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Global Capitalism: Reflections on a Brave New World

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We are in the throes of a transition to a qualitatively new stage of world capitalism. Its essence is the emergence of truly transnational capital, a transnational capitalist class (TCC) made up of the owners and managers of transnational corporations, and transnational state apparatuses through which the TCC attempts to exercise global political authority. This corporate-driven globalization has brought a vast new round of global enclosures as hundreds of millions of people have been uprooted and converted into surplus humanity. The extreme global inequality that has resulted erodes social cohesion and fuels unrest. In response, the more enlightened members of the transnational elite clamor for a powerful transnational state to resolve the ecological, social, economic, and political crises of global capitalism, but instead a global war economy and a global police state may be in the offing. If we are to avoid a civilizational collapse and reach a Great Transition, we will need an accurate reading of the new global capitalism to guide our social practice.

A GTI ESSAY

Epochal Shift

A Great Transition to a just and sustainable world requires as its starting point an accurate understanding of how the system in which we live, *capitalism*, has evolved in recent decades. A "brave new world" of globalized capitalism burst forth in the latter decades of the twentieth century. At first glance, the system may look familiar: capitalism continues to be driven by the endless accumulation of capital, with the attendant outward expansion, polarization, crises, and wars. But all systems exist in a perpetual state of development, transformation, and eventual demise, giving rise to new organizational forms, and capitalism is no exception. Each successive epoch in its centuries-long existence has brought the reorganization of political and social institutions and the rise of new agents and technologies on the heels of major crises. Waves of outward expansion through wars of conquest, colonialism, and imperialism have brought more of humanity and of nature into the orbit of capital. This widening and deepening enclosure has ushered in the new epoch of global capitalism.

We are now in the throes of another major transformation of world capitalism.

In its first stage, capitalism emerged from its feudal cocoon in Europe during the so-called Age of Discovery, symbolized by the bloody conquest of the Americas starting in 1492. This epoch spanned the creation of the colonial and interstate systems, the emergence of the transatlantic economy, and the intensification of trade between West and East. The second stage, defined by the industrial revolution, encompassed the forging of the modern nation-state and the rise to power of the bourgeoisie, symbolized by the American Revolution of 1776 and the French Revolution of 1789. The third stage, the rise of national corporate capitalism in the late nineteenth century, brought a new wave of imperialist conquest, powerful national financial and industrial corporations, the consolidation of nation-states and national markets, and the integration of these national markets into a single world market.

Many observers of twenty-first-century capitalism continue to analyze it through the lens of this outdated national corporate stage. However, it has become clear that we are now in the throes of another major transformation of world capitalism, a transition to a qualitatively new transnational—or global—stage.[1] The turning point in this epochal shift came during the global recession in the 1970s following the oil crisis and the collapse of the Bretton Woods system, the international financial structure set up after World War II. Capitalism was able to transcend that crisis by "going global," leveraging globalization processes into a vast restructuring and integration of the world economy. From this dynamic emerged truly transnational capital, along with the rise of a transnational capitalist class and transnational state apparatuses.

Global capitalism, however, now faces an unprecedented crisis—at once ecological, social, economic, and political. To avert a collapse of civilization, we cannot rely on outdated modes of analysis, but instead must start asking the right questions. What is new about global capitalism? Where are its fissures? What is its structure of power? And what viable forms of struggle from below for system change does this new epoch offer?

Transnationalization

The hallmark of the new epoch has been the rise of truly transnational capital with its integration of every country and much of humanity into a new globalized system of production, finance, and services. The latter decades of the twentieth century saw technological revolutions, particularly in communications and information technology, but also in transportation, marketing, management, and automation, that expedited innovative cross-border patterns of accumulation and supranational economies of scale. Capitalists achieved a newfound global mobility in a dual sense. First, the new technologies enabled the global organization of the economy. Second, policymakers across the globe eliminated obstacles to the free movement of capital via deregulation, free trade agreements, and integration processes, such as that of the European Union.

The new transnational phase entails a shift from a world economy to a global economy.

To be sure, capitalism has always been a world system—it was never simply national or regional. It expanded from the onset, ultimately engulfing the entire world, and depending throughout its existence on a web of worldwide trade relations. National development has always been conditioned by the larger worldwide system of trade and finance and by the international division of labor that colonialism brought about. The new transnational phase, however, entails a shift from a world economy to a global economy.

