

# **An exchange on Vietnam, China and the meaning of their present territorial tensions**

Monday 19 December 2011, by [FIDLER Richard](#), [KARADJIS Michael](#) (Date first published: 19 June 2011).

**We posted on ESSF an article (n° 20158) by Michael Karadjis on the tensions between Vietnam and China titled [China, Vietnam and the islands dispute: What is behind the rise of Chinese nationalism?](#)**

**It's original publication on *Links* website initiated a debate were are reproducing below as well.**

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## **Comments**

Tue, 02/15/2011 - 06:41 — Anonymous (not verified)

### **Vietnam is not a “socialist”**

Vietnam is not a “socialist” nation. It has embarked on a path of neoliberal capitalist privatisation just as China has, only that China is larger and further along this path.

Of the 5 remaining Leninist states, PRC, Vietnam, North Korea, Laos and Cuba, only Cuba is still socialist to some extent. The other 4 are all severely deformed, mainly in terms of the political superstructure, but in the case of China, Laos and Vietnam, also the economic base.

Therefore there is no “class difference” between China and Vietnam. Vietnam is less deformed than China is, but it's only a matter of quantity, not quality.

The reason why Vietnam seems to be “less nationalist” is because it is far smaller and weaker than China is and simply doesn't have the capital to be so aggressively nationalist.

### **reply**

Fri, 02/25/2011 - 04:36 — Michael Karadjis (not verified)

### **Re: Vietnam is not “socialist”**

I used the term “socialist” very loosely in the article, as I don't believe there can be any socialism in one or a few countries, let alone underdeveloped ones. I could have used “post-capitalist.” How we

assess just where Vietnam, China etc are on the long road between capitalism and socialism and back is a big question that I cannot deal with here, and about which there are naturally a great many views. There can certainly be an argument that Vietnam has restored capitalism in a qualitative sense, as I believe is now correct to say about China. I'm not yet 100% convinced of this, but I currently hold little hope of it holding out much longer.

However, to the extent that, as even you say, China is further along the path to capitalism than Vietnam, I believe there is a class difference being expressed in their differing attitudes to nationalism. Thus I disagree where you write "The reason why Vietnam seems to be "less nationalist" is because it is far smaller and weaker than China is and simply doesn't have the capital to be so aggressively nationalist."

Firstly, if the Vietnamese bourgeoisie were ready to raise a new banner of nationalism, they could raise it against weaker neighbours such as Laos and Cambodia. In fact they have been busily delineating the border with Cambodia. They could also raise a new 'Viet' nationalism and further alienate the minorities. Many are already deeply alienated by their social status in Vietnam more generally, but this represents a reality on the ground rather than having any ideological expression yet. Ideologically, the CPV's slogan is still "the great solidarity," its equivalent of the Titoist "brotherhood and unity."

Second, there is the small matter that the Vietnamese dissident opposition is precisely raising the banner of nationalism, as I showed. They are not worried about being smaller. That is because nationalism, even radical chauvinism, rarely bothers about being contradictory; thus they believe they can be very nationalist against China by getting closer to US imperialism. The CPV is clearly working VERY differently to that. IF they worked like that, it would be a signal.

Third, being in small countries hasn't stopped certain neighbouring countries, or political forces within them, from raising the banner of reactionary nationalism, eg, 'Yellow Shirts' in Thailand want war with Cambodia over the border, 'Sam Rainsy (megalomaniac) Party' in Cambodia want war with Vietnam over border etc. I believe we should acknowledge the clear difference of approach by the CPV at present.

Finally, China's nationalism has gone beyond actions and taken on an ideological form, as I documented. I believe this represents a genuinely new, in China, ideological deviation, itself representing how entrenched the new reality has become, which in turn represents how entrenched the Chinese bourgeoisie has become. As in Yugoslavia in the past as I noted. I don't believe Vietnam would be able to escape that logic once things "progress" beyond a certain point.

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## **reply**

Tue, 06/14/2011 - 11:03 — Anonymous (not verified)

## **Vietnam**

Your readers might like to know that on the northern Vietnamese border with China, AT NIGHT, the Chinese move some border signs/posts further into Vietnamese territory, which is quite rural and even wild in many places. In the morning the Vietnamese border police, checking all along the frontier, dig them up and move them back again. No one publicises this, certainly not the Vietnamese, who, given the historical record might be forgiven for accusing the Chinese of

aggression. The question is then why is this happening?

