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CHINA: CAPITALIST EXPANSION IN THE XI ERA

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The Rise of State-Transnational Capitalism in the Xi Jinping Era: A Case Study of China's International Expansion in the Soybean Commodity Chain

Abstract *China's reform period has inaugurated different processes of capital accumulation from which new capitalist classes have emerged. The expansion of these classes in the soybean commodity chain and their relationship with the state have triggered different forms of integration into global supply chains. However, the development trajectory of China's soybean complex has contributed to the rise of a single dominant class faction: the state-transnational capitalist class. This class has been nurtured by the financially-driven, internationalised expansion of the China National Cereals, Oils and Foodstuffs Corporation (COFCO). Its prominence has enabled COFCO to replicate its expansion methods abroad and, consequently, to change China's role in the world soybean commodity chain.*

Keywords *COFCO, soybean commodity chain, internationalisation, Xi Jinping, China*

1. Introduction

Since Xi Jinping took office in 2013, he has continuously encouraged Chinese enterprises to invest abroad and has launched international campaigns that endorse China's overseas promotion efforts. However, China's international expansion has not been a uniform process. For instance, in the agricultural sector, multiple enterprises have adopted different investment strategies. Some of them have focused on land purchase, while others have sought control over more than one segment of the commodity chain. Their investment methods have also differed from one another: some have relied on their own financial and management instruments, while others have established multinational platforms in association with foreign financial institutions.

This article investigates the variety of investment strategies through a sectoral approach focused on the soybean commodity chain. This sector is emblematic of market liberalisation and, consequently, of dependence on global supply chains. Therefore, it has underpinned different experiences of internationalisation that provide rich sources of information to be analysed. We aim to identify the domestic determinants of China's 'going global' policy; that is to say, the extent to which the relations of power in China's soybean complex have propelled different strategies of investment overseas. In order to do so, this article uses Poulantzas's (2001) analysis of the state and similar approaches from parts of the critical literature in the field of Chinese Studies. The Chinese state is perceived by this literature as a mutable entity permeated by interests of different capitalist factions that, in turn, have arisen from recent processes of capital accumulation.

Sections 4 and 5 of this article identify the class factions that have emerged in China's soybean commodity chain throughout its recent development trajectory. Section 6 draws attention to the rise of a dominant faction that has been able to influence the state and which has garnered preferential support during Xi Jinping's leadership. This class fraction has underpinned the internationalised and financial-led expansion strategy of the China National Cereals, Oils and Foodstuffs Corporation (COFCO), China's largest food processing and trading enterprise.

COFCO is a central state-owned conglomerate that, during Xi Jinping's administration, has turned into China's most important player in the soybean commodity chain at both the national and international levels. In 2016, COFCO concluded the acquisition of two big agri-food transnationals, the Hong Kong-based Noble Agri, and the Dutch-based Nidera. Through these investments, COFCO entered the top list of agricultural traders in leading export countries, such as Brazil, Argentina, and Paraguay (COFCO 2018b).

In order to understand COFCO's prominence in the global soybean commodity chain, Section 5 also identifies the political and economic imperatives that have paved the way for the consolidation of its expansion strategy and analyses its manifestation as a political project under the Xi Jinping leadership. Section 6 explores the implications of this process on the different forms of investment led by Chinese enterprises overseas.

This paper will argue that among the class factions that emerged from those capitalist development processes, state-transnational capitalists behind COFCO have become dominant during the Xi Jinping administration. This class faction is based on financial-led structures of accumulation in association with foreign capital. Its privileged relationship with the current government has enabled the state-transnational capitalists to apply its expansion strategy abroad and to change China's form of insertion into the global soybean commodity chain.

