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Understanding the Modern World with Marx's Political Economic Critical Thinking[1,2]

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Abstract. How relevant is Marxist economic theory to the problems of today's world? Did those contradictions that Marx analyses in his *Das Kapital* disappear? The answer is clear: no, but they have now acquired a larger scale involving some new actors. The faster pace of economic globalisation at the end of the last century has been accompanied by the cross-border development of class relations. Resting on large-scale cross-border operations of transnational corporations, capital is now contributing to the formation of a transnational capitalist class. In today's world there are new, contradictory relations based on a multitude of inherent contradictions, rendering the world situation more complex: the rich-poor gap brought about by the formation of the transnational capitalist class; the transnational capitalist class and the question of its global hegemony; and the relationship between the transnational capitalist class and the world system. All these factors are of economic nature but their impact goes beyond the economic sphere. The resulting hegemony of the transnational capitalist class pushes the world situation in the direction of economic politicisation and further political militarisation. It is clear that our world is still dominated by the capital, which was discussed by Marx in his critique of political economy. This approach still provides the basic framework for understanding and examining our era.

Keywords: globalisation, transnational capital, web era with digital labour

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ИССЛЕДОВАТЕЛЬСКАЯ СТАТЬЯ

Применение политико-экономической теории Маркса для анализа современного мира[1]

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Аннотация. Насколько взаимосвязаны особенности современной эпохи с проблемами, которые были актуальны во времена Маркса? Исчезли ли те противоречия, которые Маркс анализировал в «Капитале»? Очевидно, что нет, хотя теперь они развиваются на более глубоком уровне с участием новых акторов. Усилившаяся в конце прошлого века экономическая глобализация сопровождается развитием трансграничных отношений между классами. Движение капитала транснациональных корпораций, осуществляющих крупномасштабные международные операции, ускорило формирование транснационального капиталистического класса. В современном мире сложился новый тип отношений, основанный на множестве внутренних противоречий, таких как разрыв между богатыми и бедными, вызванный повсеместным формированием транснационального капиталистического класса; вопрос глобальной гегемонии этого класса; отношения между ним и мировой системой. Все эти проблемы возникли в сфере экономики и распространились за ее пределы. Как следствие, гегемония транснационального капиталистического класса способствует экономической политизации и дальнейшей политической милитаризации. Очевидно, что в мире по-прежнему господствует капитал, что приводит к соответствующим противоречиям, о чем писал Маркс в своей критике политической экономии. Предложенный им подход до сих пор является основным для понимания и изучения особенностей современности.

Ключевые слова: глобализация, транснациональный капитал, эпоха цифрового труда

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At the end of the last century, the drastic changes of the Soviet Union and Eastern Europe and the reform and opening up of Chinese socialism accelerated economic globalisation and the integration of the world market (Wei, 2013). Capital from the Western world poured into emerging market economies through investment by foreign transnational corporations, often taking the form of joint adventures. While propelling economic development in the areas concerned, this process also sharpened inherent contradictions within the capitalist world. The financial crises, which originated in America at the beginning of this century, to some extent were connected to globalisation, which, in turn, led to a trend of anti-globalisation dominated by the superpower, a hegemony based on economic power. These issues could be easily understood with Marx's methodology of critique of political economy (Marx & Engels, 1980). Even the emergence of digital economy with high technology did not change the situation, which needs to be addressed through theoretical analysis and discussion.

[1] Результаты данного исследования были представлены в ранее опубликованном материале: Wei, X. (2020). Transnational Capital and Trend of Global Interactions. *International Critical Thought, 10*(2), 251–262.

1. The Trends of Globalisation and the Formation of Transnational Capital

A fundamental aspect of the logic of capital is the system's drive to expand and to undergo extensive development. This is determined by the inherent contradiction between capital accumulation and capital consumption, and has contributed to the emergence of transnational corporations. The first transnational corporations came into being at an early stage in the history of capitalist development. For example, the British East India Company, the world's first transnational corporation, was established in the 17th Century and operated for more than 200 years. Nowadays, transnational corporations are common throughout the world, and are an important element in the current trend to economic globalisation.