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### **From Vietnamese agencies**

Wed, 06/08/2011 - 21:58 — normd

#### **Vietnam demands China stop sovereignty violations**

<http://www.thanhniennews.com/2010/Pages/20110530011353.aspx>

**Last updated: 5/29/2011 23:00 The Chinese surveillance vessel no 84 violates Vietnam's sovereignty.**

Vietnam on Saturday demands that China immediately stop and not to repeat actions that violate Vietnam's sovereignty and jurisdiction rights over its continental shelf and exclusive economic zone.

Foreign Ministry Spokesperson Nguyen Phuong Nga made the statement at a press conference in Hanoi regarding the May 26 incident in which Chinese marine surveillance vessels cut exploration cables of the Binh Minh 02 ship of the Vietnam National Oil and Gas Group (PetroVietnam) when the ship was conducting seismic surveys on the continental shelf of Vietnam.

The incident took place in an area called Block 148 about 120 km (80 miles) off the south-central coast of Vietnam from the beach town of Nha Trang, and some 600 km (370 miles) south of China's Hainan island.

"Vietnam resolutely opposes the Chinese side's action that damaged and hindered Vietnam's normal exploration and survey activities on its continental shelf and exclusive economic zone, causing great damages for PetroVietnam," Nga stressed.

This action seriously violated Vietnam's sovereignty and jurisdiction rights over its continental shelf and exclusive economic zone, breaking the 1982 UN Convention on the Law of the Sea and going against the spirit and words in the Declaration on the Conduct of Parties in the East Sea (DOC) signed between ASEAN and China in 2002 as well as the common perception of the high-ranking leaders of Vietnam and China, she added.

"The Vietnamese navy will do everything necessary to firmly protect peace and the independence, sovereignty and territorial integrity of Vietnam," Nga said.

**\*RELATED NEWS\* Chinese ships violate Vietnam's sovereignty, disrupt oil exploration work**

<http://www.thanhniennews.com/2010/Pages/20110527182714.aspx>

**Chinese fishing boats violate Vietnam waters; gov't mulls patrol boats**

<http://www.thanhniennews.com/2010/Pages/20110529132951.aspx>

Nga also rejected the Chinese Foreign Ministry Spokesperson's remarks on May 28 that the Vietnamese oil and gas exploration activities in the "waters managed by China" damaged Beijing's

interests and management right in “South China Sea”, going against the two countries’ common perception on the “South China Sea” issue and that the action taken by the Chinese governing body is merely a marine supervision and law execution in the China-managed waters.

She explained that the area where Vietnam conducted explorations is entirely within the 200-nautical mile exclusive economic zone and continental shelf of Vietnam as stipulated by the 1982 UN Convention on the Law of the Sea. This is neither a disputed area nor an area “managed by China.” China is intentionally misleading the public opinion into thinking it is a disputed area, she said.

Nga at the same time stressed that Vietnam always adheres to the common perception of the countries’ high-ranking leaders on addressing all disputes through peaceful measures and avoiding actions that further sophisticate the situation. “There is no common perception that says China has the right to impede Vietnam’s activities in the exclusive economic zone and continental shelf of Vietnam,” she said, adding that it is China’s action that goes against the common perception of the two countries’ high-ranking leaders.”

The spokesperson also pointed out that while China calls for solving relevant disputes through peaceful measures, its own action is making the situation in the East Sea more complicated.

Asked about China’s nine-dashed line claim in the East Sea and a series of recent disputes with Vietnam and the Philippines , Deputy Chairman of Vietnam’s National Border Committee Nguyen Duy Chien said:

*“China’s nine-dashed line or “U-shaped line” in the East Sea is completely groundless and runs counter to the 1982 UN Convention on the Law of the Sea of which China is a member. The claim has violated the exclusive economic zones and continental shelves of a number of countries in the region, including Vietnam , and prompted protests from these countries. China’s attempt to materialize this claim is in fact increasing tension in the region.”*

In response to journalists’ questions about Chinese leaders’ repeated proclamations that “China advocates peaceful solutions to disputes” and that “It is powerful but not hegemonic,” Nga said “We hope that China will fulfill its role as a power and strictly follow what Chinese leaders have declared.”

Do Van Hau, Deputy General Director of PetroVietnam, briefed reporters of the incident when PetroVietnam-owned Binh Minh 02 ship was blocked and threatened as well as had its cables cut by three Chinese marine surveillance vessels while conducting explorations at 12 degrees 48’25” north latitude and 111 degrees 26’48” east longitude, some 116 nautical miles off Dai Lanh cape in the central coastal province of Phu Yen.