2. China's agricultural investment strategies overseas

When describing China's agricultural investments in Brazil, Escher et al. (2018) have identified three main phases related, generally, to different historical periods. The first phase lasted from 2000 to 2008, when China's growing demand for commodities led to a dependence on soybean and other food item imports. This phase was marked by the effort to establish international supply bases through farmland purchases and new trade channels (see also Myers/Guo 2015). The second phase lasted from 2008 to 2012, when the continuing rise of world food prices intensified China's preference for greenfield investments in leading export countries. The last phase, in turn, has been marked by China's economic slowdown and the stabilisation of food prices since 2012. During this new phase, Chinese enterprises such as COFCO have sought to take control over the entire supply chain through the construction of logistic, transport and storage infrastructure projects (Escher et al. 2018: 294ff.).

In a more detailed analysis, Oliveira (2017: 197ff.) notices that these types of investment are related to different strategies which, to a certain extent, have coexisted. However, unsuccessful experiences related to traditional practices, such as the overreliance on local government officials, the insufficient employment of management teams with local experience and, above all, the promotion of large-scale greenfield investments, have attracted negative media coverage and disproportionate political reaction. As a result, strategies based on mergers and acquisitions of transnational corporations became almost the only feasible alternative, which have allowed COFCO and a few other companies to control global downstream and upstream soybean production without attracting the public's attention (Oliveira 2017: 287ff.).

As we can see, China's investment strategies have responded variously to the periodic shifts of the world supply chains and have adapted to new political and economic circumstances at the local level. However, in order to understand the character of each investment strategy, it is necessary to further investigate the economic forces behind them. What are their development trajectories, their distinctive economic interests, and their political agendas for launching investments overseas?

3. Analysis of the state in China

In order to address the questions above, this article uses Nicos Poulantzas' theorisation of the capitalist state. Poulantzas claims a relative autonomy between the economic and political power, which gives the state the attribute of maintaining the relations of production without intervening directly in them. Therefore, the different state apparatuses reveal themselves as spaces and political expressions through which specific classes become dominant and achieve their objective interests (Poulantzas 2001).

For Poulantzas, the state entity amplifies the power of a certain class by granting unity to conflictive social relations. Such unity is accomplished through the formation of coalitions led by dominant factions of classes, forming what he calls a "power bloc" (Poulantzas 2001: 127ff.). However, these class arrangements are not immutable. Rather, they are permeable to diverging interests in accordance with historical relations of power.

Some authors in the field of Chinese Studies follow a similar approach while examining the recent transformations of the state in China. For instance, Andreas (2008), Au (2012), Lopes Ribeiro (2017), Nogueira/Qi (2018), McNally (2019), and Wang (2015) agree that the gradual character of the reforms inaugurated by Deng Xiaoping did not prevent the emergence of new capitalist classes. They generally relate this phenomenon to different processes of capital accumulation that have been facilitated – and sometimes, guided – by the state. Those capitalist classes, in turn, have directly or indirectly permeated the state apparatus and have increased political pressure to enable further processes of capital accumulation.

Despite these authors' agreement over the class contradictions in China's development trajectory, they have very distinct views on the class arrangements and the political expressions resulting from this process. Taking their investigation into consideration, the following sections will identify the main capitalist factions in China's soybean commodity chain. Afterwards, a new class arrangement will be demonstrated by the rise of a dominant faction and the consolidation of a power bloc during the Xi Jinping administration.

4. National capitalists in the private and state sectors

Since the beginning of China's economic reforms in the 1980s, four main capitalist class fractions have emerged in the soybean sector. These are: 1) the national capitalists from the private sector, 2) the national capitalists associated with local and central State Owned Enterprises (SOEs), 3) the capitalists subordinated to foreign transnationals, or what is widely known as the *comprador bourgeoisie*, and 4) the capitalists at Chinese state-owned transnationals associated with foreign capital, whom we call *state-transnational capitalists*. These classes have emerged from different processes of capital accumulation and have interacted with the state apparatus through various ways.