Transnational corporations contribute to the transformation of relations between social classes on a global scale. Transnational capitalists came into being along with the formation of transnational corporations. Do these capitalists constitute a special, relatively independent interest group, different from the other capitalists of their countries and operating outside the limits set by national interests? Can they be classified on these grounds as members of a transnational capitalist class? Among scholars, these questions are still controversial. In this paper, the term "transnational capitalist class" (TCC) will be used to describe this special group and its functions, despite the remaining controversies. The goal will be to analyse the special effects which this formation has exerted on global relations between social classes.

The emergence of transnational corporations and cross-border capital flows points to the development and application to production of scientific technologies, along with cross-border cooperation in the field of sales. As a consequence, the circulation of production, research and development (R&D) and sales takes on a global character, and international banks and other financial organisations emerge. The transnational corporations, if we take into account their various areas of business and forms of operation, have played different roles in the economic development of their home countries at the early and contemporary stages of capitalism.

At the early stage of capitalist development, most transnational corporations operated in the form of trading companies, contributing to the economic development of their countries through selling goods and plundering resources. At the contemporary stage, transnational corporations, instead of expanding markets and exploiting natural resources as they did earlier, transfer productive capital overseas, with a view to organising production in other countries. They set up subsidiary companies or joint adventures in other countries, produce goods using cheap local labour, and after exporting the products to their own countries, market them there. In this way, they can enjoy absolute price advantages, and obtain profits that may be several times those available at home. The greater the economic backwardness of the host countries, and the lower the wages paid there, the greater the capitalists' profit margin becomes. This cross-border mode of capitalist profit-seeking, based on cheap labour in other countries, has two effects.

First, from the perspective of the capital-exporting country, the outflow of capital from the real economy reduces employment opportunities, increases the competition for jobs, raises the unemployment rate and causes incomes in the capital-exporting country to decline. Through using cheap foreign labour and low-cost raw materials from other countries, the TCC can obtain profits far surpassing those that can be obtained at home. Meanwhile, the effect of shrinking employment and lower wage rates in the capital-exporting country is to widen the polarisation between rich and poor.

Second, from the perspective of the capital-importing country, the effects of the inflow of capital usually include the introduction of more advanced science and technology, raising labour productivity. Although the technologies imported may be outdated in world terms, the technology gap means that these outdated technologies are still superior to the means of production owned by the capital-importing countries. At an early stage, the effect on the latter countries can be positive, improving productivity overall and raising the level of economic development. Employees of transnational corporations and joint ventures also tend to be paid more than workers for local companies, and this can help bring about a general increase of labour incomes in the capital importing countries. However, the capital imports alter the original relations of production in these countries, and as an intrinsic result of the logic of capital, exacerbate the polarisation of wealth. Consequently, a relative growth of social wealth and a continuing polarisation of wealth may occur simultaneously.

From the perspective of global economic development, cross-border flows of real-economy capital enable scientific technology and advanced methods of economic management from the developed world to benefit less developed countries, promoting these countries' economic development. As the economic development of the countries concerned is enhanced, and wage levels rise, capital moves to more backward regions, driven as before by the search for super-profits. This kind of capital movement, determined by the instincts of capital, might seem to an extent to render global economic development more balanced, but in fact it aggravates economic contradictions between different regions. These contradictions lead to the emergence of anti-globalisation, which will be discussed later.

Especially in the case of developed countries, the search for export markets drives capital to reduce labour remuneration in order to compete effectively. Meanwhile, outflows of capital will definitely result in job losses and lower wages. The difference in the degree of economic development between the capital-exporting country and the capital-importing country will contribute to the gap between the wages paid by foreign capital and the ordinary labour remuneration in the capital-exporting country. The larger this difference in development, the greater the resulting wage gap, and therefore the greater the potential profit for the exported capital. The wages paid by foreign capital are usually very high compared to the typical rates in the capital-importing country, though obviously lower than the prevailing wage levels in the capital-exporting country.

From a labour market perspective, capital-importing countries have an interest in securing relatively high levels of labour remuneration, at the same time as the corresponding development of the capital-importing countries is maintained. With the transnational capital earning super-profits, the ratio between the returns accruing to capital and labour remuneration is actually increased.

