

## Book Review

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*Dependency, Neoliberalism and Globalization in Latin America* by Carlos Eduardo Martins, Leiden/Boston: Brill, 2020. 350 pp. \$210.00 ISBN: 9789004355415. Chicago: Haymarket, 2020 \$28/00 (paper). ISBN: 9781642593594

The word *crisis* is used more and more frequently to describe situations that integrally compose our contemporary reality. We speak of a crisis of the world order, a crisis of the West, a crisis of the primacy of the United States, an economic crisis, a financial crisis, an ecological crisis, a crisis of meaning, an institutional crisis, a political crisis, a civilizational crisis, and so on. Many times the word *crisis* is likewise associated with uncertainty, expressing not only a lack of certainty about where humanity is headed but suggestive of contested terrain about a direction seemingly rife with bifurcations.

In this sense, the central value of Carlos Eduardo Martins' *Globalization, Dependency and Neoliberalism in Latin America* is that it provides fundamental tools for thinking about the constitutive elements that explain these crises and uncertainty. With a deep theoretical and conceptual richness that articulates and renews the theory of dependency along with theorizing about the world system, this work situates us in the current historical-spatial transition where key concepts such as neoliberalism and globalization are clarified together with dependency. From there, it situates Latin America in the world system, in a process of peripheralization that has affected the region since the imposition of neoliberalism in the 1970s and 1980s, opening strategic perspectives on the organic crisis that we are currently experiencing.

As the author explains, globalization has constituted a radical rupture in the very configuration of the productive forces, not just a question confined to the financial level or a continuation of the internationalization process of the modern world system. This rupture transforms the production and reproduction of human life as a whole. It is a transformation closely related to the scientific-technical revolution that began in the 1970s with the emergence of the microelectronic paradigm, centered on the convergence between digital information and communication technologies. A central impact of this scientific-technical revolution is that it strongly promotes the role of "superstructures" as productive forces. On the other hand, automation, integration into global value chains, flexibility, and remote control all serve to reconfigure productive systems while reordering the whole world economy. In this process, the overexploitation of labor extends to what were previously the core territories, modifying the core-periphery relationship. Globalization pushes the law of value to the limit at the world level, destroying its obstacles, while at the same time pointing toward a crisis of surplus value production, linked to the dissolution of wage labor, which presupposes the collapse of the capitalist mode of production. Furthermore, the resulting diffusion of knowledge makes the hegemonic concentration of technological, economic, ideological, political, and military powers increasingly unfeasible.

For Martins, the current transition is characterized by a crisis of historical capitalism—a structural crisis in the capitalist mode of production that acts as a background—which is articulated with a crisis of U.S. hegemony and the world order built by what we call the Anglo-American pole of power. They are two sides of the same coin of the civilizational crisis. Capitalist accumulation is

always in relation to the political and military power that guarantees it, sanctioning the rules of the game and the dominant legal relations, building monopolies for the valorization of value, conquering territories, disciplining rivals, defining legitimacy, and establishing a monetary pattern. Political and military power is continually nourished by economic power and the endless accumulation of value is key to procure the resources for its own expanded reproduction.

The modern world system had four hegemonic cycles, named after the political entities or the states that played a strategic role in the articulation of the system: the Iberian-Genoese, the Dutch, the British, and, finally, the American cycle, consolidated since 1945 and today in crisis. At present, we are not only in a crisis of hegemony but, probably, entering a period of systemic chaos, of 30-year wars that mediate each hegemonic cycle. Martins points out that the problem with the modern world system is that there is no obvious successor state. The bourgeoisie of the state in crisis cannot articulate with the ascendant state, that is, China. In addition to breaking with the succession within the West, China expresses a hybridization of modes of production since they are intertwined with the capitalist relations of production coexisting with the collective ownership of land and state ownership of the strategic means of production, with many of its workers employed in community enterprises of towns and villages.

At present, we are in an advanced stage of an overaccumulation crisis of capital (excess savings can find few productive investments); of a crisis of realization (supply exceeds demand), largely the product of the neoliberal strategy that depressed wages and vastly expanded inequality to overcome the fall in the rate of profit experienced in the 1970–1980 period and an impressive process of financialization, typical of an overaccumulation crisis, which in turn keeps the system functioning in this deepening structural crisis.

The commercial war has as its background the loss of the productive primacy of the United States, a dispute over technological monopolies and the growing economic “war” in which the struggles between capital as mediated by the states are sharpening. The context of low growth rates in the Global North that ensued following the financial and economic meltdown of 2007–2008 has led to a deepening of this situation. With low growth, the accumulation of private capital is to the detriment of the most backward sectors and their workers, putting into play the pernicious mechanisms of “accumulation by dispossession” and super exploitation. In turn, the process known as economic globalization by which world trade expanded at twice the global GDP and foreign direct investment by threefold for almost 30 years, was stopped in its tracks with the crisis that erupted in 2008, revealing its structural limit.