In earlier epochs, each country developed a national economy linked to each other through trade and financial flows (or payments) in an integrated international market. The current epoch has seen the globalization of the production process itself. Global capital mobility has allowed capitalists to reorganize production worldwide to maximize profit-making opportunities. Capitalists can now freely search for the cheapest labor, lowest taxes, and laxest regulatory environments. National production systems have become fragmented and integrated externally into new globalized circuits of accumulation.[2] Previously, for instance, auto companies in the United States produced cars from start to finish (with the exception of the procurement of some raw materials abroad) and then exported them to other countries. The circuit of accumulation was national, save for the final export and foreign payment. Now, instead, the process of producing a car has been decentralized and fragmented into dozens of different phases that are scattered across many countries around the world. Individual parts are often manufactured in several different countries, assembly may be stretched out over others, and management may be coordinated from a central computer terminal unconnected to actual production sites or to the country of domicile of the corporation.

The globalization of the production process thus breaks down and functionally integrates what were previously national circuits into new global circuits of accumulation. As the global economy emerged, production was the first to

transnationalize, starting in the late 1970s, epitomized by the rise of the global assembly line and the spread of modern-day sweatshops in free-trade zones around the world. Next, following a wave of financial deregulation in most countries around the world, national banking and financial systems transnationalized in the 1990s and 2000s. Indeed, a national financial system no longer exists. The transnationalization of services has since followed through a new wave of international trade-in-services and other agreements that have expedited the decentralized provision of services across borders, as well as the privatization of health care, telecommunications, and other industries.

There is a qualitative difference between the world of the early twentieth century and that of today. Global capitalism does not consist of the aggregation of "national" economies, but their integration into a greater transnational whole. With the global economy comes a more organic integration of social life worldwide. Even the most remote communities are now linked into the new circuits of global economy and society through vast decentralized networks of production and distribution, as well as by global communications and other integrative technologies and cultural flows increasingly fostering those networks.

A transnational capitalist class has emerged as the agent of global capitalism.

But all is not well in the global village. Economic globalization entails the fragmentation and decentralization of complex production chains and the worldwide dispersal and functional integration of the different segments in these chains. Yet this fragmentation and decentralization is countered by a reverse movement: the centralization and concentration of worldwide economic management, control, and decision-making power in a handful of ever more powerful transnational corporations (TNCs).

The Transnational Capitalist Class (TCC)

Transnational capital is not faceless. A transnational capitalist class (TCC), made up of the owners and managers of transnational capital, has emerged as the agent of global capitalism. Its interests lie in promoting global, not national, circuits of accumulation. Among the many developments facilitating this cross-integration of capitalist groups around the world into a TCC, the massive expansion of TNCs and spread of their affiliates has played a major role, along with transnational ownership of these companies' capital shares. Other important developments include the phenomenal growth in foreign direct investment; an equally phenomenal increase in cross-border mergers and acquisitions; the interlocking of boards of directors; the spread of cross-border joint ventures and strategic alliances of all sorts; the spread to most countries of the world of stock exchanges trading TNC shares; and increasing global outsourcing and subcontracting networks. The giant corporate conglomerates that drive the global economy have ceased to be corporations of a particular country and have increasingly come to represent transnational capital.

It is difficult to understate the extent to which capital has become transnationally integrated, concentrated, and centralized in the TCC. One 2011 analysis of the share

ownerships of 43,000 TNCs identified a core of 1,318 with interlocking ownerships that tied the TNCs in this core tightly to each other. Each of these core TNCs had ties to two or more other companies, with an average number of 20. Although they represented only 20 percent of global operating revenues, these 1,318 TNCs appeared to collectively own through their shares the majority of the world's largest blue chip and manufacturing firms. These firms accounted for another 60 percent of global operating revenue, and since the core, according to the report, exercises control over the TNC structure, it effectively controls over 80 percent of the world's revenue.

Moreover, much of this web is woven around a "super-entity" of 147 even more tightly knit companies—all of their ownership is held by other members of the super-entity—that controls 40 percent of the total wealth in the network.[3] In other words, less than 1 percent of the companies control 40 percent of the entire network. The top 100 corporations have an average of 20 holding companies each, domiciled in low-tax jurisdictions around the world; more than 500 affiliates, each spread over many countries; and supply chains that span the globe.

The global economy is acquiring the character of a planned oligopoly.

These corporate colossi are clustered in the banking and financial sector, "fourth industrial revolution" technology companies (especially IT, automation, and telecommunications), the energy industry, and the military-industrial-engineering-security complex.[4] This congruent concentration and centralization suggests that the global economy is acquiring the character of a planned oligopoly, with centralized planning taking place within the inner network of TNC nodes. In particular, the transnational capital class has gained enormous structural power over states and political processes in its pursuit of global corporate interests.

