

# The Three Contemporary Forms of Capitalism

[This is a discussion between me and a friend initially occasioned by a passing remark I had made in a footnote in [my essay on fascism](#). I characterized Vietnam as moving toward Western-style monopoly capitalism in the way China has done, but he thought the word “monopoly” there was incorrect or misleading partly because the productive forces are much more developed in China. This is my slightly edited response, and the further discussion. –S.H.]

[Scott wrote on Jan. 4, 2010:]

Hi .....

I suspect we may have some differences in our respective conceptions of what “Western-style monopoly capitalism” is.

It is true that in China the productive forces are much more developed than in Vietnam. But is that the key issue in determining whether or not a country is correctly characterized as being (or rapidly moving in the direction of) “monopoly capitalism”?

It seems to me that in the world today there are three primary forms of capitalism: monopoly capitalism [or oligopolistic capitalism], state capitalism, and a much less developed form of capitalism in neo-colonies, which we could call comprador capitalism. Of course, in the real world, there are often blends of more than one of these.

I would say that Cuba and North Korea are still essentially state capitalist regimes, though both are experimenting to small degrees (so far) with Western-style monopoly capitalist forms, and also opening the gates just a bit to aspects of comprador capitalism.

China still has some substantial state capitalism, though it is very rapidly declining and the dominant form of capitalism there is now correctly viewed as monopoly capitalism. (Even the remaining state capitalist enterprises are mostly being run *as if* they were giant private corporations.) The views of William Hinton, Jose Maria Sison and others a decade or two ago that China was once again becoming a comprador country under the thumbs of foreign imperialism seriously misread the situation, in my opinion. The country is run by a national bourgeois ruling class centered in the CCP, and the fact that there is huge foreign investment in China and a great amount of production for foreign markets no more makes China a comprador capitalist regime today than it does Germany where a similar situation exists. Overall, the national bourgeoisie is calling the shots in China, and not any foreign power. And there is an enormous part (and ever growing part) of the economy that is operated by large private Chinese-owned corporations.

A couple decades ago the national bourgeoisie ruling Vietnam looked at what had happened in China and decided to go the same way. Thus they have *also* been switching over from state capitalism to Western-style monopoly capitalism (or maybe we should now say “Chinese style” monopoly capitalism!). It seems that North Korea has also tentatively decided to do the same thing, but they are having much greater difficulties in getting the process underway. In Vietnam, though, the process is definitely well underway.

I haven’t made a careful study of the Vietnamese economy, but my impression is that there is still a larger part of the economy that should be considered state capitalism than in China. But the pace of transformation of state capitalism into monopoly capitalism is very rapid and is still speeding up. I don’t think it will be long (if it is not already the case, as I suspect) before monopoly capitalism will be the completely dominant form of capitalism in Vietnam.

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I think part of the difficulty here is that Lenin more or less identified “monopoly capitalism” with “imperialism” (i.e., capitalist imperialism). So when we describe countries like Vietnam or India as having the monopoly capitalist form of capitalism it would seem from Lenin’s perspective that we must also view them as fully developed imperialist countries, and there is a reluctance to do that.

Of course both India and Vietnam have *already* carried out international actions which must be viewed as imperialist! In India’s case we can point to its wars with Pakistan, its role in stripping Bangladesh away from Pakistan, its grabbing of a large part of Jammu-Kashmir, its incorporation of Sikkim into India, and so forth. In Vietnam’s case there is its view that Cambodia and Laos are in its sphere of economic and political influence, its invasion of Cambodia, and so forth.

It is true, however, that in a world dominated by the one superpower, U.S. imperialism, and with another superpower imperialist contender with the U.S. (China) now rapidly developing, all other capitalist countries—even if properly viewed as imperialist themselves—have much less scope for independent foreign imperialist adventures.

Still, within those countries, the internal aspects of capitalist imperialism (i.e., monopoly capitalism) are either already in place, or else are very rapidly being put into place. If the term “monopoly capitalism” for these countries bothers people in this way, maybe they should just use a different term, such as “Western-style capitalism dominated by giant private corporations”. But for me, that is just the same thing as what we have been calling “monopoly capitalism”.

What's your view of this analysis?

Scott

**[My friend replied on Jan. 6, 2010:]**

I think it is important to understand that the capitalist countries in the world today are not just three fold: state, monopoly cap/imperialist and comprador.

There is a broad spectrum of capitalist countries that are still dominated by imperialism.

Vietnam is dominated by the Western imperialists, which are blocking its development towards monopoly capitalism/imperialism. There are a large number of countries such as Brazil, Mexico and many others in Latin America, and South Korea, Taiwan and Singapore that are fairly developed capitalist countries that are not monopoly capitalist. I don't think the question of Vietnam is all that important, and it's in a footnote in your article, but I think we need to look more carefully at the various types of capitalist countries in the world today.

**[Scott responded on Jan. 6, 2010:]**

Hi .....

What I was suggesting was that in the modern world (i.e., the more economically globalized world dominated by the imperialist countries, and currently especially U.S. imperialism) the form that *capitalism itself* takes internally within the several dozen leading capitalist countries is *nowhere* still the pre-monopoly form of the sort that characterized all capitalism during most of the 19th century.

Lenin said there were two major stages to modern capitalism: pre-monopoly capitalism, and monopoly capitalism. If the basic form that capitalism takes today throughout the world *cannot* any longer be considered pre-monopoly capitalism, then it must be considered to be monopoly capitalism—even within countries that (because of the world domination by big imperialist powers, especially the U.S.) do not themselves have much scope for imperialist conquest and control of other countries. Moreover, all these countries still do have the possibility and actual practice of *imperialist economic penetration* into other countries, including within the larger and more powerful imperialist countries. There are Mexican capitalists with large holdings in the U.S. (such as Carlos Slim), and Brazil is gradually extending its “economic leadership” throughout much of South America.

In the biggest and most powerful capitalist countries, monopoly capitalism must still be essentially *identified with* capitalist-imperialism, the way that Lenin did. But in countries like Mexico and Brazil, the internal economic structure of capitalism is very similar to that within the U.S., Britain, Germany and Japan (though there are certain differences in economic structure between all these countries too)—even though Mexico, Brazil, etc., are not actually imperialist countries in the full sense of the term. (Brazil, though, is attempting to become a world economic and military power in the same way that China clearly is.)

Of course there still are a handful of state capitalist countries, and there are many countries

(especially in Africa and Latin America) where the domination of foreign capitalism and rule by local comprador lackeys serves to characterize the capitalist economy much more than any fledgling developments toward locally-based monopoly capitalism does.

But as for the countries we've been focusing on—Brazil, Mexico, South Korea, Taiwan, Singapore, etc.—I have no reservations at all in saying that the dominant form of capitalism within these countries is monopoly capitalism. True, there is also considerable penetration by foreign imperialism within all these countries, but they are still in a very different category than countries like Nigeria, Peru, Ethiopia and so forth.

Vietnam is either already correctly characterized as basically a monopoly capitalist country, or at least it will very soon be correct to characterize it that way (as state capitalism is further transformed into private, corporate, monopoly capitalist forms). The fact that there is growing foreign imperialist penetration into Vietnam is certainly an important thing, but it has by no means turned Vietnam into a comprador-ruled neo-colony like Nigeria or Peru. The dominant class in Vietnam, just as in China, is still the national bourgeoisie.

Scott