



Nonwestern Semiperiphery and Its Paradoxes: Reflections for Struggles in the 21st Century

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What has historically been the role of the nonwestern semiperiphery (what was it expected to do and what did it really do) and how has this role changed in recent years? In their article, “Moving toward Theory for the 21st Century: The Centrality of Nonwestern Semiperiphery to World Ethnic/Racial Inequality,” Wilma Dunaway and Donald Clelland provide important contributions to the efforts to rethink global inequalities and the potential to transform the capitalist world-system. Presenting a wealth of data compiled in graphs and tables, the article aims to decenter analysis of global ethnic/racial inequality by bringing the nonwestern semiperiphery to the foreground. In their examination of the rise of the nonwestern semiperiphery, the authors question the popular “global apartheid model,” which identifies “white supremacy” as the sole cause of global ethnic/racial inequality. Their goal is to demonstrate that the nonwestern semiperiphery intensifies and exacerbates ethnic and racial inequalities in the world further by adopting political and economic mechanisms to exploit territories and workers both within and beyond their borders.

The article challenges the romanticised views that portray the “Third World” as a group of countries that, if they organize themselves into a cohesive front that acts together on common issues, could become agents of change in the world. The authors give a different picture: they show that the semiperiphery is not static, but rather dynamic. It has evolved in recent decades and plays



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a more conservative than a transformational role, depending on the global economic and political context at the time. The article builds a solid line of argument that goes against a conventional wisdom that is widespread among intellectuals and social movements in the semiperiphery and the core who tend to look to the ascent of emerging economies, such as the BRICS, with hope that it will create a possibility for building a counter-hegemonic global order.

Understanding the paradoxical role of the nonwestern semiperiphery is fundamental. While on one hand, it may compete with hegemonic powers and fight to change the world-system, on the other, it will play a decisive role in structuring and maintaining ethnic-racial inequality in the 21st century. The authors present ten ways the semiperipheries will increasingly exacerbate this inequality. Some of these are particularly interesting when we think of the case of Brazil and the BRICS countries. My reflections are from within the nonwestern semiperiphery and based on a left-wing intellectual and political view that is grappling with the ambiguous role of being both an exploiter and the exploited, while fighting against the expropriations and oppression of semiperipheral capitalism.

The authors highlight the growing flow of investments from the semiperiphery to other peripheral countries or to the core, the rising number of nonwestern corporations and the increase in the concentration of wealth and the amount of billionaires in the semiperiphery. UNCTAD's annual investment reports do, in fact, show an increase in foreign direct investment originating in developing and transition economies, which grew to 17 percent of global investment flows in the mid-2000s (UNCTAD 2006). With the economic crisis in the core countries, these investments rose even higher, to the point where they represented approximately 30 percent of the total in the late 2000s (UNCTAD 2010). In 2015, 15 percent of global investment flows were concentrated in the five BRICS countries; China was the third largest global investor, with US\$ 128 billion in foreign direct investment that year (UNCTAD 2016). In economic terms, high commodity prices and low wages fuelled the BRICS' accelerated growth as they absorbed large amounts of global investment. They managed to concentrate approximately 28 percent of global GDP in 2008. However, these countries' economic growth did not automatically bring improvements to the well-being of their people. The majority continue to live in poverty, with no access to basic infrastructure and little access to education, while the wealth of a tiny fraction of the population in these countries grew exponentially. Therefore, the economic growth of the BRICS was marked by *inequality*, despite their demand for greater *equality* in the international system.

As I have argued in earlier publications (see Bond and Garcia 2015; Garcia 2017), the BRICS as they exist today—that is, a project of the national elite and their multinational corporations—have not succeeded in effectively formulating an ideological alternative to neoliberalism, nor institutions capable of founding a global order on more socially and environmentally just bases. Even though in some cases, their development strategies pursue paths that seek to “overcome

barriers” of (scientific, industrial, trade and military) monopolies created by the traditional superpowers, they do so *within* the capitalist order and occupy an increasingly important place in the expanded reproduction of global capital. Therefore, it is necessary to reflect on the rise of a “Global South (and East)” in the context of the expansion and the deepening of capitalism in the 21st century, and not as an alternative to it.

According to Dunaway and Clelland, the other two elements that exacerbate ethnic-racial inequalities are the exploitation of global commodity chains and the exploitation of ethno-territories. The authors present a summary of mega-projects and human rights violations in semiperipheral countries (table 8). What stands out here is the semiperiphery’s role as both the exploiter and the exploited due to its position in global value chains and its participation in infrastructure mega-projects and export-oriented investments. Semiperipheral states act in conjunction with large corporations and financial funds (originating in core or semiperipheral countries) to exploit natural and energy resources, causing serious impacts on local communities, workers and the environment. Ethnic minorities, such as traditional, peasant and fishing communities are presented as obstacles to development that must be “removed” through forced displacement.

We can observe that there is a *global consensus* on the “need” for infrastructure to leverage economic growth, which is built or developed via public-private partnerships that facilitate and promote the entry and operations of international investors in these regions.¹ At the same time, large infrastructure projects (within the semiperipheries and in their regions of influence, in Africa, Asia and Latin America) seek to serve the interests of the extractive and agribusiness industries, as the goal is to transport the raw materials to the international market. These investments become “new pillaging routes,” as they establish large logistics corridors that connect territories and natural resources to foreign markets.