Both the national capitalists from the private sector and the capitalists associated with local and central SOEs have emerged from the wave of privatisation and corporate reforms that unfolded in this period, particularly during the Jiang Zemin administration (1993-2003). Facing foreign competition and private pressures, the enormous Chinese state sector was restructured through the introduction of market-oriented corporate management, and SOEs were allowed to become joint-stock and mixed ownership companies (Wang 2015). At the same time, small and medium SOEs were sold or merged with bigger ones

The national capitalists from the private sector come mostly from the state bureaucracy. During the wave of privatization on the 1990s, state officials often took advantage of their administrative positions to access privileged information and to attain favourable negotiating conditions for acquiring state assets (Andreas 2008; Au 2012; Nogueira/Qi 2018). This was the case of Hopefull, currently one of China's biggest soybean processors. Hopefull's founder and main stakeholder, Shi Kerong, was the director of a state-owned oil refinery in Gaolou Town, Hebei Province (Baidu Encyclopedia 2019b).When the refinery was privatised, he bought it and used its market access and network to expand (Oliveira 2017: 209).

Shi's entrepreneurship was backed by his political career both before and after the launch of Hopefull. From the beginning of the 1990s, when he was a party secretary, until 2007, when he became a representative of the National People's Congress (Baidu Encyclopedia 2019b), Shi has been able to amplify his class interests and to take advantage of state policies and prerogatives. For instance, Hopefull has obtained land resources from the municipal administration in order to engage in real estate projects and to use land property for securing bank mortgages (Xiao 2011). In addition, Hopefull has received the active political support of the Hebei government to invest overseas (Oliveira 2017).

On the other hand, the capitalists associated with local and central SOEs have acted mainly as private investors integrated into the state ownership structure. Since the beginning of the corporate reforms, SOEs have turned into fast vehicles for private investors to gain great fortunes (Nogueira/Qi 2018; Wang 2015). This is the case of Jiusan, a large soybean processor and trader that belongs to Beidahuang, an SOE from Heilongjiang Province. Currently, 30 per cent of Jiusan's processing capacity is controlled by private investors. Among them, the most important is Guo Yanchao, a rich entrepreneur and prominent politician from Henan Province who has worked for other related enterprises, such as Noble and Chinatex. He has invested in Jiusan through intermediary investment funds and has taken Jiusan's vice presidency as well as directorial positions in its subsidiaries (Baidu Encyclopedia 2019a; Guo 2018).

Both national capitalists from the private sector such as Shi Kerong, and capitalists associated with local and central SOEs, such as Guo Yanchao, have been able to secure their class interests through favourable state policies towards the soybean sector.

Accordingly, since the 1990s, China's increasing demand for food products, and its changing consumer habits towards diets high in protein, fats and sugar were followed by the unprecedented growth in the country's feed and livestock production. The soybean, which was traditionally used as a direct food item, became fundamentally an essential feed crop for animal consumption (Oliveira/Schneider 2014; Sharma 2014). With the aim of scaling-up and expanding the soybean crushing and refining activities in China, since the mid-1990s, the central government has continually cut tariffs and eliminated import quotas on soybeans (Gale 2015; Sharma 2014; Oliveira/Schneider 2014).

The soybean liberalisation policy has mainly favoured the crushing industry in coastal regions that had better conditions for expansion through the import of cheap soybeans. Therefore, Jiusan placed great effort in expanding its assets into those regions, counting on the participation of Guo Yanchao and other private investors. At the same time, Hopefull, which was already located in a coastal region, opened new international supply channels and expanded its processing infrastructure into the port areas of Jiangsu and Liaoning.

5. Capitalist classes subordinated to and associated with transnational capital

Both China's *comprador bourgeoisie* and state-transnational capitalists have contributed to the entry of foreign capital in China throughout the reform period. The opening up of China's domestic market and the approval of laws that facilitated foreign investments have attracted agri-food transnationals and financial holdings to build processing infrastructures, operate international trade, and sell related services in China's soybean complex.

During this process, a *comprador bourgeoisie* which involves Chinese investors, traders and managers has served as an extension of foreign capital in China. It has collaborated with transnationals and financial holdings through speculation over trading operations and, afterwards through integrated operations in all segments of China's production chain.