The emergence of the world market and of transnational capital has widened the gap between the gains of capital and the incomes of wage workers, and to some extent has promoted local economic development through pooling capital to take advantage of the cheap labour market. The effects have included a reduction of differences between various regions in their degree of development, as well as improvements to price equilibrium in the labour market, within the context of global economic development. This is simply one trend in the development process, and due to the inherent logic of capital, it does not reduce the gap between the capital of various countries and wage labour; to the contrary, this gap keeps increasing in line with the natural trend of development.

From the perspective of the logic of capital, the cross-border flow of capital, and especially of financial capital, within the real economy provides a channel of operations through which a small number of people in the world are able to control the bulk of global social wealth though promoting the economic exchanges involved in this process. Simultaneously, wage labour faces more intense competition in the job market. When added to the pressures from both domestic capital and foreign transnational capital, cross-border capital flows aggravate the polarisation of wealth in capital-exporting countries and in capital importing countries as well. A range of economic and political contradictions related to the TCC arise as a result.

The trend to globalisation has resulted in capital migrating to almost every place in the world, bringing with it the contradictions of the logic of capital, but in a more complex form. Responses to this situation differ markedly. William I. Robinson and Jerry Harris, two left-wing American academics, have summarised mainstream views on globalisation from three perspectives: conservative free market theory, liberal constructivist theory, and liberal regulatory theory. The laissez-faire point of view espoused by the first theory has the clear effect of intensifying social contradictions throughout the world, even potentially resulting in a recurrence of fascism. The second and third viewpoints both have their origins in left liberalism. The second emphasises the construction of a particular world system, while the third stresses the function of macro-control. According to Robinson and Harris (2000), the planning associated with the above three viewpoints all focuses on the construction of global capitalism.

In his latest paper, Harris (2019) analyses three potential routes for global economic development under the premise of the formation of a TCC. First, neo-Keynesian methods are employed in an attempt to regulate neo-liberalism, with the likely result of generating long-term global economic stagnation. Second, the new American authoritarian principle harnesses the strategies of nationalism and constructs a world-wide military system in the guise of national security, with the aim of realising a strategy of capital centralisation. Third, further developments in science and technology are used to elaborate the development model of eco-capitalism. The first two development routes obviously amount to pessimistic predictions that deny the three above mentioned viewpoints. The third development route fails to take account of various contradictions arising from the emergence of the TCC.

2. The World Market Competition and the Reverse Trend of Anti-Globalisation

In a certain sense, the investors and agents of transnational capital diverge from their national interests and constitute a relatively special independent economic interest group. Does this group constitute an independent class? The origins of its members should lead us to say "no"; the corporations concerned retain very close relationships with the capitalist class of their original country, sharing the same roots. In many cases, these firms are subsidiaries of large corporations in their home countries; on this basis, we may view them as not belonging to an independent class. The so-called transnational capitalist class takes its origins not from the point where the corporations concerned pass the border checkpoints of their home countries, but from the point where national capital is compelled to go abroad in the form of transnational companies.

As Marxist theory explains, politics is the concentrated reflection of economics and serves its purposes. This also applies in the case of the economic globalisation. Many left-wing scholars who focus on the theoretical study of the TCC have also conducted their research from this perspective. They believe that the TCC has clear political and ideological orientations, despite seeking super-profits throughout the world. Ultraliberal market-oriented theory simply reflects the ideological orientation of these corporations; it acts to secure world hegemony in the field of politics (Harris, 2019).

But after the formation of the TCC, the traditional relationship between political and economic areas discussed by Marx are more complicated than before. The TCCs have definite nationality, but now their economic activities are in different national countries, formed the situation of intruding one another's national country. The relationship between their economic powers and political powers are connected by different national interest. As a dominated economic power, the TCC could be formed as a regional or international economic group, and further to some extent be formed as a relatively independent political group.

To the extent that this ambition is realised, the position of wage labour becomes more difficult. In nation states, the interests of hired workers can be protected by labour unions to some degree. However, the labour unions fail to provide effective protection when the context is that of the pursuit of international political power. Some left-wing academics believe that in developing countries, even the weakest labour unions can provide some protection for wage labour. But the ability of unions to protect workers employed by foreign transnational corporations is very limited, and this acts from both economic and political directions to aggravate the polarisation of wealth throughout the world (Robinson & Harris, 2000).

