrete resolutions of problems that are products of the reconfiguration of global relations under contemporary capitalism. The legacy of the Maoist vision may be more visible in China than elsewhere, but there are suggestions of it in other local movements around the world—not just in Third-World locations (from India to Chiapas), where the language of self-reliance promotes the defense of local community against the ravages of capital, but also in First-World societies, where it invokes memories of living communities against the “virtual communities” of global capitalism.

The Cultural Revolution may or may not lay claims to be the only, or even the most accurate, representation of the Maoist vision, which was itself rooted in the history of the Chinese Revolution. It dramatized for the world the power of that vision. That it will haunt the memories of many for generations to come may be sufficient to qualify it as a world-historical event. But it was not merely a ghostly event. Try as we might to exorcize its memories, it haunts us because, in its very historicity, it spoke to problems that are also part of our legacy. Like it or not, it will be with us so long as we demand solutions to those problems.
NOTES


3. Lin Biao, “Long Live the Victory of People’s War!” in Mao Tse-tung and Lin Piao: Post Revolutionary Writings, ed. K. Fan (New York: Anchor Books, 1972), 357–412. While the essay seems silly from a contemporary perspective, when agrarian societies have been marginalized and seem to be on their way to extinction, its significance was recognized immediately. See Chalmers Johnson, Autopsy on People’s War (Berkeley: University of California Press, 1972), for a “refutation” of Lin’s arguments by an influential U.S. political scientist.


5. Of Amin’s many works, the most thorough may be Delinking. Amin, of course, was not alone. The example of the Chinese Revolution and Maoist development policy also exerted influence on important thinkers such as Immanuel Wallerstein and those associated with him in promoting “world-system analysis.” It is also important to note that the Maoist development model resonated in its concerns with the contemporary dissatisfaction with modernization “theory,” expressed mainly but not exclusively in world-system analysis and the “dependency theory” emanating from Latin America. In other words, the Maoist paradigm was part of a global search for alternatives to modernization theory.


8. For prominent examples, see Stephen Andors, China’s Industrial Revolution: Politics, Planning and Management, 1949 to the Present (New York: Pantheon Books, 1977); Charles Bettelheim, Cultural Revolution and Industrial Organization in China: Changes

9. The term “delinking” is itself derived from the title of a volume by Samir Amin, *Delinking: Towards a Polycentric World*, trans. Michael Wolfers (London, N.J.: ZED Books, 1990). The analytical basis for the idea is to be found in a whole range of theorists of development from H. R. Cardoso (more recently a prime minister in Brazil and convert to global capitalism) to Andre Gundar Frank (another convert) to Immanuel Wallerstein and Immanuel Wallerstein.


17. Ibid., 97.

18. Ibid., 57.

19. Ibid., 74, 94.


23. I owe the term “global faith” to Gilbert Rist, *The History of Development: From Western