Greece provides a textbook case of how the structural power of transnational capital subsumes the direct power of states (and of working classes and leftist governments that manage to win state power). The leftist party Syriza won office (*but not power*) in early 2015 through an anti-austerity program that came on the heels of several years of protest by Greek workers against the debt crisis imposed on the country by transnational investors, exerting control via the European Union. Once in office, the Syriza government caved under enormous pressure from the "troika"—the European Central Bank, the German government, and the IMF, acting as a collective representative of the TCC. The troika made emergency loans to avoid default and resultant isolation from global financial markets conditional on further austerity and the sale to transnational investors of what remained of the Greek public sector.

The linkage between globalized capitalism, economic control, and political domination is critical to the coalescence of the new power structure. The TCC has been trying to position itself, with limited success, as a new global ruling class. Capitalists and ruling elites first sought to transnationalize in an effort to break the power that the working classes had achieved in their respective countries through the mass popular movements and anti-colonial struggles of the post–World War II

period, culminating in the tumultuous decade of the 1960s. Going global allowed the emerging TCC and its political and bureaucratic agents in states and international agencies to dismantle the diverse forms of redistributive or "social" capitalism that had come into being in the wake of the 1930s Great Depression, such as the New Deal in the US and social democracy in Western Europe. In this way, globalization weakened the power of labor at the national level. What followed is a well-known story: decreased levels of unionization, the onset of austerity and privatization, and the spread of new systems of labor control. New work arrangements are increasingly "flexible," meaning that workers are often forced to give up full-time tenured employment for part-time, temporary, informal, and contract work.

The TCC has been able to draw on computer and information technology in its political campaign.

Technology has also played a key role in these new social and political relations of global capitalism. The transnational capital class has been able to draw on computer and information technology in its political campaign to open the world to transnational capital through "free trade," integration agreements, and neoliberal policies. The digital revolution also made possible the global integration of national financial systems and new forms of money, such as hedge funds or secondary derivative markets. It has similarly enabled the frictionless and instantaneous movement of money in its diverse forms around the world, bringing about what political economists refer to as the financialization of the global economy. Any fixed asset—a factory, an agro-industrial complex, even real estate—can be converted into a new form of digitized money capital and traded around the world, rendering fluid the ownership of capital and the class relations associated with it.

Such mobility allows transnational financial capital to appropriate, circulate, and redistribute wealth all around the world in unprecedentedly flexible ways, bestowing a frightening power upon global financial markets, as shown in Greece and elsewhere. Those who struggle to confront capitalist exploitation face an amorphous, moving target. In earlier epochs of capitalism, the process of exploitation, or the appropriation of wealth by capitalist from workers, was seen as a direct relation. Today, however, financialized tangible and intangible wealth moves instantaneously through the open veins of the global financial system, and is endlessly appropriated and re-appropriated in evolving forms. As a result, the global working class faces the TCC in bewildering new ways. For example, whereas conventional fleet-owning taxi companies may have exploited taxi drivers, Uber drivers from India to Mexico are exploited by shareholders around the world in this "platform" company that produces nothing, yet has a valuation of $40 billion.

The coming fusion of this globally integrated financial system with emergent technology points to troubling prospects ahead. The industrial revolution enhanced productivity by a factor of 100 whereas the ICT revolution has the potential to enhance it exponentially as fourth industrial revolution technology now comes on line. Now, cutting-edge technologies—including 3D printing, artificial intelligence and machine learning, robotics, the Internet of things, nano- and biotechnology,

new materials, energy storage, and quantum computing—join physical, digital, and biological worlds. The TCC has started to "weaponize" these new technologies both figuratively (in that the TCC uses their productive power as a weapon in its class warfare) and literally (insofar as these technologies are applied to new systems of transnational warfare and social control, viz, robot soldiers and surveillance).

Intimations of a Transnational State (TNS)

How does the TCC organize itself to pursue its interests around the world? How do the class and social relations of global capitalism become institutionalized? What is the system's political authority structure? Despite the rhetoric of market fundamentalism, the capitalist system cannot be sustained through market relations alone. Capitalism requires the state in order to function. But national governments do not exercise the transnational political authority that global capitalism requires. It is through transnational state (TNS) apparatuses that global elites attempt to convert the structural power of the global economy into supranational political authority. The TNS is not unrelated to the concept of global governance, a notion first put forward by the World Bank and now championed, above all, by the World Economic Forum (WEF), but is by no means synonymous with global government. Nor is it the same as consensual processes of transnational governance.