The goal of cross-border capital flows, which by-pass or break down all barriers as they move from one country to another, is to secure maximum profits. Since the end of the last century, this inherent mobility, which has characterised transnational capital since it first emerged, has accelerated. Due to the differences in economic development between regions, transnational capital moves from developed to less developed parts of the world. Within developing countries it flows from relatively developed to less developed regions as it seeks cheaper labour resources, leaving behind a trail of unemployment as it moves. Meanwhile, the flow of transnational capital between regions with different levels of economic development results in cross-border labour competition, and within certain limits, gives rise to cross-border labour flows.

Transnational capital always seeks cheaper labour, and the formation of a transnational labour market intensifies the competition between workers for jobs. Both of these phenomena exacerbate the devaluation of labour power, and this is one of the reasons that have aroused the antagonism of hired workers to globalisation. The tendency of wealth to become polarised within the boundaries of single countries also occurs on the scale of the world as a whole, though the logic of this occurrence is not completely identical.

On the scale of individual countries, the emergence of stratification characterised by wealth polarisation is attributed to the market economy. The latter follows the common abstraction principle, specifically, the contract principle that takes equal exchange as the regulatory concept. Affected by the paradox between the abstraction principle and the actual results, and under threat from the rising Eastern world after World War II, the left-liberal tendency that stresses macro-regulation emerged under the influence of strong labour unions, especially in northern Europe. To some extent, this tendency has been able to prevent the contradictions of the system from escalating. The left-liberal tendency is distinct from right-wing liberalism, that always advocates in favour of the free market.

Capitalist countries alleviate the trend to stratification that is inherent to the logic of capital through instituting systems of social redistribution, such as social welfare and social security. These systems of social regulation can to some extent control and alleviate social contradictions in individual capitalist countries, but they do not exist on a world scale. The intrinsic contradictions of capitalism steadily accumulate; in a sense, the financial and economic crisis that originated in the United States early in this century, and then spread across the world, represents an explosion of these accumulated contradictions.

The combination of the transnational real economy with international financial capital accelerates the economic globalisation progress, forming an international economic association, in which different countries are inextricably interwoven with each other. In particular, the existence of digital and virtualised financial capital allows abstract currency to reach every corner of the world almost instantaneously, something beyond the reach of the real economy. This brings with it unprecedented opportunities and risks. "Hot money" rushes about the world, strengthening the shift from the real to the virtual that acts as one of the detonators of financial crisis.

When the class contradictions inherent in the progress of economic globalisation become interwoven with the economic contradictions between different countries, and when the polarisation of wealth within individual nation-states becomes a unified international trend, no international political organisation can regulate or control the situation that results. The best-known systems of globalisation are cross-border economic organisations in a strict sense, such as the World Bank, World Trade Organisation (WTO), and various regional or local cross-border international organisations (Harris, 2019). They exist in order to formulate and apply cross-border or cross-region rules of economic operation; they are not political organisations charged with regulating cross-border contradictions or conflicts.

The new situation of globalisation dominated by the TCC has increased the contradiction in the world level without correspondence to political domination. If there is no political organisation to regulate or control the above contradictions, the powerful operations of transnational capital in the global market profoundly affect various nation states, and conflicts between the capitals of various countries further damage the interests of wage workers. Encountering fierce international competition, the owners of capital reduce the salaries and social welfare they provide to workers so as to reduce the cost of their products and enhance their competitiveness on the international market.

In the contest between labour and capital, the unfavourable position of hired workers forces them to accept degraded working conditions, but capital is able to continue its attempts to maximise profits. In the aftermath of financial crises, capital loses only part of its profits, but hired workers and even some elements of the middle class find their living standards reduced, and many workers lose their jobs. This is precisely the scenario predicted by Karl Marx in his work "Economic and Philosophic Manuscripts of 1844" (Marx & Engels, 2009). Harris describes this situation as characterised by over-accumulation of capital, rising poverty, stagnation in the position of the middle class, and growing environmental crisis (Harris, 2019).