Hau emphasized that the sea water where PetroVietnam’s ship was operating is deep inside Vietnam’s continental shelf.

PetroVietnam has conducted seismic surveys in the area for numerous times and Binh Minh ship 02 operation within the sea waters under Vietnam’s sovereignty is quite normal, said the PetroVietnam senior official.

Hau said the Chinese ships’ cutting Vietnamese ship’s cables is a deliberate and well-prepared action.

“It is impossible to cut cables at a depth of 30m under the water without special equipment,” the oil and gas exploration expert explained.

“The incident has caused considerable losses and obstructed operations of PetroVietnam. The Binh Minh 02 ship and logistics ships had to stop working in order to repair the damaged facilities,” Hau said, adding that the Binh Minh 02 ship has so far resumed normal operation after the repair.

Source: VNA

Updated May, 28 2011 09:42:41

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Source: Vietnam News Agency.

### **VN condemns Chinese intrusion**

China Marine Surveillance ship No 84 entered Vietnamese waters on Thursday, cutting the exploration cables of a Vietnamese vessel. — VNA/VNS

HA NOI —The Vietnamese Foreign Ministry has staunchly opposed the recent action of Chinese marine surveillance vessels in cutting the exploration cables of a PetroVietnam ship that was conducting seismic surveys at Lot 148 within Viet Nam’s continental shelf.

A ministry official confirmed that, while the PetroVietnam ship, Binh Minh 02, was conducting seismic surveys at the lot which falls within the country’s 200 nautical mile continental shelf on Thursday, Chinese vessels cut its exploration cables at a location 120 nautical miles from the Dai Lanh cape in the central province of Phu Yen.

The official added that a representative from the Vietnamese Foreign Ministry had handed over a diplomatic note to representatives from the Chinese embassy in Ha Noi in protest against China’s action. The note demanded that China immediately cease and prevent the re-occurrence of activities that violate Viet Nam’s sovereign right to its exclusive economic zone and continental shelf. The note also demanded compensation for damage caused.

The diplomatic note stated that, while China’s action violated Viet Nam’s sovereign right to its continental shelf, it also went against the 1982 United Nations Convention on the Law of the Sea. The note said that China’s action had violated the spirit of the Declaration on the Conduct of Parties in the East Sea (DOC), signed between ASEAN and China in 2002, and the common perception of the two countries’ high-ranking leaders on preventing further complication of the situation in the East Sea.

Viet Nam National Oil and Gas Group (PetroVietnam) Deputy General Director Do Van Hau provided the information on the violation during an interview with the media in Ha Noi yesterday.

According to Hau, in implementing the group’s oil and gas exploration and exploitation programme for 2011, the PetroVietnam Technical Service Corporation (PTSC), an affiliate of PetroVietnam, dispatched the seismic survey ship Binh Minh 02 to conduct seismic surveys at Lots 125, 126, 148 and 149, which lie within the exclusive economic zone and continental shelf of Viet Nam.

The Binh Minh 02 had conducted two previous surveys in those areas, the first in 2010 and the second on March 17, 2011, he said, adding that surveys had been conducted smoothly and that the Binh Minh 02 had performed its tasks competently.

At 5:05am on May 26, the Binh Minh 02 picked up a strange vessel moving towards the survey area on its radar. Five minutes later, it detected the approach of another two ships. The three ships were subsequently identified as Chinese marine surveillance vessels that had moved into the survey area without warning.

At 5:58am, the Chinese ships crossed through the survey area, only 120 nautical miles from the Dai Lanh cape in the central province of Phu Yen, an area well inside Vietnamese territorial waters, cutting the Binh Minh 02's exploration cables.

Hau added that the three Chinese vessels had hindered the operations of the Binh Minh 02 and threatened it by saying that the Binh Minh 02 was violating Chinese sovereignty.

The Binh Minh 02 determinedly rejected the Chinese threats, responding that it was operating inside Vietnamese territorial waters.

The Chinese vessels kept up impeding the Binh Minh 02 until leaving the survey area at 9:00am on May 26.

The Binh Minh 02 had to cease operations on Thursday in order to gather damaged equipment for repair. Under instructions from PetroVietnam and PTSC, the Binh Minh 02 repaired its equipment on the spot and resumed its operations by 6:00am yesterday.

The PetroVietnam leader affirmed that the Chinese vessels had penetrated deep into Viet Nam's territorial waters in order to sabotage and hinder PetroVietnam's exploration activities, calling it an extremely perverse action that violated Viet Nam's sovereign rights.