Accordingly, the overflow of soybean imports made more and more soybean processors dependent on transnational traders – known as the

ABCD (Archer Daniels Midland, Bunge, Cargill, and Louis Dreyfus) – who controlled most of the world supply chain. However, the volatility of world soybean prices, particularly between 2003 and 2004, had a dramatic impact on the national industry, while those transnationals were able to make enormous profits out of price speculation. This resulted in the increased control of transnationals, either by investing in processing facilities and logistics, or by buying up small and medium-sized Chinese enterprises (Wen 2008; Yan et al. 2016).

However, part of the foreign investment in China's soybean complex has also been accomplished in partnership with the country's state sector, which we have referred to as state-transnational capitalists. The most important example of partnership is the central state trading enterprise COFCO. Until the 1990s, COFCO was one of the few enterprises allowed to undertake cross-border trading of agricultural products (McCorriston/MacLaren 2010). Its monopoly over trade has enabled it to establish strategic alliances with leading agri-food transnationals, such as the American-based transnational Archer Daniels Midland (ADM), and the Kuok Group, the predecessor of the Singaporean-based Wilmar International. Such alliances included preferential supply agreements of soybeans, the exchange of executive directors – who were allowed to work simultaneously on both the Chinese and foreign counterpart – and joint ventures to operate processing facilities in China (China Agri-Industries Holding Limited 2014; Qichacha [Enterprises Investigation] 2019; Yu 2009).

COFCO's trading capacity and its early association with foreign transnationals contributed to the consolidation of an internationalised and financial-based growth strategy. Throughout the corporate reforms of China's state sector, COFCO transferred most of its operation and management structures to offshore firms. By 2013, the company had created up to 164 subsidiaries outside mainland China. Among them, more than a hundred were established in remote locations where they could enjoy flexible flow of capital, softer tax policies and less transparent ownership rights (National Tax Administration Bureau 2013).[1] In addition to this, COFCO has listed nine subsidiaries in stock exchange markets and transferred to them the company's main businesses.[2]

COFCO's international and financialised structure has served as a vehicle for raising capital through forms of capitalist accumulation essentially different from the other SOEs in the soybean sector. While enterprises like Jiusan, Chinatex and Sinograin have more centralised structures, being based on direct state ownership in association with Chinese national capitalists, COFCO has a diversified ownership structure, being based on offshore subsidiaries indirectly controlled by the state, and listed subsidiaries in association with foreign transnationals and financial holdings. Altogether, these entities were directly responsible for 93 per cent of COFCO's soybean crushing capacity (see Table 1).

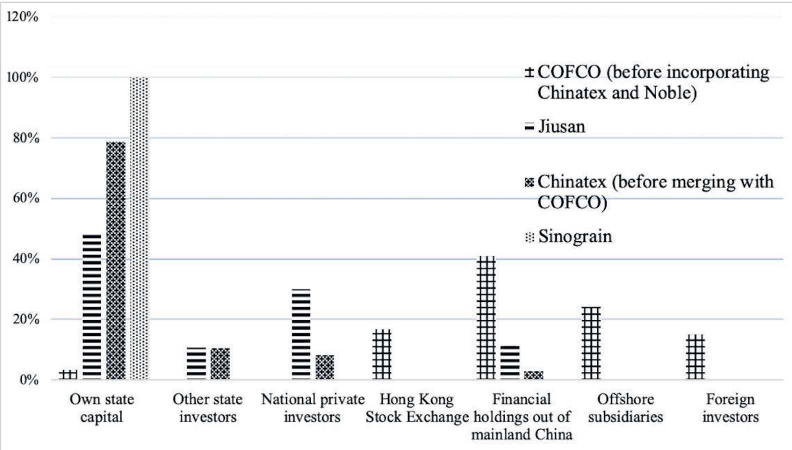

Table 1: Direct ownership of Chinese leading SOEs in the soybean crushing sector
Source: Qichacha [Enterprises Investigation] (2019) and Sublime China Information (SCI) – Database (2018); data compiled by the author.