From the perspectives both of biopolitics and of international politics, wage workers represent a vulnerable group compared to the power of capital. The dual factors of economics and politics intensify global stratification within the development trend of economic globalisation.

The development of economic globalisation results in an imbalance between transnational capital and wage labour in terms of economics and politics. In addition, class and inter-state conflicts also become interwoven with each other. The TCC exports capital in order to seek super-profits in other countries, to some extent playing a negative role in the economic development of the home countries of its members. The concept of the TCC perhaps acquires its shape in this context, where transnational corporations form a special group with interests distinct from those of the capitalists of their own countries.

In an environment marked by fierce international competition, various countries try to enhance their competitive advantages through tax reduction, through cuts to social welfare, and even through erecting tariff barriers to restrict the entry of products from other countries in order to protect the economic interests of their national corporations. As the financial crisis has continued to spread since 2008, many countries in Europe and the Americas have taken such countermeasures, which damage the interests of their own wage workers and middle classes. International economic disputes rise one after another and intensify inter-state economic contradictions. The economic interests of various countries and different social classes, as well as the interests of domestic capital and the capital of other countries, become intertwined.

The financial crisis had a huge impact on the economies of developed capitalist countries. Following the crisis, the US used trade protectionism to provoke an economic war, increasing tariff barriers and reducing domestic taxes. The goal was to increase the cost to transnational capital of exporting to its home countries products manufactured in cheap-labour regions. The effect of such moves is to create obstacles for cheap-labour regions that seek to develop their exports, and to boost the economies of the capital-exporting countries by creating incentives for capital repatriation. Raised tariff barriers harm the interests of emerging market economies and of their transnational capital. Running counter to the general policy trend, this anti-globalisation trade war is aggravating inter-state economic conflicts and triggering an international chain reaction. There is widespread concern that it will politicise international economic disputes and result in conflict escalation.

The trend of globalisation in economic development and the anti-globalist reverse trend are two sides of the one coin. Behind the situation is the logic of capital, which is compelled to seek profits. The search of capital for profit provides clear explanations both for the export of capital and for pressures on it to return, as well as for the doctrine of the open market and for efforts to raise tariff barriers. Transnational capital, as a special interest group, does not always act in ways consistent with the economic interests of its home country (Harris, 2019). Steps aimed at reversing globalisation may be taken by capitalist countries in order to control their national markets and regulate their transnational capital, with a view to bringing the real economy back within their borders. Reducing interest rates within the country and increasing taxes on income earned abroad are two common ways of achieving this. Both have the potential to arouse further inter-state trade disputes.

There is still no international political organisation in the world with an effective control function, and civilised, regulated control mechanisms have very limited ability to deal with international trade disputes. Hegemonic powers can retreat from restrictive international organisations at any time depending on their needs and interests, and can become proponents of international anarchy.

The cross-border operations of capital result in economic globalisation, which has in turn been responsible for the emergence of the TCC. To some extent, the reverse trend represented by anti-globalisation is a result of the emergence of this transnational class, and especially the legacy of financial crisis. Without an effective international political control mechanism, anti-globalisation can only lead to trade war. This uncivilised phenomenon in a modern and civilised society is simply its key political feature described in plain language. It is the hegemonic politics that are beyond the control of modern civilisation.

3. Will the New Feature of Digital Economy Imply any Difference?

Except the reverse trend of anti-globalisation which cannot become the main stream but only a short sighted instrument used to defend the national economy, the coming of digital era accelerates economic globalisation by the route of Internet of Everything which penetrated all spheres of human life from production, education, medical care, finance, social interaction and other activities, enormously boosting the social operation efficiency. Now the question is: will the new feature of digital economy bring out any difference for the old model of capitalist production and globalisation? In order to answer this question, we have to analyse the influence of digital economy on the relations of production.