He said that PetroVietnam had reported the incident and had asked the Vietnamese Government to take the strongest possible measures in demanding that the Chinese immediately cease their invasive actions that have blocked PetroVietnam's operations while assisting the group in carrying out its exploration and exploitation activities.

PetroVietnam affirmed that it would continue to conduct seismic survey activities in the area that they confirm belongs to Viet Nam. The group will work in close co-operation with relevant agencies to ensure the effective and safe operations of the Binh Minh 02 which, in operation since 2008, has carried out a multitude of surveys on Viet Nam's continental shelf.— VNS  
reply

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## **An exchange between Richard Fidler and Michael Karadjis**

**Tue, 06/14/2011 - 03:22 — Richard Fidler**

Nationalism and imperialism: The Debate on China

Here is a slightly edited version of a letter I sent in mid-March to Michael concerning the above article. Michael suggested that I post it to *Links* as it might be of interest to others. I am doing so now in light of the continuing interest in the Spratly Islands dispute: see, for e.g., <http://links.org.au/node/2355>. — Richard

Hi Michael,

Your explanation of the circumstances surrounding Vietnam's boundary dispute with China over the islands was valuable and compelling. But on reflection we felt there were some problematic aspects to the article. Let me explain my take on this.

The first problem is with your thesis that China's bellicose conduct toward Vietnam demonstrates that it "may be morphing into an emerging imperial power in its own right," which you acknowledge is "another more complex issue" than the boundary dispute per se. You cite China's previous military aggression in 1956, 1974 and 1988. But I am sure you would agree that in the first two instances Maoist China could not be characterized as capitalist, let alone imperialist. "Anti-solidaristic," as you say. Big-power chauvinist, probably. But imperialist? Surely there was something else involved.

You say that in 1956 China's seizure of the eastern part of one of the island groups reflected its interest in "preying on a weakened Vietnam." But China was under constant threat from U.S. and world imperialism at the time; it thought the islands were of strategic importance to its national defense, and Maoism's international diplomacy was based on its "socialism-in-one-country" approach. Isn't it likely that its seizure of the island(s) was motivated primarily by its concern to counter imperialist aggression, rather than to prey on Vietnam?

Kissinger's 1974 green light to China to launch a military attack on the western Hoang Sa you see as "part of a Machiavellian plan to prevent the coming unified socialist Vietnam from controlling the islands, and to kick sand in Hanoi's face." Perhaps. But is it not likely that this was one of Washington's ways to reward Beijing for its valuable help in imposing the new Accords on Vietnam? And that Beijing saw this primarily as a concession by Washington that allowed it to expand its own military defenses against U.S. encirclement? Narrow nationalist considerations, in defiance of Vietnamese sovereignty concerns, to be sure. But imperialist?

It strikes me that in all three instances (including the 1988 events) the common motivating factor in China's stance is concern over imperialism's confrontation with China, although in all three Beijing's action overrides or ignores competing sovereignty concerns on the part of Hanoi. This then begs for an explanation of why China has such apprehension of U.S. aggressive intentions toward it, and how well-founded this apprehension is. You tend to pooh-pooh this: "there is clearly rivalry, but also a great deal of cooperation," although you do state that you would "still strongly defend China from any direct attack by U.S. imperialism." I think more needs to be said.

But before I get to that, there is another aspect of this "China as emerging imperial[ist] power" argument that I find not entirely convincing.

An "emerging imperial power"?

You say that Chinese businesses operating abroad are "no different to any other" foreign capitalist investors in their conduct. You cite, in reference to Vietnam, the bauxite-aluminum development, the issue of Chinese workers, and an anecdotal example of less cooperation by Chinese border police with their counterparts in Vietnam. At another point you say that China, "all over the developing world," is "replicating typically exploitative patterns well-worn by the imperialist powers before it." There are some significant differences, however, are there not?

It seems to me that if China is to be considered "imperialist," or on the road to it, there must be an analysis of the peculiarities of this "imperialism." China invests abroad in collaboration with the respective host governments; it signs detailed contracts, provides generous lines of credit, engages in infrastructure projects that are often of direct benefit to the countries involved (and not just to

China's resource exports from those countries). China does not interfere in the political systems or regimes in those countries. It has a good reputation for respecting their sovereignty (somewhat frayed, it seems, in the case of Vietnam).