Capitalism requires the state in order to function.

As transnational factions of national elites emerged in the latter decades of the twentieth century, they organized politically. They vied for, and in most countries won, state power, whether through elections or other means, such as foreign (mostly US) political and military intervention. These transnationally oriented elites used this power to implement policies favorable to integration into the global economy. As the TCC and its political and bureaucratic allies pushed capitalist globalization, nation-states came to adopt similar sets of neoliberal policies and to sign free trade agreements in consort with one another and with the supra- and transnational institutions that have designed and facilitated the global capitalist project, such as the WTO, the IMF, the World Bank, the European Union, the United Nations system, and the Organization for Economic Cooperation and Development. These organizations, together with nation-states in which transnationally oriented elites have come to power, form an increasingly dense institutional network that constitutes a TNS.[5]

This TNS promotes globalized accumulation circuits over local and national ones. The TCC attempts, through TNS apparatuses, to exercise its power in individual countries and in the global system as a whole; the TNS, as such, functions as a collective authority of the TCC. For instance, the IMF, the World Bank, and other TNS institutions imposed structural adjustment programs and free trade agreements on one country after another in the wake of capitalist globalization. These programs included the privatization of public sectors, trade liberalization, and investment guarantees for TNCs, with the intended effect of undermining the power of labor and popular movements, while heightening the influence of transnationally oriented capitalists and elites in each country. Other agencies of the TNS, such as the United Nations

Development Program, along with the NGOs they fund, critique poverty and espouse a discourse of "needs," "consensus," "inclusion," and "citizen participation" even as they often promote market "solutions" and the corporate-driven capitalist globalization that generates poverty, inequality, and marginality in the first place.

The TNS faces a contradictory mandate. On the one hand, it sets out to promote the conditions for capitalist globalization; on the other, it tries to resolve the myriad problems globalization creates: economic crisis, poverty, environmental degradation, chronic political instability, and military conflict. The TNS has had great difficulty addressing these issues because of the dispersal of formal political authority across many national states. TNS apparatuses are fragmentary, with no center or formal constitution, and no transnational enforcement capacity. But the inability of the TNS to regulate and stabilize global capitalism is also due to the TCC's blind pursuit of immediate profits over the general and long-term interests of the system.

Transnational capital's liberation from the nation-state has enhanced its structural power.

In the past, capitalists faced constraints on the national level to unbridled profit-making. National governments, pressured by mass mobilization, could draw on a set of policy instruments, such as tax, wage, public works, regulatory, social welfare, and other measures, to attenuate the worst effects of capitalism. These policies helped offset what political economists refer to as the "internal contradictions" of the capitalist system. The most pressing of these contradictions is that of overaccumulation and social polarization, in which wealth accumulates at one end of the pole and misery and impoverishment at the other. At the world level, colonialism and imperialism resulted in a transfer of wealth from the poor to the rich countries that offset the worst social contradictions in the latter while exacerbating them in the former, a cause of the endemic instability of the Global South relative to the Global North.

In the present, transnational capital's liberation from the nation-state has enhanced its structural power over oppositional forces struggling within the bounds of the nation-state. As a result, there has been an unprecedented polarization of wealth between the haves and have-nots, which in turn aggravates these internal contradictions and generates escalating social conflict and crises of state legitimacy.

The more enlightened elite representatives of the TCC now clamor for a more powerful TNS to resolve the more and more outmoded disjuncture between a globalizing economy and a nation-state-based system of political authority. They seek transnational governance mechanisms that would allow the global ruling class to rein in the anarchy of the system in the co-interests of saving global capitalism from itself and from radical challenges from below. Such reformism from above proposes limited redistribution, regulation of global markets, and "green capitalism."

In order to gain legitimacy, any would-be ruling class must present its own project as representative of the whole of society. To advance that agenda, the TCC has to attempt to resolve the most pressing problems of the social order and reconcile

antagonistic social interests while at the same time securing its own hegemony and ensuring that its long-term interests remain paramount. To achieve these goals, enlightened transnational elites must have at their disposal more effective TNS apparatuses—that is, an effective system of "global governance" from above.[6] Leadership groups among the transnational corporate and political elite come together each year in the activities of the World Economic Forum, which holds its famed annual meeting in Davos, Switzerland. In 2008, WEF founder and Executive Chairman Klaus Schwab called for a renovated "global leadership" and a new "global corporate citizenship" on the part of TNC executives, entailing engagement on major world issues in order to ensure the sustainability of the global marketplace.[7] Following the perceived inability of existing TNS institutions to respond to the economic meltdown in 2009, the WEF published a major report that called for a new form of global corporate rule.[8] At the core of the project is remaking the United Nations system into a hybrid corporate-government entity run by TNC executives in "partnership" with governments.