The digital economy leads to the emergence of a new form of labour, namely, digital labour. Specifically, the network platforms correspond to the audience labour, which is a social and popular labour. Compared with the traditional industrialised and intensive labour model, this labour form features of non-intensiveness, divergence, unfixed labour place, and flexible labour time (Fuchs, 2020). In the field of industrial and agricultural production, automation and intelligence have become the new trend. Hardt and Negri (2008) called digital labour as immaterial labour, which accurately generalised its characteristics. In their view, this immaterial labour that builds a new economic foundation for the "empire" has become the central element of value creation. They also believed that factors in the traditional economy such as time and place can no longer limit the production, thus overturning the domination of capital over labour.

The so-called immaterial labour (except for the emotional labour discussed by Hardt and Negri (2008), as some others regard emotional effort as a kind of labour due to social fetishism) is a feature of digital labour since informatisation and intelligence have replaced human labour, but the carriers, objects, and the end products of digital labour are all real material existences. The autonomy of immaterial labour in terms of labour place and time creates an illusion of independence and freedom, but the carrier and economic relationships on which this labour depends are still controlled by capital.

In the digital economy, the application of advanced technology in production has led to the upgrading of industrial intelligence. The combination of the internet and material production has opened up the gate of the Internet of Everything, optimising the efficiency of modern production, circulation and consumption, and reducing the time and space costs in circulation. If we take it as a change of the production mode in the digital economy, this change will undoubtedly elevate the productivity to a new level. Marx once said, "Social relations and productive forces are closely linked. With the acquisition of new productive forces, people change their production, or their way of making a living. Then people also change their overall social relations. The windmill gives you society with the feudal lord; the steam mill, society with the industrial capitalist" (Marx & Engels, 2012). Will the advent of the digital economy lead to changes in production relations? Does automated production mean the disappearance of surplus value?

That is a common concern for Marxists nowadays. However, it is not easy to analyse this problem in a paper, since it is a comprehensive issue that straddles philosophy, political economy, and empirical social sciences.

Digital economy is a general term that includes networking, intelligence and its application in production and life. People also use Metaverse to describe its virtual infinite expansion both in the macroscopic and microscopic world at the same time. Nicholas Negroponte (2021), an American scholar, measured information by the unit of bit in his book Being Digital, and defined atom as the material carrier of information, believing that "the bit is the smallest unit of data on computer, just like DNA to the human body," and is the fundamental particle in digital computing (Negroponte, 2021, p. 5).

Information is composed of bits, and its assembler, namely, the digital labourers, also become the producer of information. The information is spread by means of the network, shared by the society, and becomes a public resource. Some scholars therefore speculate that the formation of the sharing economy will be a shortcut to a future classless society. Thomas Piketty, the author of Capital in the 21st Century (Piketty, 2014), and Christian Fuchs, the author of Digital Labour and Karl Marx (Fuchs, 2020), both denied these views from different aspects. It is the capital operator who provides the platform for information publicity. Consequently, it is the capital owner instead of the information producer that determines income distribution. In the economic relationship dominated by capital, the value realisation of information cannot be separated from capital operation. Piketty (2014) demonstrated that the capital operation logic in today's world has not changed by contemporary big data, and capital accumulation still develops faster than the growth rate of the national economy. Fuchs (2020) argued that the huge profits of the platform economy come from the free appropriation of the audience labour's surplus value. The former targets capitalist trends in the 21st century, and the latter targets the platform economy in the capitalist society.

In a capitalist society, productivity development by science and technology is achieved through the capital's pursuit of relative surplus value, and the digital economy is no exception. Informatisation, big data, and intelligence have greatly improved productivity by optimising the capital's composition, which leads to the great reduction of the human labour proportion and the creation of much more abundant material products. The increase in the quantity of material products is inversely proportional to the amount of labour value contained in them. The capital holds the pricing power through high-tech monopoly, and thus the relative surplus value can bring profits for a considerable period of time. However, this phenomenon is affected by the state of competition in science and technology, and is not permanent. To a certain extent, that process promotes the continuous progress of science and technology and its application into the real economy.

The combination of industrial intelligence and the Internet of Things has optimised the composition of industrial capital, but it has not changed the mechanism that the capital relies on surplus value to expand itself. Under such circumstance, the increase of capital profit is due to the relative surplus value brought about by technological patents and the high-tech monopoly accompanied by anti-monopoly policy. Christian Fuchs therefore criticised the view that the information society is neutral, arguing that despite the new changes in productivity brought about by the digital economy, it is still capitalist exploitation in nature and it also inherits the contradictions of traditional economic relationships (Fuchs, 2020, p. 194).