The fact that it employs its own workers probably stems from its desire to ensure rapid completion of projects, and control of the work force in circumstances very similar to those used at home. This also helps to minimize the potential for adverse labour relations in the host countries. In fact, when you think about it, China's foreign operations are very much a faithful replication of the labour relations and investment regimes Beijing has established within China itself, including the use of state-owned enterprises on large infrastructure projects. Of course, such conduct by no means averts a lot of ethnic tension and chauvinist bluster on the part of both host and guest. But "bourgeois nationalism"?

China participates in the world imperialist structures such as the WTO; that's now the price of admission to international trade and investment for a country on China's scale of operations. But it operates on terms that differ significantly from those typical of the emergent imperialist nations of the late 19<sup>th</sup> century. As Lenin and others noted, the world was already divided up between the dominant European powers and the USA 100 years ago. So new entries into world commerce, especially those with a recent history of anti-imperialist and national liberation struggles of their own, face some major strictures on their international operations. They operate within an international legal framework of nominally sovereign states. China does not challenge that framework; on the contrary, it invokes it on its own behalf, and joins with many "third world" dependencies in defending their attempts to shift the world relation of forces in their favour (the G20, etc.).

China proposes a world system based on multipolarity, which it opposes to U.S. hegemonism. But it does not pose a redivision of the world, a reconfiguration of national sovereignties.

China's investment projects abroad ravage the natural environment, exploit some local labour, and their content is dictated above all by China's nationalist considerations of defense and development. But to my knowledge China does not attempt to coerce host countries into generalized "free-trade" investment deals that give relatively free rein to capital to dictate the overall trade and investment relations of the host country, as the leading U.S. and European imperialisms do (with Canadian and Australian complicity). China does, of course, have a few aces in its own hand given its huge holdings of U.S. treasuries; it finances some of its major imperialist rivals, in fact. But this also means that there is a network of mutual dependencies (or interdependencies) the weight and direction of which shifts over time — and increasingly, it would seem, in China's direction. Hence the U.S. hostility to this emerging "superpower."

Furthermore, given its economic dependence on so many regions of the world, such as the Mideast, where the U.S. maintains hegemony, there are definite material reasons for China to look sympathetically on the popular upsurges and overthrow of pro-U.S. regimes in those areas, whatever Beijing's apprehensions over the contagious effect of these revolutionary democratic movements on its own population.

You may have seen the recent interview with Gilbert Achcar, published as "The Chinese equation" [1]. Gilbert points to a number of features in China's international relations today that resemble those of the emerging imperialist powers of the late 19<sup>th</sup> century. But he also points to a significant difference in the military sphere. I am inclined to agree with him on this:

« *China is doing today what the capitalist economies at the end of the nineteenth century did, in their "imperialist" mutation. As it has an enormous amount of money to invest, it is no longer*



*satisfied to export goods, but increasingly exports capital, whether towards developing countries or towards Western economies, and even offers to re-inflate countries like Greece and Portugal. It hopes in return for better access to international markets, the development of commercial exchanges, privileged access to raw materials, and the political influence that goes with that. The loans for aid to development lavished by China today exceed those of the World Bank. On the military level however, that has not, or not yet, been expressed in the manner of the imperialism of the end of the nineteenth century, by militarism and gunboat diplomacy aimed at extending politico-military domination. There is not yet anything comparable in the attitude of China. China's priorities in the military sphere are primarily of a defensive nature: China's obsession today is encirclement by America. »*

### **Is nationalism “the ideology of the bourgeoisie”?**

Also problematic in your article, I think, is the discussion of nationalism, although it is not your main point. You say that nationalism “is the ideology of the bourgeoisie, and is essentially anti-working class and anti-internationalist,” although you add an important qualification: “except when there is a genuine national struggle against oppression....” You point to the way in which the Chinese leadership promotes some forms of nationalist ideology (e.g. anti-Japanese feeling) as a means of conjuring up a unifying ideology when socialist internationalism has become irrelevant to its project.

Again, however, there is the fact that China under Mao was nationalist, and its nationalism had a rational and progressive kernel insofar as it also expressed the national pride of a country that had managed to overthrow colonialist hegemony, achieve national unification, and establish its national sovereignty in opposition to imperialism and its “Nationalist” allies, now taking refuge in Taiwan. Was this nationalism the ideology of the bourgeoisie?