COFCO's expansion strategy has replicated most of the methods applied by traditional Western agri-food transnationals. It has relied significantly on financial activities and trading speculation on the soybean commodity chain. For instance, a considerable part of its revenue has been obtained through supply chain management and price calculation on cross-border futures markets,[3] in which COFCO has become China's leading enterprise (COFCO 2017). At the upstream level, COFCO has created banks specialising in a variety of financial services, such as land circulation trusts, agricultural equity investment, consumption trusts, as well as farmer loans, land rights mortgages, and inventory financing (COFCO 2017; Fares 2018).

However, whereas COFCO's ownership structure and expansion strategy has differed from that of the other SOEs, its state-backed transnational capitalist nature also distinguishes it from those capitalists subordinated to foreign capital. Accordingly, COFCO is among the restricted group of central SOEs controlled by the State-owned Assets Supervision and Administration Commission (SASAC), which indicates its strategic role within the Chinese state.[4] Moreover, despite COFCO's early association with foreign transnationals and financial holdings, the company has maintained a competitive stance against foreign competitors and has followed, along with other SOEs, the government's efforts to sustain the national ownership of the soybean commodity chain. This was particularly evident in 2007 and 2008, when the Ministry of Agriculture and the National Development and Reform Commission of the Chinese State Council issued supportive directives towards national soybean processors as a reaction to the foreign takeover that occurred after the rise of world food prices (Oliveira 2017: 98; Petry/Josh 2008).

6. The consolidation of a new power bloc

As outlined in section 3 of this article, throughout China's economic reforms, different capitalist factions have emerged from the new process of capital accumulation. These factions have adopted distinctive expansion strategies and have, to a certain extent, interacted with state institutions and benefited from state policies in the soybean commodity chain. However, this plural class arrangement has recently been replaced by the prominence of one hegemonic faction: the state-transnational capitalists behind COFCO. Accordingly, since 2013, when Xi Jinping took office, COFCO more than doubled its processing capacity and became the leading player in the soybean commodity chain (see Table 2).[5]

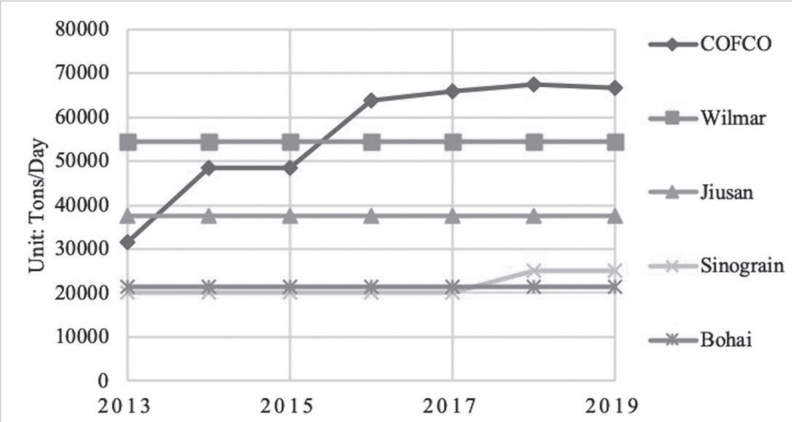

Table 2: Soybean processing capacity of China's top 10 enterprises (2013-19)
Source: Qichacha [Enterprises Investigation] (2019) and Sublime China Information (SCI) – Database (2018); data compiled by the author.

The prevalence of state-transnational capitalism suggests a shift in the balance of power within the state, which might indicate the consolidation of a new power bloc under Xi Jinping's leadership. This is expressed politically as a set of dual (and even contradictory) policies that corresponds to the objective interest of this class. On the one hand, China's State Council has reinforced the state control over SOEs and the leading role of the state sector in China's economy, and on the other, it has promoted ownership diversification by the injection of private capital into, and the transfer of state assets to, publicly-traded financial holdings (Aglietta/Bai 2016; Xiao 2018)

Xi Jinping's dual policy is based on two political and economic imperatives that have paved the way for COFCO's expansion in the soybean commodity chain. The first is related to the gradual character of China's reforms, which the state sector has counted on as a source of constant resource mobilisation for financing productive investments and promoting industrial scaling-up (Kroeber 2016; Naughton 2006). The second is related to the saturation of such a growth model through overproduction and indebtedness.