This divide of global society into haves and have-nots has created a new global social apartheid.

As the transnational elite seek a stronger TNS in order to stabilize the global capitalist system, the division of the world into some 200 competing nation-states is not propitious for building global working-class unity. Victories in popular struggles from below in any one country or region can and often do become diverted and even undone by the structural power of transnational capital (as seen in Greece) and the direct political and military control this structural power affords the dominant groups. Nation-states act as population containment zones, allowing the TCC to maintain a system of differential wages and pit working classes in each country against one another—the so-called "race to the bottom." National cultural and ideological systems, as well as ethnic differences within nation-states, exacerbate this competition and undermine transnational working-class consciousness.

The Mean Streets of Global Capitalism

The Occupy Wall Street movement in the United States called attention to unprecedented global inequality with its cry of the "99% versus the 1%." The divide is indeed quite stark: in 2015, the top 1 percent of humanity had more wealth than the remaining 99 percent. Moreover, the top 20 percent of humanity controlled some 95 percent of the world's wealth, while the remaining 80 percent had to make do with just 5 percent.[9] This divide of global society into haves and have-nots has created a new global social apartheid, evident not just between rich and poor countries, but within each country as transnational social and class inequalities grow in importance compared to geographically conceived North-South inequalities.

The heightened structural power achieved by the TCC through globalization has enabled it to undermine redistributive policies and to impose a new labor regime on the global working class based on flexibilization and precariatization (proletarianization under conditions of permanent insecurity and precariousness). Nearly 1.5 billion workers around the world, or some 50 percent of the global

workforce, were in "vulnerable" employment arrangements in 2014, including informal, flexible, part-time, contract, migrant, and itinerant work arrangements.[10]

Globalization has brought a vast new round of global enclosures as hundreds of millions of people have been uprooted from the Third World countryside and turned into internal and transnational migrants. Some of the uprooted millions are super-exploited through incorporation into the global factories, farms, and offices as precarious labor, while others are marginalized and converted into surplus humanity, relegated to a "planet of slums."[11] Surplus humanity is of no direct use to capital. However, in the larger picture, surplus labor is crucial to global capitalism insofar as it places downward pressure on wages everywhere and allows transnational capital to impose discipline over those who remain active in the labor market.

The current technological revolution is expected to increase this surplus labor population exponentially. The "jobless future" resulting from the "rise of robots" capable of replacing human workers is a ubiquitous topic among academics, journalists, and politicians. Millions of people expelled from formal employment have managed to scratch out a living through Uber and other "platform companies" as informal and "self-employed" workers. But for how long? For example, Uber has announced that it would replace one million drivers with autonomously driven vehicles.[12] Foxcomm, the Taiwanese-based conglomerate that assembles iPads and other electronic devices, announced in 2012 following a wave of strikes by its workers in mainland China that it would replace one million workers with robots. As productivity increases, the system sheds more and more workers. In 1990, the top three carmakers in Detroit had a market capitalization of $36 billion and 1.2 million employees. In 2014, the top three firms in Silicon Valley, with a market capitalization of over $1 trillion, had only 137,000 employees.[13]

Surplus labor is crucial to global capitalism insofar as it places downward pressure on wages.

The polarization of income and the rising tide of surplus labor together aggravate overaccumulation. The global market cannot absorb the ever-rising output of the global economy as the ranks of the surplus population swell and wealth is concentrated among shrinking high-income sectors of global society. As productive outlets dry up for unloading accumulated surplus, the TCC has turned to three mechanisms to continue accumulating in the face of stagnation. The first consists of frenzied financial speculation. The global economy has become one big casino for transnational finance capital, as the gap between the productive economy and "fictitious capital" grows ever wider. Currency speculation alone surpassed $5 trillion per day in 2013. The second mechanism relies on raiding and sacking public budgets. Public finance is reconfigured through austerity, bailouts, government debt, and the global bond market.

Militarized accumulation provides the third mechanism. Unprecedented inequalities can be sustained only by ever more repressive and ubiquitous systems of social control. Yet quite apart from political considerations, the powers-that-be have acquired a vested interest in war, conflict, and repression as a means of accumulation.

The so-called wars on drugs, terrorism, and immigrants; the construction of border walls, immigrant detention centers, and ever-growing prisons; the installation of mass surveillance systems; and the hiring of private security guard and mercenary companies have all become major new sources of profit-making.