I understand where you are coming from on this. As you explain, you see a parallel between China's nationalistic bullying of Vietnam and the nationalism of the emerging/rising bourgeoisie in Serbia and Croatia during the breakup of Yugoslavia — a process which you have analyzed expertly elsewhere. You acknowledge that the Vietnamese leadership is nationalist, too, but you still see a class difference between its nationalism and China's, which in your view (and that of many Marxists) is now definitively capitalist. I'll leave aside this latter issue; personally, I am still uncertain as to how to classify China, which is clearly going through some fundamental transformations that were unforeseen in previous Marxist theory. But is that the whole story?

Is China's nationalism only an expression of the ideology of its new bourgeois layers? They seek popular support by playing on the historic anti-imperialism of the Chinese masses, directed in the last century against U.S. and other western imperialism, and earlier against Japan. As a generalization, nationalism can certainly be characterized as reactionary, the ideology of the bourgeoisie, in the imperialist countries. So I suppose that if China is imperialist, then its nationalism can be characterized as reactionary. But what about nationalism in the dependent or semicolonial countries that are subject to imperialist exploitation and oppression? As you acknowledge, insofar as their nationalism is directed against oppression it is progressive. Is it useful then to describe it as bourgeois ideology? And who are these bourgeois who fight oppression?

I would argue that China, a poor country, relatively underdeveloped, is both oppressed and oppressor. The established imperialist powers, led by the USA, bully China and in a multitude of ways attempt to circumscribe, control and curtail its attempts to overcome its backwardness. In this sense, it is oppressed as a national state. But China is itself an oppressor in relation to national minorities within the state (Tibet, etc.) and is guilty of exercising big-power chauvinism against other, smaller states such as Vietnam. That chauvinism (nationalist ideology) is a tool of the ruling clique in Beijing, whether caste or class, and they wield it in many instances.

I say “nationalist ideology.” Historically, of course, Marxists referred to nationalist ideology as bourgeois ideology. When the Comintern, as part of its developing understanding of imperialism and the struggle against it, came to distinguish a progressive component called “revolutionary nationalism” (actually national “movements”) of the oppressed fighting imperialism, it did not clearly reassess the overall earlier designation of nationalism as the ideology of the bourgeoisie in its fight to establish sovereign states in place of particularist social structures such as feudalism. And Stalinism largely foreclosed further elaboration on this distinction.

So it remained customary among many Marxists to refer to nationalism as the ideology of the bourgeoisie — albeit with the distinction, among revolutionary Marxists, of that exception for the nationalism of the oppressed (and usually non-bourgeois) layers of the population. I think you will agree that this formulation, by itself, does not sufficiently encompass the problematic. (I leave aside the question of nationalism as imperialist ideology, although that is really just another way of saying it is bourgeois ideology in the age of imperialism.)

The state conflict with world imperialism may be the “principal contradiction,” because it “over-determines” other contradictions such as the internal national question, but the latter (the “secondary contradictions”?) do not therefore disappear in importance; in fact, they may be highly relevant — for example, does the oppression of Tibet help or hinder China’s attempts to assert and defend its sovereignty internationally? Or does its harassment and bullying of Vietnam negate the progressive nature of its own struggle to defend its sovereignty against foreign imperialism?

Or to put it in another context, the revolutionary leaderships in a number of Latin American countries present their anti-imperialist programs in a nationalist context of refounding the nation, of asserting national sovereignty against imperialism. We need to be wary of blanket condemnations of nationalism as bourgeois ideology that could blind us to the progressive significance of this phenomenon. To be consistent — that is, consistently anti-oppression, emancipatory in content — this nationalism must be internationalist, that is, consistently anti-imperialist, and translate into progressively deeper inroads on capitalist hegemony culminating in its overthrow.

Of course, it is not enough to confine one’s stance to defence of state sovereignty, or (worse) to confuse that defence with political support of the regimes of states targeted by imperialism; we have seen the perils in that approach in the tendency of some otherwise progressive Latin American leaders to give political support to an Ahmadinejad or a Kaddafi.

I am sure you agree on the substance of what I am trying to say here. But your article could be subject to misinterpretation because of some things it fails to say. Your blanket characterization of nationalism as bourgeois ideology might suggest that in China, for example, the struggle for national unity and sovereignty never played a progressive role, or that defence of Chinese sovereignty cannot be progressive in some specific contexts.

Finally, I agree of course with your critique of what you justly call Manichean “anti-imperialism” that simply puts a plus where imperialism puts a minus. We certainly have a few bad examples of this on the GLW and Marxmail lists, among others!