Regarding the former, China's state sector has invested heavily in soybean processing infrastructure, particularly after 2007, when the government issued supportive directives to resume national ownership. This has increased COFCO's strategic role in the sector. However, COFCO was not the only one to expand its production (see Table 3).

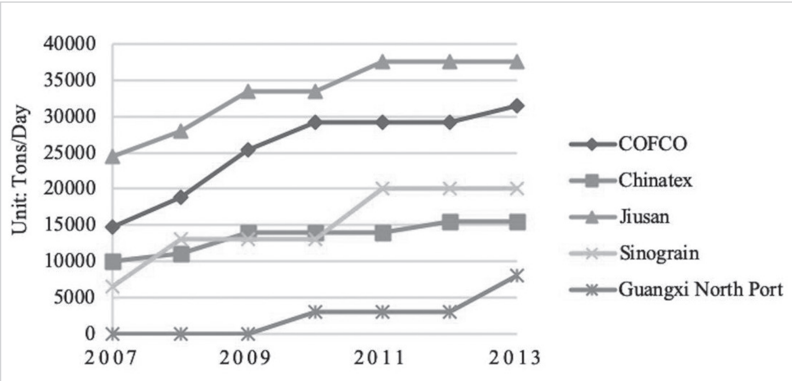

Table 3: Soybean processing capacity of China's state-owned enterprises (2007-13)
Source: Qichacha [Enterprises Investigation] (2019) and Sublime China Information (SCI) – Database (2018); data compiled by the author.

Regarding the latter, after tremendous industrial growth, China's domestic industry has been less and less able to absorb great amounts of surplus capital (Kroeber 2016: 214). In the soybean complex, this has translated into a long-term overcapacity (Table 4). The more investment in soybean processing, the less returns it has generated. However, in this area, COFCO did differentiate itself from other leading SOEs.

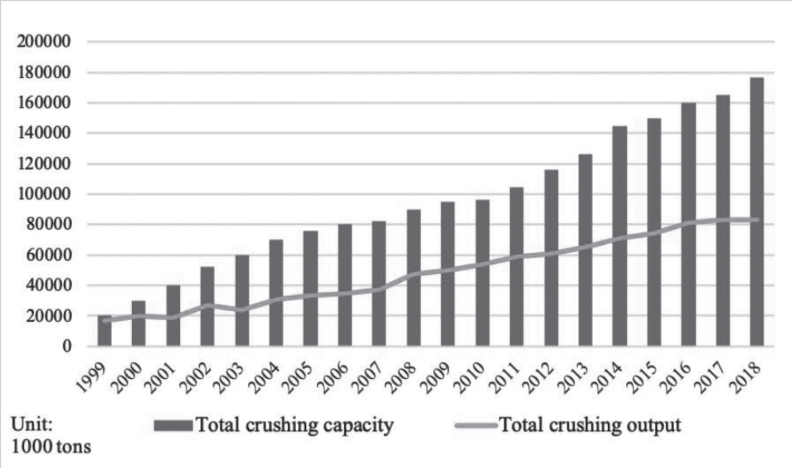

Table 4: Soybean meal production and capacity (1999-2018)
Source: BRIC Agri Info Group (2019) and BRIC Agri Info Group (2018); data compiled by the author.

COFCO's financially-driven expansion turned out to be a response to China's industrial overcapacity. Its profits from finance and trading operations have increased continuously (Zhao 2017). At the same time, COFCO's internationalised structure has provided advantageous conditions to transfer industrial assets abroad. By building processing facilities in leading exporting countries, such as Brazil and Argentina, COFCO would enjoy lower labour costs, an advantageous supply of raw materials, and easier access to foreign markets.

COFCO has also distinguished itself from other leading SOEs by the way it has reacted to the increasing indebtedness of Chinese companies. Indebtedness is a by-product of China's industrial overcapacity. Since productive investments have exceeded the actual market demand, the loans taken to finance these projects have generated continuously lower returns, and further debt had to be added to repay interest. For instance, from 2007 to 2014 the corporate debt shifted from 72 per cent to 125 per cent of China's GDP (McKinsey Global Institute 2019; Aglietta/Bai 2016: 3; Kroeber 2016).