Network operators in various industries have built a communication platform for both supply and demand, providing transaction opportunities and improving transaction efficiency. However, through the control and sale of digital information, industry-based online platforms transact with the audience group and share the profits of the real economy through advertising revenue. This method of obtaining profits facilitates transactions for the real economy on the one hand, but increases its operating costs on the other. The information resources monopolised by network operators have turned into virtual capital and become the power to obtain more profits.

The digital economy is not independent from the traditional economic system. On the contrary, it exists in the traditional system and is a digital upgrade of the traditional economy. Consequently, the resulting changes in production modes have not fundamentally shaken the capitalist social and economic system. In the economic relationships dominated by capital, the digital economy, which is abstract and virtual, has become a shortcut for the capital to obtain high profits by means of high-tech of internet.

In the process of the digital economy accelerating the development of economic globalisation, it also intensifies the inherent contradictions of capitalism on a global scale, intensifies the market competition of global capitalism, different from the anti-globalisation measures of traditional industrial manufacturing by withdrawing it back to home, the anti-globalisation of the digital economy is manifested as the monopoly of microchip sales and technology. Showing the integration of capital, high technology and political power in the deep level, the resulting hegemony promotes the world situation moving towards the direction of economic politicisation and political militarisation.

4. What would be the future, renovation or alternative?

The trends of economic globalisation spread the model of capitalistic production and its corresponding contradictions all over the world. The coming of digital economy to some extent speeds up economic globalisation and increases the contradiction by the new form of virtual capital. The global crisis that began in the US in 2008 and spread across the globe has a certain correlation with the operations of transnational capital. Similarly, the international trade disputes provoked by the US represent reverse measures needed to cope with the outcomes of the financial crisis, which has resulted in trade disputes between countries. Meanwhile, there is no international political organisation that can accommodate all parties or that makes it a top priority to effectively govern disputes and contradictions on a global scale. Until now, the World Bank, WTO, and various international economic organisations in different regions have played only a limited role in restricting the behaviour of contending countries (Harris, 2019). These economic organisations do not have real governance rights in the sense of guaranteeing international justice or regulating politics. To get rid of restrictions, participants can simply resign from the organisation concerned. Meanwhile, so-called economic sanctions have become a baton wielded in pursuit of political hegemony.

Most countries view the United Nations, at least to some extent, as a comprehensive international political, economic and cultural organisation. Nevertheless, the main function even of a body such as the UNO (United Nations Organisation) is to try to resolve international problems that do not involve cross-border class conflicts and contradictions. These contradictions often become escalated in difficult times, such as during financial crises and trade wars. Measures to tackle the economic difficulties usually turn out to widen the global polarisation between rich and poor. Historically, domestic market competition has tended to be reflected globally. But unlike the situation within nations and states, in international scenarios there is no single authority exercising general sway, and the results include widening class differences worldwide.

While capital spreads around the world in accordance with its logic and forms a world market, there is obviously no corresponding cross-border political power organisation or political system to cope with the resulting conflicts and contradictions. What emerges is political hegemony that is dominant in the economy, in technology, and in the military. Harris (2019) remarks that "Global capitalism brings political instability. The acute economic crisis in 2008 worsened the phenomenon. The veil of capitalist legitimacy has been thrown off by the increasing inequality and social contradiction, which is a fact known to all."

There are two different views concerning this reality. In terms of liberalism, the development pattern of capitalism, considered in both its political and economic aspects, spans the world (Hrubec, 2016). Are the views of liberalism not the ideological expression of the logic of capital? Liberalism demands the paving of the way for capital to flow from one area to another in order to pursue increasing profits. Meanwhile, it seeks to formulate general rules that enable the logic of capital to be unimpeded, and to play a leading role in developed capitalist countries around the world. But when faced with the gap between rich and poor on the scale both of individual citizens and of countries, and in respect of the contradictions and conflicts that arise from the operation of the logic of capital across the globe, the theory of liberalism is completely silent, and cannot propose corresponding countermeasures.