Best regards,

Richard

**reply**

**Fri, 06/17/2011 - 03:08 — Michael Karadjis (not verified)**

Re: China and Nationalism

I did indeed recommend Richard send his very thoughtful and useful discussion to Links, and I'm glad he finally did. At the time I said I would come up with some response, but, alas, finding the time to write the kind of detailed response that such a thorough piece requires has alluded me. Now Richard's discussion is up, I work on that, but just for now, a couple of quick points.

First, Richard says my discussion in nationalism is a side-point. It is, but not half as much of a side-point as my alluding to the possibility of China having morphed into a new imperialist power, which is Richard's main point.

There is a very good reason that I was being vague, referring to a possibility, a question, about whether China was morphing into an "imperial" power etc. The reason for all this evasiveness on my part was precisely because I hold no firm opinion on this. I mainly alluded to it at the end, and left a number of links for further thought.

That is especially why I encouraged Richard to write: I think the discussion is very important to be had, and that things in the real world are changing rapidly while many of us may be stuck in old ways of thinking about this, but I am not sure of the answer. The China discussion probably needs a separate page on Links, rather than as part of this islands dispute page.

One thing I will say quickly, however, is that I disagree very much with Richard's assertion that China's actions are - and were - mainly motivated by fear of US encirclement. I see no evidence of such "encirclement" either today or at any time since about 1971 (Richard is certainly right about events in the late 1950s, which I also pointed out in my article). Richard's assertion that the Kissinger-China dealing over the Paracels in 1974 was motivated, on China's part, by aiming to further protect itself from US encirclement I find oxymoronic, and way off the mark, in such conditions of solid US-China alliance in encirclement of Vietnam.

The other thing I would quickly say is that, while I still stress I hold no firm opinion, recent events - **such as the open aggression last week in Vietnam's territorial waters nowhere near the disputed islands, and not even within the territorial waters of those islands if we were to concede the entire South China Sea were Chinese property** - have tended to firm up my suspicions about China's evolution.

Finally, I just want to thank Richard for the very intelligent, constructive and comradely way he has approached this discussion, which is a breath of fresh air compared to what we often get when differences are raised among the left, especially in online discussions.

**reply**

Fri, 06/17/2011 - 03:20 — normd

Articles on the nature of China

There is a page on Links International Journal of Socialist Renewal where articles on the nature of China are being collected: <http://links.org.au/taxonomy/term/403>

"mkaradjis" wrote:

The China discussion probably needs a separate page on Links, rather than as part of this islands dispute page.

**reply**

**Sun, 06/19/2011 - 14:23 — Bert (not verified)**

## Billionaire Teams With Chinese Banks in Latin America

Billionaire Cisneros to Team With Chinese Banks in Latin America Oil, Gold

By Daniel Cancel - Jun 17, 2011 3:09 PM GMT+1000

<http://www.bloomberg.com/news/2011-06-17/billionaire-cisneros-to-team-wi...>

Venezuelan billionaire Gustavo Cisneros is setting up joint ventures with Chinese banks to carry out investment in Latin American commodities industries.

The chairman of Cisneros Group of Companies, who is relinquishing operations of the firm to his youngest daughter Adriana, said he aims to push through projects delayed by state inefficiencies through partnerships in energy, agriculture and metals. Deals may take place in countries including Brazil, Colombia, Mexico and Panama, Cisneros said.

"You'll probably see in the next year or two a lot of Cisneros China or China Cisneros in Latin America and it's going to be whatever comes, whether it's oil, gold or big cattle operations," Cisneros, 66, said yesterday in an interview at Bloomberg's headquarters in New York. "They understand they don't have the knowledge to run these businesses. They need results now and we can provide results."

Cisneros, who first traveled to China about 30 years ago with billionaire philanthropist David Rockefeller, is expanding into deals with the Chinese after shedding beverage and consumer-goods companies and America Online Latin America since the early 1990s to focus on his Venevision television network. Banks in China, the third-largest source of foreign direct investment in Latin America, lent Brazil's state-run Petroleo Brasileiro SA (PETR4) \$10 billion in 2009 in exchange for oil supplies, among credit provided to secure resources from the region.

### China Development Bank

Since 2007, government-owned China Development Bank has lent more than \$68 billion to Venezuela, Turkmenistan, Ecuador, Brazil and Russia in exchange for crude and gas shipments. Liu Keguo, a bank adviser, said in a Jan. 15 interview that the lender would extend credit to Chile, Peru and some African nations.

Export-Import Bank of China Ltd., the nation's policy lender specializing in cross-border trade and investment, and Agricultural Bank of China Ltd. last year agreed to tie up with Inter-American Development Bank to expand their trade finance activities in Latin America.