The high levels of borrowings have steadily compelled SOEs to develop financial instruments to raise funds, expand businesses, and manage assets (Law 2014; Wang 2015; Nogueira/Qi 2018). However, COFCO had already long before developed those instruments through equity diversification and association with foreign financial holdings.

Political and economic imperatives thus contributed to the fact that the interests of state-transnational capitalists became expressed in Xi Jinping's dual policy. On the one hand, COFCO has continued with its internationalised and financialised expansion strategy, and on the other, it has gained a privileged access to state institutions and obtained preferable financial support. During the current Xi Jinping administration, COFCO has received a huge amount of credit from state agencies and public banks (Chou et al. 2012; Alon et al. 2014). For instance, in 2013, the company obtained a 30 billion yuan loan from the China Development Bank for a term of five years (China Daily 2013). The government subsidies directed to COFCO increased from an average of US$250 million between 2010 and 2013, to US$660 million in 2015 (Chen 2018; Hu 2013).

In addition to the financial support, SASAC has used this company as the backbone for an integration programme with other member companies. Accordingly, since 2013, China Grain & Logistics, China Grains & Oils, and Chinatex, three big SOEs also from the agricultural sector, have merged with COFCO. With the integration of these enterprises, along with the acquisition of other private firms, often channeled by SASAC (Oliveira 2017: 319), COFCO became China's leading player in almost all the downstream and upstream segments of China's agricultural economy (Li 2016).

7. A new path of internationalisation

As Poulantzas' state analysis suggests, international capitalist expansion ultimately reflects material class interests and the power relations between different classes within the state. In the same way, the class arrangement in a country defines the main forms and methods of expansion beyond its borders (Poulantzas 1976). The most effective forms of international expansion rely on the capacity of each class to achieve its interests through its political expression as a hegemonic power (see Berringer 2014).

Following this analytical approach, we notice that the different investment strategies described in the second section of this article are tightly connected to the expansion strategies adopted by each capitalist faction in China's soybean commodity chain.

Accordingly, as the related literature describes, the efforts, until 2012, to establish international supply bases through farmland purchases and new trade channels were a reaction to China's dependence on soybean imports and a will to control and stabilise the continuing rise of world commodity prices. However, the companies that carried out these investments are related to the national capitalist factions in the Chinese state and private sector. These classes have relied mainly on industrial capital through productive investments in processing infrastructure and have maintained an import-led growth model. Therefore, their inclination to invest overseas has been restricted to the access and control of resources. Beidahuang, Jiusan's sole shareholder, and Hopefull have engaged in agreements regarding soybean farmland production and trading infrastructure overseas (Chou et al. 2012; Hopefull Grain & Oil 2018; Oliveira 2017). At the same time, their national-based and homogeneous ownership structure has encouraged them to invest in Brazil through their own financial instruments and a certain level of financial support from national banks.

On the other hand, as the literature points out, the world economic slowdown and the stabilisation of food prices after 2012, along with problems related to negative reactions in hosting countries, have encouraged Chinese companies to invest through mergers and acquisitions in a wide range of segments in the soybean commodity chain. However, this form of investment also corresponds to the consolidation of a power bloc headed by COFCO's state-transnational capitalists during Xi Jinping's administration.

COFCO's relation with the state has enabled it to allocate enormous financial resources and political support to replicate its model of expansion overseas. Therefore, instead of investing through its own financial instruments, COFCO launched, in September 2014, a multinational investment platform in charge of most of COFCO's business overseas. This platform – the COFCO International Ltd. (CIL) – has raised funds through the participation of transnational financing groups, such as the International Finance Corporation (IFC), affiliated to the World Bank Group, the Singaporean state investment group Temasek, the London-based Standard Chartered, and the Hong Kong-based HOPU Investments, which altogether hold 40 per cent of CIL shares (Guo 2016; Saul et al. 2018; COFCO INTL 2019).