The low growth rates in the Global North in recent years was in large part due to the hyper-expansive policies of the central banks. This policy of extending financialization is likewise finding its limits, creating enormous bubbles in public bonds, which are likely to burst in the near future. Based on his prospective analysis, Martins anticipates the exhaustion of the expansionary cycle (A) of Kondratiev initiated in 1994, dating it at 2015–2020, marking the transitional period for systemic chaos. He points to the emergence of a depressive Kondratiev cycle that will drive a new stage of the scientific-technical revolution and the terminal phase of the U.S. crisis of hegemony. This envisages a sharpening of the economic struggles between capital and labor, which, depending on how it develops and “resolves,” will further pressure the political-ideological fissures, the global economic war and the struggle between poles of power at all levels. At the same time, this will deepen the crisis of liberal/neoliberal centrism and favor the emergence of reactionary and neo-fascist forces on the one hand, and popular and socialist forces on the other, opening up a struggle for power within states and within the world system. The competition between liberalism, neo-fascism and socialism will assume geopolitical dimensions.

The re-emergence of China, the rise of Asia-Pacific, alliances with Russia, the growing development of a Eurasian space, and the anti-hegemonic insubordination driven by forces from the Global South are all seen as expressions of a growing and relative multipolarity that will reshape

the map of world power. In this sense, we are in the opposite process relative to what happened at the end of the 18th and early 19th century, where Western capitalist imperialism led by the Great Britain managed to subordinate and make the most important economies of the world, China and India, decline and turn into peripheries. It achieved this fundamentally because of its military power. While this process, known as the Great Divergence, leads us to ask if we are currently facing a new great divergence, it turns out that in fact, the opposite is true.

The rise of Asia-Pacific and emerging poles threatens the international division of labor, the privileged position of the Global North (or the organic core of world capitalism) and, in this sense, the interstate and geo-economic hierarchies established by the core-semi periphery-periphery dynamic. The possibility that alternative projects for national development become promoted by peripheral countries sharpens this tendency to crisis in the international division of labor, while at the same time, anticipates a dispute in each territory for strategic projects and models of development. Neoliberal capitalism has demanded nearly total legitimacy as a model of development. As such, it must increasingly appeal to repressive forces to impose itself and is producing growing popular mobilizations against the so-called "establishment" and the financial oligarchy of both the core and the periphery.

The national development projects, which above all occurred in Asia-Pacific, are gaining strength in the face of neoliberalism. These are characterized by their strong investment in skills enhancement and an increase in the value of the labor force, by controlling the entry of foreign capital, by negotiating technological transfers, limiting the exit of profits and orienting toward the export sector by building a certain financial autonomy (which in the case of China is very strong) to regulate these mechanisms of extraversion of surplus. These projects seek to maintain their national currency from being overvalued in order to have trade surpluses and invest them in strategic issues such as access to higher levels of technology. On the other hand, Martins, following Giovanni Arrighi, sees in the case of China a process where accumulation without dispossession is hegemonic, proposing another particular development model within Asia-Pacific, but at the same time with some common bases.

In this context, Latin America is at a crossroads for the upcoming decades. It presently remains tied to a declining pole of power, sharpening its condition as part of the global periphery and deepening the problems related to its dependence (extroversion of surplus value, depredation of natural resources, low wages by extension of overexploitation, and underdevelopment). The alternative is that it launches itself into a process of self-determination and integration, with the construction of a new pattern of development that is detailed and analyzed in this work. We might also consider a third alternative, oscillating in relation to the first option, in which Latin America or some countries in the region would be tied to the rising forces in the world system (particularly China) in order to establish a new dependency that would revive the development of underdevelopment.

This historical crossroads poses a scenario of regional struggle, nestled between two large blocs with contradictions and important nuances and strategies within each: the neoliberal bloc and the national popular bloc. This struggle is further expressed on a theoretical level and invites a strategic debate on the experiences of the so-called progressive governments of recent years, their weaknesses and future perspectives. For this reason, beyond agreeing or not with the theses presented and with the theoretical-methodological view proposed herein, this book is a must read for the social sciences of Latin America. Its analysis of the historical conjuncture elucidates the historic challenges facing popular forces. Monstrosities confronting humanity may yet emerge from the crises even as great new opportunities are being generated for the liberation of peoples.

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