Industrial & Commercial Bank of China (1398) Ltd., the nation's largest commercial lender, said in April it intends to set up a full-service bank in Sao Paulo and become the second Chinese lender after Bank of China Ltd. to have a branch in Brazil.

Beijing-based spokespeople at China Development Bank, Export-Import Bank and Bank of China didn't answer calls to their offices, while ICBC's Beijing-based press officer Wang Zhenning declined to comment.

### Needs 'Heavy Investments'

"The fact is, China needs to do heavy investments," said Cisneros, who has homes in New York, Miami, the Dominican Republic and Spain. "If we put together our talents for new businesses in Brazil, Colombia, Mexico — something that has an interest for China — we can match those interests and do very well."

China accounts for 9 percent of foreign direct investment in Latin America, trailing only the U.S. and Holland, according to the United Nations' Economic Commission for Latin America and the Caribbean.

Cisneros also is operating in the world's fastest-growing major economy in a partnership with China Central Television to broadcast original television content and to provide expertise in producing local programs.

### Hispanic Market

The Cisneros Group, which took in \$1.5 billion of revenue in 2010 and has its headquarters in Miami, also is expanding businesses aimed at the U.S. Hispanic market as well as in nations across Africa and the Middle East. Telenovelas, a type of Spanish-language soap opera, produced by Cisneros will begin to air in Iran and Afghanistan this year, said Adriana Cisneros de Griffin, who sat next to her father during the hour-long interview.

Cisneros Group provides Univision, the leading Spanish-language broadcaster in the U.S., with 40 percent of its content, and the airing of the Eva Luna telenovela in 2010 was more successful than the company anticipated, she said.

"There were more people seeing TV in Spanish, our soap operas in the U.S., at moments than seeing NBC, CBS or Fox," said the 31-year-old vice chairwoman and director of strategy. "With Univision we designed an interactive strategy that resulted in our last show having 9.7 million viewers; we thought our audience was 7 million."

### Brazil Business

Cisneros' youngest daughter, who spent hours as a child in Venevision television studios and traveled with her father to bring DirecTV (DTV) to Latin America when she was 13, handles the company's Brazilian business while her father focuses on China and long-term strategy. A graduate of Columbia University and New York University who resides in Manhattan, the younger Cisneros is creating interactive online programs and working with Sprint Nextel Corp. (S) on mobile programming.

"Media has become a really interesting part of the market to be in, everything happening with digital interaction is fascinating, everyone trying to make a business model around all of that," she said. "But it's fast-changing and we keep changing our strategy for interactive and digital on a monthly basis and I think we have to because that's the new nature of the beast. What we'll be able to do with our content in the coming years is amazing."

Gustavo Cisneros inherited the company from his father in 1970 and a fortune built from expanding Venevision and representing U.S. brands such as Studebaker, PepsiCo and Burger King in Venezuela. Cisneros and his family are worth \$4.2 billion, according to Forbes magazine. The 58-year-old company employs about 8,000 workers.

### Coca-Cola

The group was one of the largest bottlers of Purchase, New York-based PepsiCo Inc. products outside the U.S. until the 1990s, when Cisneros and his brother Ricardo decided to switch to Atlanta-based Coca-Cola Co. (KO) They sold the carbonated beverage business a year later.

In Venezuela, Cisneros Group has the largest privately owned television network, a local baseball team and through Cerveceria Regional SA continues to compete with the largest brewer, Caracas-

based Empresas Polar SA , for market share. Polar now has a joint venture with PepsiCo.

Cisneros said he chose his youngest daughter to succeed him because she showed an interest in media and a passion for trying to run the business. The elder daughter, Carolina, has dedicated herself to her five children, while his son Guillermo handles family finances, Cisneros said.

### Sense of Duty

Adriana said she always knew she wanted to be in media, “but I thought I would come work for my family when I was 40 and not 25. When I saw my brother didn’t want to take the position that he was groomed for, out of sense of duty I said let’s do it sooner than later.”

Both are optimistic about the outlook for their business in Latin America.

“We have the best decade of Latin America ahead of us, of course this or that happening, but the numbers objectively,” Cisneros said before being interrupted by his daughter.

“It’s our decade,” she said.

“It’s going to be fantastic,” Cisneros continued. “Any way you look at it, politically, economically, culturally, Latin America has come into its own.”

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### **P.S.**

\* From <http://links.org.au/node/2145#comment-107476>

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### **Footnotes**

[1] IV433, <http://www.internationalviewpoint.org/spip.php?article1987>