Besides that, COFCO's internationalised operation and management structure have enabled it to transfer assets abroad and to control different segments of the global commodity chain. With the acquisition of Nidera and Noble, COFCO's business reached over 140 countries and regions in the world, where it receives 50 per cent of all its earnings (COFCO 2018a). At the processing sector, one third of COFCO's soybean crushing capacity is currently located abroad – 30 million out of 90 million tons (COFCO 2018a). The company has four soybean processing plants in Argentina and two in Brazil, along with numerous warehouses and port terminals among other facilities and services (The Economic and Business Office of the Consulate General of People's Republic of China in Rio De Janeiro 2018; COFCO 2018b).

8. Conclusion

This article has pointed out that China's investment strategies overseas are closely connected to relations of power within the Chinese state. In order to demonstrate this, we have drawn attention to the emergence of four distinct capitalist fractions from new forms of capital accumulation throughout China's reform period. Their expansion strategies in the soybean commodity chain and their interaction with the state have generated different types of inclinations to go abroad.

This article has also shown that political and economic imperatives related to China's development trajectory and their expression in the soybean complex have paved the way for COFCO's rise as the leading player. This has contributed to the consolidation of a new power arrangement under Xi Jinping's leadership: an arrangement based on the state-transnational capitalist as a new hegemonic class. As a result, COFCO has been able to expand abroad with the support of the state while other companies have not succeeded.

This process might affect China's dynamics of international expansion. The multiple strategies led by different Chinese enterprises in the global soybean commodity chain might be reduced to a more homogeneous expression. However, this will depend on the interaction of other classes within the new soybean power bloc – as well as the mechanisms their companies will use to achieve continued growth and their changing approaches to state institutions. In the case that other Chinese companies follow COFCO's model, they may impose pressures on the state for further financial liberalisation and outflows of capital in the soybean commodity chain. On the contrary, inter-capital rivalry might limit the tendency for a homogeneous form of expansion.

At the same time, the rise of COFCO may alter China's role in the world. COFCO's control over various segments of the global soybean commodity chain might point to a new instrument for realising imperialist ambitions. This instrument consists of an association with foreign capital, a replication of expansion methods by Western agri-food transnationals, and, at the same time, an anchoring within the strong Chinese state sector. Nevertheless, its success will depend on the relations of power at the international level regarding the interaction with other states and enterprises as well as the reaction of the working class.

Acknowledgments

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1 84 in the British Virgin Islands, 16 in Samoa, and two in Bermuda.
2 Five are listed in Hong Kong and four in mainland China.
3 A financial instrument agreed between parties unknown to each other to buy or sell a product at a predetermined price and at a specified time in the future.
4 SASAC is an administrative agency of China's State Council in charge of strategic sectors of the economy, as well as national defence and communications.
5 The graph does not show the processing capacity of Noble and Chinatex, since these two enterprises have been integrated into M&A and COFCO in 2013 and 2016, receptively.

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Abstract *In Chinas Reformperiode wurden Prozesse der Kapitalakkumulation eingeleitet, auf Basis derer sich neue Kapitalistenklassen herausgebildet haben. Die Ausbreitung dieser Klassen entlang der Sojabohnen-Güterkette und ihr Verhältnis zum Staat haben unterschiedliche Formen der Integration in globale Wertschöpfungsketten hervorgerufen. Die Entwicklung von Chinas Sojabohnen-Komplex hat dabei zum Aufstieg einer dominanten Klassenfraktion geführt: die staatlich-transnationalen Kapitalistenklasse. Die Herausbildung dieser Klasse wurde durch die finanzgetriebene, internationale Expansion der China National Cereals, Oils and Foodstuffs Corporation (COFCO) gefördert. Ihre gewachsene Bedeutung hat es dem Unternehmen COFCO ermöglicht, Expansionsmethoden auf internationaler Ebene zu replizieren und damit in weiterer Folge Chinas Rolle in der globalen Sojabohnen-Güterkette zu verändern.*

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