As war and state-sponsored repression become increasingly privatized, the interests of a broad array of capitalist groups shift the political, social, and ideological climate towards generating and sustaining social conflict—such as in Syria—and in expanding systems of warfare, repression, surveillance, and social control. This impulse to militarized accumulation in turn generates a militaristic politics and a martial (and with it, masculinist and misogynist) culture. The day after Donald Trump's electoral victory, the stock price of Corrections Corporation of America, the largest for-profit immigrant detention and prison company in the United States, soared 49 percent, thanks to Trump's promise to arrest and deport 10 million undocumented immigrants.[14] Military contractors such as Raytheon and Lockheed Martin report spikes in their stock prices each time there is a new flare-up in the Middle East conflict.[15] We seem to be moving toward a permanent global war economy, if we are not already there.

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Global apartheid cushions a tiny percentage of humanity through the creation of "green zones" cordoned off in each locale around the world, in which elites and the better-off are insulated by new systems of spatial reorganization, social control, and policing. The term "green zone" refers to the nearly impenetrable area in central Baghdad that US occupation forces established in the wake of the 2003 invasion of Iraq. The command center of the occupation and select Iraqi elites inside that green zone were protected from the violence and chaos that engulfed the country. Urban areas around the world are now "green-zoned" through gentrification, gated communities, surveillance systems, and state and private violence. Inside the world's green zones, privileged strata avail themselves of privatized social services, consumption, and entertainment. They can work and communicate through Internet and satellite sealed off under the protection of armies of soldiers, police, and private security forces. Here, racial and ethnic oppression combine with class domination in a crushing embrace.

While the wave of technological innovation now underway may hold great promise for the long run, under global capitalism, the social and political implications of new technologies—developed within the logic of capital and its implacable drive to accumulate—point to great peril. In particular, these new technologies will aggravate the forces driving overaccumulation and surplus humanity. They will enable the TCC and its agents to create nightmarish new systems of social control, hegemony, and repression, systems that can be used to constrain and contain the rebellion of the global working class, oppositional movements, and the excluded masses. Criminalization, often racialized, and militarized control become mechanisms of preemptive containment, converging with the drive toward militarized accumulation

with the potential to create a global police state. Already, we may be seeing the breakdown of consensual domination and a rise of coercive systems of social control as strategies for surplus population management.

Within the nation-state, those most marginalized and/or super-exploited are scapegoated, such as Blacks and immigrants in the United States, Muslims and lower castes in India, or Middle Eastern refugees in Europe. Making these groups scapegoats serves to symbolically condense and then redirect anxieties associated with economic blight and social disorganization. Scapegoating helps the political representatives of the ruling groups to organize political coalitions and construct consensus around a repressive order. The vast new powers of cultural hegemony open up possibilities for channeling grievances and frustrated aspirations into individualized and depoliticized escapism and consumerist fantasies.

Either there will be a radical reform of the system, or there will be a sharp turn toward twenty-first-century fascism.

The spiraling crisis of global capitalism has reached a crossroads. Either there will be a radical reform of the system (if not its overthrow), or there will be a sharp turn toward twenty-first-century fascism, the fusion of reactionary political power with transnational capital. Twenty-first-century fascism aims to organize a mass base among historically privileged sectors of the global working class, such as white workers in the Global North and middle classes in the Global South. Both sectors are experiencing heightened insecurity and the specter of downward mobility. Far-right forces pursue militarism, a racist mobilization against scapegoats, and shifts from social welfare to social control states, bolstered by mystifying ideologies rooted in race/culture supremacy and an idealized past. Neo-fascist culture normalizes—even glamorizes—war, social violence, and domination. The failure of elite reformism through the transnational elite's unwillingness to challenge global capital's rapaciousness has opened a path for the far-right response to crisis.

Transforming the Global System?

Structural crises of capitalism—so-called because the only way out of these crises is to restructure the system—occur about every forty to fifty years. The structural crisis of the 1930s was overcome through a Keynesian emphasis on state investment and that of the 1970s, through globalization. The financial collapse of 2008 marked the start of a new structural crisis that now threatens to become systemic as we approach the ecological limits to capitalism's reproduction, and human-induced environmental change threatens to bring about the sixth mass extinction in our planet's history and devastating climate disruption.

Rather than restructuring capitalism yet again, it is time to transcend it. A broad-based shift to ecosocialism must underpin any Great Transition. Achieving ecological equilibrium and an environment favorable to life is incompatible with capitalism's expansive and destructive logic. Non-ecological socialism is a dead end, and a non-socialist ecology cannot confront the present ecological crisis. Here the matters of power and of agency are of critical importance. Who holds power in global society?