The Nacala Corridor in Mozambique is one example of this. Dating back to the Mozambican colonial period, this corridor was identified by the World Bank as being key for the construction of poles of development. Today, it is crucial to the logistics of the Vale mining corporation’s operations, as it links the Moatize coalmine to the port and to the special economic zone of Nacala, which, in turn, serves the interests of Brazilian and other, mainly Japanese, agribusiness investments in the north of Mozambique. The Nacala Corridor, then, is a fundamental piece in the plans to guarantee the viability of Brazil’s main cooperation project in the area of agriculture, the

¹ The new multilateral institutions based in the “Global South”, the New Development Bank (NDB) and the Asian Infrastructure Investment Bank (AIIB) were created with a focus on infrastructure projects in Asia, Africa and Latin America. They follow the same lines as the traditional multilateral financial institutions, such as the World Bank (and its Global Infrastructure Initiative), Inter-American Development Bank, and even the G20, which had previously launched the Global Infrastructure Hub.

ProSavana programme, and for Vale's strategies in the African country, as it broadens and favours the consolidation of *global mining and agribusiness value chains* that are interlinked with the international markets (Garcia and Kato 2015).

Thus, the semiperipheries are found to be more cooperative with core countries at times, while at others, their actions are antagonistic to them. They combine moves to gain more autonomy and sovereignty, while they compete for “a place in the sun” on the limits of capitalist accumulation. If we take the example of the BRICS countries, we find that they cooperate with one another to defend common positions at international decision-making bodies, but they compete for natural resources, consumer markets and investments in other countries and regions of the South, such as Africa and Latin America. As such, the semiperipheries end up reproducing imperialist practices that they dress up in “horizontalness” in their relations with other peripheral countries.

It is worth recalling here an element that Dunway and Clelland's article does not explore in depth: the fact that the rise of some multinational corporations originating in the semiperiphery and their bourgeoisie (that now participate in the global circles of the transnational capitalist class) reinforces the deeply rooted imaginary of “modernization” and “development.” The promise of economic development—and the different paths to achieve it—has strongly marked the major political discussions and intellectual evolution of the left in former colonies in the semiperiphery, as well as theories, political projects, and government programmes it has produced. As a result, development and economic modernization have become an ideology proper to the semiperiphery, which typically traces a *capitalist* path to development based on the exploitation of the workforce and nature.

Connected to this is the role played by semiperipheral transnational states and the subimperialism phenomenon. Semiperipheral states are not mere instruments of the internal bourgeoisie; instead, they actively seek to establish political, legal and economic structures that foster the accumulation of capital, whether it is national or foreign-based, within or outside of their territories. They develop different kinds of public policies (for example, financing from public banks) to support the internationalisation of semiperipheral corporations. In them, public and private interests come together: the need to provide support to the companies is justified by the benefits they are to generate for the entire country. Particular interests are thus portrayed as being universal. In the case of state-owned or former state-owned enterprises (such as the Vale mining corporation or the Petrobras oil corporation, in the case of Brazil), they are strongly linked to the “national interest” and the fight for sovereign control over natural and energy resources in the 20th century. Such multinationals are represented as a new “stage of development” in the developmentalist imaginary and the popular common sense. However, as global multinational corporations, they compete with other firms in the world by extracting surplus value from the workforce and nature of other peoples, who are also engaged in struggles for sovereignty and the

rights over their territories. In light of this, one must question how semiperipheral working classes benefit from the extraction of surplus value and the exploitation of the natural goods and resources of peoples from other countries and regions.

We can thus identify two major challenges. First, there is the direct confrontation between affected communities, workers and social organisations and multinational corporations, and the states that support them, over projects that destroy their livelihoods and the environment and absorb public resources. Secondly, we have the challenge of changing the imaginary on “development” within semiperipheral societies and of building a new consensus that overcomes the idea that we need to “develop” by following the same model as western core countries did.

What role remains, then, for the core countries, their corporations and financial institutions in causing and intensifying ethnic/racial inequalities in global capitalism? Dunaway and Clelland do not explore this issue in their article, nor do they sufficiently discuss the relation between nonwestern semiperipheries and subimperialism. The notion of a transnational capitalist class and the transnational state captures an important aspect of the current context: the level of mobility of transnational capital (especially financial capital). This mobility directly affects internationalised production processes and significantly increases the degree of interpenetration and interconnection between them. It is what led the BRICS countries, especially China, to grow and go through an extensive modernisation process fuelled by the influx of transnational capital. However, this capital would not be able to operate if it were not for the infrastructure and guarantees of host states and states of origin. On one hand, global capitalism could not have been built in the 20th century had it not been for the proactive role of the US state, as Panitch and Gindin (2012) demonstrate. On the other hand, in dependent economies, bourgeois domination occurs where there is a strong disassociation between capitalism and democracy: in the semiperiphery, the bourgeois revolution combines capitalism and authoritarianism. As Florestan Fernandes (1981) rightly explains, intense industrialisation and modernisation, induced from the outside in, had to be constantly controlled and could not be allowed to lead to a national revolution. The state became the core of bourgeois decision-making power and actions, which explains the bourgeois sectors’ close ties with the military. Therefore, one cannot talk about a transnational capitalist class as if it were homogenous. It takes on different forms and its effects vary according to territories, states and social formations.

The transformation of the capitalist world-system will be the result of struggles, mobilizations and resistance backed by theoretic reformulations that break with ethnic-racial simplistic binaries. As Dunaway and Clelland have elaborated, we need to stop filtering nonwestern contexts through the lenses of western categories of race that ignore the multiple layers of the more complex causes of inequality and oppression. Latin America provided fundamental theoretical contributions in the 20th century, such as Ruy Mauro Marini and Florestan Fernandes’ work on the Marxist theory of

dependency. The struggles of the 21st century certainly need new advances and Dunaway and Clelland are pointing in the right direction.

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