We can also summarise the left-wing views that Harris (2019) discusses. According to his analysis, the left is split into two schools. One seeks a more thoroughgoing alternative, in which capitalism is replaced by some sort of socialism. In this view, the problem faced by the world is not whether a "world state" should exist, as a sort of higher-order country dealing with cross-border class problems (logically, such a country would be completely inclusive and unique, with only internal mechanisms and no external functions). The real problem lies with the global pattern in which we are still enmeshed. People need to explore a mode of economic operation different from the present dysfunctional cross-border capitalist world system. The reason is that this world system not only creates polarisation between rich and poor, but also delivers social division. The other school confines itself to criticising the political hegemony of capitalism, and seeks to explore a new path that is geared to the modern democratic system and that accommodates the solutions of the market economy (Harris, 2019).

Another prominent left-wing sociologist, Carl Boggs (2018), is aware that the contradiction between the formation of transnational capital and the unbalanced global political governance system is permitting a rapid rise of fascist elements. In his opinion, the US, which traditionally has had a reputation as a stronghold of freedom and democracy, has switched over time to following a new path toward fascism. This new path, also known as the "fascist equivalent," is the product of modern power structures in which the hegemony of political, economic and cultural oligarchs is constantly being strengthened. This characteristic of American politics in modern times is having a huge impact on people who have long viewed the system in the US as a modern constitutional democracy, featuring social diversity and ideological tolerance, a benevolent foreign policy, etc. The democratic model found in textbooks is in reality evolving into a global war machine (Boggs, 2018).

The operation of transnational capital on a global scale, and the lack of a balancing mechanism able to restrict global power structures, has without exception resulted in a failure of nations and states to restrict and regulate, more or less within their own borders, the inherent properties of capital that are manifesting themselves in the international arena. Although various countries in recent years have strengthened supervision of their transnational capital, it is difficult to build an effective supervision mechanism worldwide without a unified and powerful world political system.

This is why the problems caused by the operation of transnational capital as a world system have been a hot topic. The hazards created by the operations of financial capital worldwide undoubtedly reflect the inherent nature of capital on an expanded scale, which increases the seriousness of the problem. This poses a complex question: what might be the alternative? According to Marxist theory, this alternative needs to be socialism. Experience since the early 20th century has renewed and improved our understanding of socialism, and Sklair therefore asks: “Is there a non-capitalist alternative to globalisation dominated by the TCC?” The answer, he considers, “begins with the aphorism: ‘it is easier to imagine the end of the world, than to imagine the end of capitalism.’” He continues: “My view is that this expresses a profound truth, forcing us to begin again to think through what we once conceptualised as democratic socialism” (Sklair, 2016). That is to say, if we take the lessons of the 20th century socialist experience seriously, in future we need to pay more attention to the whole concept of socialism. The basic economic system is very important, but creating a basic political system to match this economic system is even more important.

A critical analysis of transnational capital and of the many problems it causes should address in particular the dangerous negative factors inherent in the trend to globalisation. Insofar as globalisation promotes political, economic and cultural exchanges among all countries, its positive role in the progress of human society is beyond doubt. In its form as flows of capital, it promotes exchanges and complementarity among different countries and regions. Globalisation also contributes to the development of civilised society through the application and popularisation of science and technology. Analyses and criticisms of the inherent contradictions of economic globalisation by scholars are based on the inherent nature of the logic of capital. In his work Das Kapital, Marx sets out in detail the reasons why these contradictions are indeed inherent to capitalism (Marx & Engels, 2010). The level of economic development, and the comprehensive level of development of human civilisation and society (such as politics, culture and spirit) in our era cannot of course be compared with those in the era of Marx. But the inherent nature of the logic of capital has not changed substantially. On the contrary, the virtualisation and informatisation of financial capital make the inherent nature of the logic of capital even more formidable.

What could we do to deal with it? By improving the current world with restraining the capitalist law of the jungle such as to renovation of capitalism through building up a kind of world democratic political system, so as to reduce the dangerous of unilateralism comes from hegemony, or to think of a sound socialism as an alternative choice.

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