What are the collective agencies that could bring about a transition to ecosocialism? What elements among the transnational elite may come around to such a transition?

Moving beyond the nightmare of barbarization and the limitations of a reformist path requires a redistribution of power downward and a transformation towards a system in which social need and rational planning trump private profit and the anarchy of market forces. This means a battle for political power, to wrest control from the TCC. Such a battle requires mass mobilization from below on a transnational scale, as well as a viable political program and political organizations with a capacity for transnational coordination of local and national struggles.

The battle for political power requires mass mobilization from below on a transnational scale.

As mass struggles for radical change broke out in an emerging global civil society from the 1960s into the twenty-first century, transnational elites came to see the conquest of civil society, beyond mere control of the state, as the key to constructing the hegemony of global capitalism. TNS agencies, corporations, and corporate-funded foundations poured billions of dollars into financing vast transnational networks of NGOs.[16] This strategy has helped the transnational elite to secure its hegemony in global civil society by channeling the demands of mass social movements into institutional arenas that do not transgress the logic of the system.[17]

Even when their stated mission is to be oppositional, NGOs tend to be less mobilizers than service providers, replacing mass struggles and social movements with professional bodies that administer programs and advocate rather than to organize. They do not, for instance, encourage strikes, demonstrations, or civil disobedience, much less revolutionary movements, and they eschew organizing along class lines. NGOs substitute the language—and along with it, the practice—of class and social struggle with that of "civic engagement" and "consensus-building." There are thousands of NGOs, to be sure, that do not fit this description, and many undertake vital work to further struggles for social justice. Yet for the most part, the global network of NGOs functions to maintain a Conventional Worlds agenda. The more conservative NGOs push for the Market Forces path; the more progressive, for the Policy Reform path. Policy reform—especially that involving income redistribution, TNS regulation of global markets; labor, women's, and ethnic rights; human rights; and climate change action—is important in the road towards a Great Transition.[18] Yet NGOs often seek to establish the hegemony of the Policy Reform path over transformative projects that radically challenge the system and its power structure.

To be sure, a rupture with global capitalism must gain force in part out of such efforts to bring about a reform of the system. What is crucial, though, is for popular class and ecosocialist-oriented forces to advance an alternative vision for global society (Earthland in the language of GTI) that goes beyond reformism, and that this vision achieves hegemony.[19] In this way, the formula for a Great Transition can evolve out of the convergence of radically transformative projects from below and transnational elite reformism from above.

The financial collapse of 2008 was followed by a global revolt that reached a crescendo in 2011. That revolt showed how resistance has become transnational in a way that we have hitherto never seen, made possible by the same global communications and information technologies that have allowed capital to globalize. Globalization and displacement generated deeper organic linkages between the oppressed and exploited across national and regional borders, giving rise to an emerging global working class that must become a major agent of any Great Transition.

Yet the global revolt is spread unevenly and faces many challenges, including the predominance of national and local forms of consciousness in the absence of any unifying transformational project and forms of organic coordination across national and regional lines. An accurate reading of the new global capitalism is vital because only praxis, the unity of theory and practice, can bring about such a transition. Understanding the social forces and their political and cultural agents that shape global society is essential for building the systemic movement for a Great Transition to ecosocialism.

Only praxis, the unity of theory and practice, can bring about such a transition.

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Endnotes

1. For the full argument, see William Robinson, *A Theory of Global Capitalism* (Baltimore: Johns Hopkins University Press, 2004) and *Global Capitalism and the Crisis of Humanity* (New York: Cambridge University Press, 2014). Robinson, *Latin America and Global Capitalism* (Baltimore: Johns Hopkins University Press, 2008) applies the theory to contemporary events.
2. The term "circuit of accumulation" refers to the process by which the production of a good or a service is first planned and financed (by capitalists), followed by the attaining and then mixing together of the component parts (labor, raw materials, buildings and machinery, etc.) in production sequences, and then by the marketing of the final product. At the end of this process, the capitalist recovers his initial capital outlay as well as profit, and has thus "accumulated" capital. This is what Karl Marx referred to as the "circuit of capital." In earlier epochs, much of the circuit was contained within a single country.
3. Stefania Vitali, James B. Glattfelder, and Stefano Battiston, "The Network of Global Corporate Control," *PLOS ONE* 6, no. 10 (October 2011): 1–36, http://www.scribd.com/doc/70706980/The-Network-of-Global-Corporate-Control-by-Stefania-Vitali-James-B-Glattfelder-and-Stefano-Battiston-2011.
4. "Special Report," *Economist*, September 17, 2016, 4–6.
5. There is a mounting backlash against capitalist globalization among the popular and working classes and more nationally oriented sectors of the elite, as well as from right-wing populism, as evidenced in the 2016 Brexit referendum and the rise of right-wing populist movements throughout Europe that call for a withdrawal from globalization processes. These developments in no way belie my thesis here of a TNS. Rather, they underscore the highly conflictive nature of global capitalism and uncertainty as to further globalization in the face of the explosive contradictions and the widespread opposition that it generates. On the other hand, I do not see the Trump regime in the United States as opposed to capitalist globalization but in fact as a program of neoliberalism on steroids and as "globalization by other means." See inter alia, William Robinson, "The Battle Against Trumpism and the Specter of 21st Century Fascism," *Telesur*, January 21, 2017, https://www.telesurtv.net/english/opinion/The-Battle-Against-Trumpism-and-Specter-of-21st-Century-Fascism-20170121-0022.html; "Trumpism, 21st Century Fascism, and the Dictatorship of the Transnational Capitalist Class," *Social Justice*, January 20, 2017, http://www.socialjusticejournal.org/trumpism-21st-century-fascism-and-the-dictatorship-of-the-transnational-capitalist-class/.
6. For more detail, see William Robinson, "Reform is Not Enough to Stem the Rising Tide of Inequality Worldwide," *Truthout*, January 1, 2016, http://www.truth-out.org/news/item/34224-reform-is-not-enough-to-stem-the-rising-tide-of-inequality-worldwide.
7. Klaus Schwab, "Global Corporate Citizenship: Working with Governments and Civil Society," *Foreign Affairs* (January–February 2008): 108–109, https://www.foreignaffairs.com/articles/2008-01-01/global-corporate-citizenship.
8. Richard Samans, Klaus Schwab, and Mark Malloch-Brown, eds., *Everybody's Business: Strengthening International Cooperation in a More Interdependent World* (World Economic Forum: Geneva, 2010).
9. Oxfam, *An Economy for the 1%* (Oxford, UK: Oxfam GB, 2016), https://www.oxfam.org/sites/www.oxfam.org/files/file_attachments/bp210-economy-one-percent-tax-havens-180116-en_0.pdf.
10. International Labor Organization Research Department, *World of Work Report 2014: Developing Without Jobs* (Geneva: ILO, 2014), http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_243962.pdf.
11. The phrase is from Mike Davis, *Planet of Slums* (London: Verso, 2006). The ILO reported that in the late twentieth century some one third of the global labor force was unemployed. International Labor Organization (ILO), *World Employment Report 1996-97* (Geneva: ILO/United Nations, 1997).
12. Russ Mitchell and Tracey Lien, "Rides in Uber Robot Vehicles at Hand," *Los Angeles Times*, August 19, 2016, A1, http://www.latimes.com/business/la-fi-uber-self-driving-cars-20160818-snap-story.html.
13. "A Giant Problem," *Economist*, September 17, 2016, 9, http://www.economist.com/news/leaders/21707210-rise-corporate-colossus-threatens-both-competition-and-legitimacy-business/comments.
14. Jen Wieczner, "Donald Trump's Election Win Is Making This Stock Soar," *Fortune*, November 9, 2016, http://fortune.com/2016/11/09/donald-trump-stock-market-corrections-corp/.
15. Paul La Monica, "Defense Stocks Up as Big as ISIS Crisis Escalates," *CNN*, September 22, 2014, http://money.cnn.com/2014/09/22/investing/defense-stocks-isis-bounce/.
16. The *Economist* noted as far back as 2000 that "any distinction between the corporate and the NGO worlds is long gone." See "Sins of the Secular Missionaries," *Economist*, January 29, 2000, 26, http://www.economist.com/node/276931.
17. Much has been written about this, and the discussion is necessarily limited here. See Robinson, *Promoting Polyarchy: Globalization, U.S. Intervention, and Hegemony* (Cambridge, UK: Cambridge University Press, 1996), and INCITE! Women of Color Against Violence, *The Revolution Will Not be Funded: Beyond the Non-Profit Industrial Complex* (Boston: South End Press, 2009).
18. These scenarios are described in Paul Raskin, *Journey to Earthland: The Great Transition to Planetary Civilization* (Boston: Tellus Institute, 2016), http://www.greattransition.org/publication/journey-to-earthland.
19. See Raskin, *Journey*, for an explication of the Earthland vision.

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